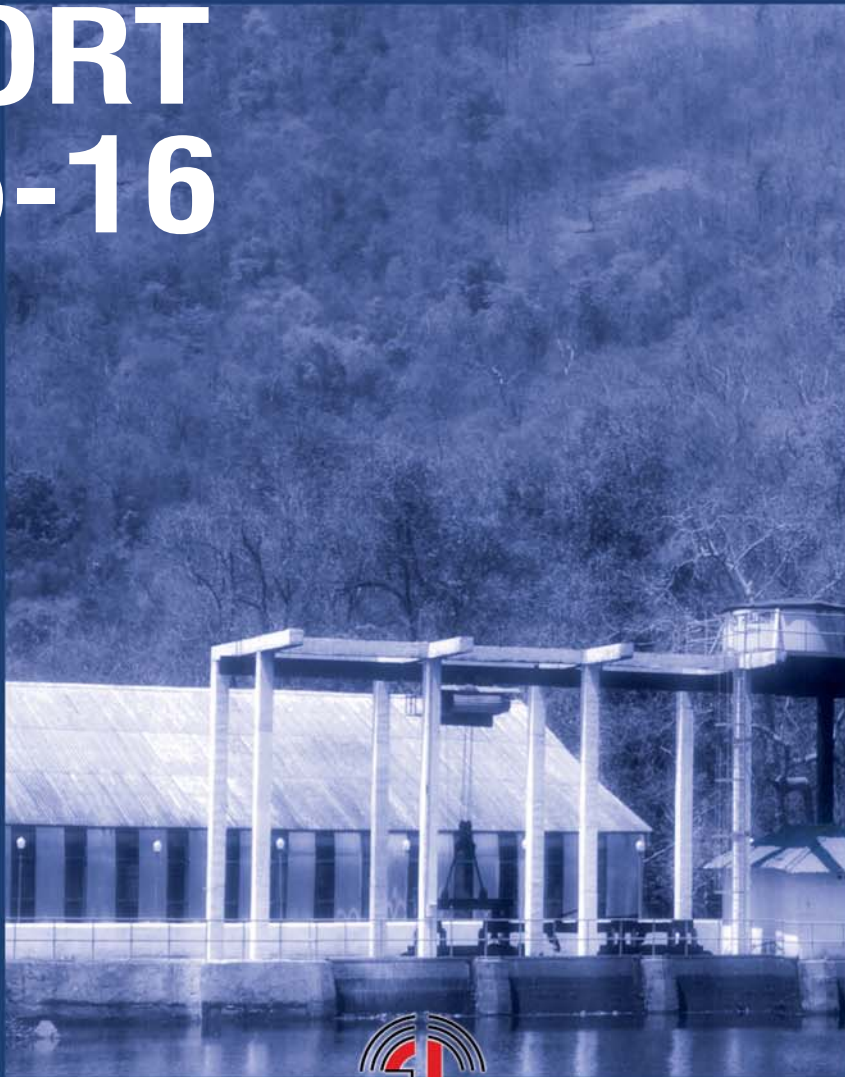


# ANNUAL REPORT 2015-16



**Energy Development Company Limited**



**21ST  
ANNUAL REPORT & ACCOUNTS  
2015 - 2016**



**ENERGY DEVELOPMENT  
COMPANY LIMITED**

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Annual General Meeting on Thursday,  
the 29th day of September, 2016 at 1:30  
P.M. at Harangi Hydro Electric Project,  
Vill.-Hulugunda, Taluka - Somawarpet,  
District - Kodagu, Karnataka - 571 233.

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Chairman

Mr. Amar Singh (*Non-Executive*)

#### Executive Director

Mr. Sanjiv Saraf

#### Directors

Mr. Gouri Prasad Goenka

Mrs. Pankaja Kumari Singh

Mr. Sanjay Kumar Gupta

Mr. Vijoy Kumar

Mr. Tarun Chaturvedi

Mr. Anil Gupta

Mr. Bijay Kumar Garodia

Mr. Chanakya Arvind Dhanda (*w.e.f. 25.03.2016*)

#### Chief Financial Officer

Mr. Amit Damani

#### Company Secretary

Ms. Vijayshree Binnani

#### Statutory Auditors

M/s. Lodha & Co.

Chartered Accountants

#### Registered Office

Harangi Hydro Electric Project

Village - Hulugunda, Taluka - Somawarpet

District - Kodagu, Karnataka - 571 233

Phone : (08276) 277040; Fax : (08276) 277012

E-mail : edclhhep@gmail.com

www.edclgroup.com

CIN : L85110KA1995PLC017003

#### Corporate Office

EDCL HOUSE

1A, Elgin Road, Kolkata - 700 020

Phone : (033) 4041 1983 / 1990 Fax : (033) 2290 3298

E-mail : secretarial@edclgroup.com

Website : www.edclgroup.com

#### Audit Committee

Mr. Tarun Chaturvedi (*Chairman*)

Mr. Anil Gupta

Mr. Sanjay Kumar Gupta

Mr. Vijoy Kumar

#### Stakeholders Relationship Committee

Mrs. Pankaja Kumari Singh (*Chairperson*)

Mr. Vijoy Kumar

Mr. Sanjiv Saraf

Mr. Sanjay Kumar Gupta

#### Nomination and Remuneration Committee

Mr. Vijoy Kumar (*Chairman*)

Mr. Sanjay Kumar Gupta

Mr. Tarun Chaturvedi

#### Corporate Social Responsibility Committee

Mr. Sanjay Kumar Gupta (*Chairman*)

Mr. Sanjiv Saraf

Mr. Tarun Chaturvedi

#### Principal Bankers

Allahabad Bank

ICICI Bank Limited

State Bank of India

The Federal Bank Limited

The Ratnakar Bank Limited

United Bank of India

Yes Bank Limited

#### Registrar & Share Transfer Agent

Niche Technologies Private Limited

D-511, Bagree Market, 5th Floor

71, Biplabi Rash Behari Basu Road

Kolkata - 700 001

Phone : (033) 2235 7270 / 7271

E-mail : nichetechpl@nichetechpl.com

#### Stock Exchanges where Company's Shares are listed

BSE Limited

National Stock Exchange of India Limited



## NOTICE TO THE MEMBERS

Notice is hereby given that the **21st Annual General Meeting** of the Members of the Company will be held at its Registered Office at Harangi Hydroelectric Project, Village – Hulugunda, Taluka – Somawarpet, District – Kodagu, Karnataka – 571 233, on Thursday, the 29th day of September, 2016 at 01:30 P.M. to transact the following businesses:

### ORDINARY BUSINESSES :

1. To consider and adopt the Audited standalone and consolidated Financial Statements of the Company for the financial year ended on 31st March, 2016 along with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend for the financial year ended on 31st March, 2016.
3. To appoint a Director in place of Mr. Sanjiv Saraf (DIN: 00506650), who retires by rotation at this Annual General Meeting, and being eligible has offered himself for re-appointment.
4. To ratify the appointment of the Auditors and to fix their remuneration. In this regard, to consider and, if thought fit, to pass the following as an **Ordinary Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 139 and 142 and all other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder, the Company hereby ratifies the appointment of M/s. Lodha & Co., Chartered Accountants, 14, Government Place East, Kolkata – 700 069, (Firm Registration No. 301051E) as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 22nd Annual General Meeting to be held in 2017 and the Board of Directors be and is hereby authorized to fix such remuneration for the financial year 2016-17, as may be recommended by the Audit Committee, in consultation with the Auditors plus reimbursement of out-of-pocket expenses actually incurred by the Auditors at the time of performing their duties.”

### SPECIAL BUSINESSES :

#### 5. Appointment of Mr. Chanakya Arvind Dhanda as a Non-Executive Director

To appoint Mr. Chanakya Arvind Dhanda (DIN: 02709047) as a Non-Executive Director and in this regard to consider and, if thought fit, to pass the following as an **Ordinary Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force), Mr. Chanakya Arvind Dhanda (DIN: 02709047) who was appointed as an Additional Director of the Company to hold office upto the date of this Annual General Meeting and in respect of whom the Company, in pursuance of Section 160 of the Companies Act, 2013, has received a notice in writing from him along with the deposit of requisite amount, proposing his candidature for the office of Director, be and is hereby appointed as a Director (Categories being Non-Executive, Professional) of the Company, liable to retire by rotation.”

“**RESOLVED FURTHER THAT** The Board be and is hereby authorized to do all acts and take all such necessary steps as may be necessary, proper or expedient to give effect to this resolution.”

#### 6. Remuneration of Cost Auditors

To ratify the remuneration of the Cost Auditors for the financial year ending on 31st March, 2017 and in this regard to consider and, if thought fit, to pass the following as an **Ordinary Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force), the Company hereby ratifies the remuneration of M/s. N. Radha Krishnan & Co., Cost Auditors appointed by the Board of Directors to conduct the audit of the cost records of the Company for the financial year ending on 31st March, 2017 at a remuneration of ₹ 40,000 (Rupees forty thousand) only plus service tax and reimbursement of out of pocket expenses, if any.”



“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. **Approval of Material Related Party Transactions**

To consider and if though fit, to pass, the following as an **Ordinary Resolution** :

“**RESOLVED THAT** pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or enactment thereof for the time being in force), and also pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed in their respective meetings, the Material Related Party Transactions as entered by the Company during the Financial Year 2015-16 as set out under item no. 7 of the Statement annexed to this Notice, be and are hereby approved and deemed to have been so approved and that the Board of Directors be and is hereby authorized to perform and execute all such deeds, matters and things including delegate such authority as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto.”

Dated : 14th August, 2016

**Corporate Office :**

"EDCL House"

1A, Elgin Road

Kolkata - 700 020

By Order of the Board  
For **Energy Development Company Limited**

Sd/-

**V ayshree Binnani**  
(Company Secretary)

**NOTES :**

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN FORTY EIGHT HOURS BEFORE THE MEETING.**

*A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company and carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxy form and attendance slip is enclosed herewith. Members / Proxies / Authorized Representative should bring their Attendance Slip duly filled in for attending the Meeting.*

- 2) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- 3) Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Meeting is annexed hereto.
- 4) Information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Directors seeking appointment / re-appointment at the Meeting are provided as an annexure hereto.
- 5) The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 23rd September, 2016 to Thursday, the 29th September, 2016 (both days inclusive) for the purpose of payment of dividend, if approved by the members at the this meeting.
- 6) The dividend, as recommended by the Board, if approved by the members at this Meeting, will be paid on or after 29th September, 2016 to those members or their mandates whose names are registered on the Company's Register of Members:



- a) As Beneficial Owners as at the end of business hours on 22nd September, 2016 as per the lists to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of shares held in electronic form, and
  - b) As members in the Register of Members of the Company after giving effect to all valid share transfers in physical form, which are lodged with the Company or its Registrar & Share Transfer Agent (RTA) i.e. Niche Technologies Pvt. Ltd. on or before 22nd September, 2016.
- 7) Members who have not yet encashed their dividend warrant(s) for the financial years ended on 31st March, 2009 onwards, are requested to make their claims to the Company accordingly, without any delay. It may be noted that the unclaimed dividend for the financial year 2008-09 declared on 16th September, 2009 can be claimed by the shareholders within 19th October, 2016 after which such unclaimed dividend amount shall be transferred to the 'Investor Education and Protection Fund' of Central Government. Please note that after such transfer, the members will not be entitled to claim such dividend.
- 8) Members holding shares in dematerialized form are requested to intimate all changes with respect to their address including Pin Code, Bank Mandate, Income Tax Permanent Account Number, email ID etc. to their respective Depository Participants for updation of the records.
- Members holding shares in physical form are requested to intimate the said information to the Company's RTA.
- 9) Members who hold shares in physical Form in multiple folios in identical name or joint holding in the same order of names are requested to send the share certificates to the Company or its RTA for consolidating into single folio. The share certificates will be returned to the members after making requisite changes thereon.
- 10) Members holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the Company. Request may be made to the Company or its RTA for the Nomination Form.
- 11) The SEBI has mandated all the Companies to print the bank details of the investors on the payment instruments. Hence, while making revalidation requests the members are requested to give their bank account details to print the same in the dividend payment instruments.
- 12) The SEBI has mandated the submission of PAN by every participant in the security market. Members holding shares in electronic form / physical form are therefore, requested to submit their PAN to the Company or its RTA.
- 13) Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with the relevant Rules made there under and Regulation 36 and 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not yet registered their e-mail address with the Company or their respective Depository are requested to do so.
- 14) The Notice of Annual General Meeting will be sent to the members, whose names appear in the Register of Members / Register of Beneficial Owners maintained by the Depositories as at the closing hours of business on 19th August, 2016.
- Copies of Annual Report 2015-2016 are being sent by electronic mode only to the members whose e-mail addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the Annual Report 2015-2016 are being sent by the permitted mode.
- 15) The Notice of Meeting will also be available on the Company's website i.e. [www.edclgrup.com](http://www.edclgrup.com) and the website of the National Securities Depository Limited ("NSDL") at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- 16) All the documents referred to in the accompanying Notice and Statement are open for inspection by the Members at the Company's Registered Office at Harangi Hydro Electric Project, Village – Hulugunda, Taluka – Somawarpet, District – Kodagu, Karnataka – 571 233 on all working days, between 11:00 A.M. to 01:00 P.M. till 29th September, 2016.



- 17) A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. 22nd September, 2016 shall be entitled to vote. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date.
- 18) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
- 19) A person who is not a member as on the cut-off date should treat this notice for information purpose only.

20) **VOTING THROUGH ELECTRONIC MEANS**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the members a facility to exercise their right to vote on the resolutions proposed to be considered at the Annual General Meeting (“AGM”) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“**remote e-voting**”) will be provided by National Securities Depository Limited (“NSDL”).
- II. The remote e-voting period commences on **26th September, 2016 (09:00 A.M.) and ends on 28th September, 2016 (05:00 P.M.)**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

III. **The process and manner for remote e-voting are as under :**

- A. **In case a member receives an e-mail from NSDL [for members whose e-mail IDs are registered with the Company/Depository Participant(s)] :**
  - (i) Open email and open PDF file viz; “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for remote e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com/>
  - (iii) Click on Shareholder - Login
  - (iv) Put user ID and password as initial password / PIN noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of remote e-voting opens. Click on remote e-voting >Active Voting Cycles.
  - (vii) Select “EVEN” of “**Energy Development Company Limited**”.
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
  - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send



scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [csmukeshc@gmail.com](mailto:csmukeshc@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**B. In case a member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company / Depository Participant(s) or requesting physical copy] :**

- (i) Initial password is provided in the Annexure or at the bottom of the Attendance Slip for this AGM (enclosed herewith).
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

IV. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

V. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password / PIN for casting your vote.

VI. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).

VII. Any person who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 22nd September, 2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details / Password" option available at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

- 21) The facility for voting through Ballot Form or Polling Paper shall be made available at the AGM and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Meeting.
- 22) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- 23) Mr. Mukesh Chaturvedi, Practicing Company Secretary, (Membership No. 10213 and CP No.3390) of 169, Arbinda Sarani, Ground Floor, Kolkata – 700 006 has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- 24) The Scrutinizer will submit his report to the Chairman or a person authorised by him, who shall declare the Result.
- 25) The Result declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.edclgroup.com](http://www.edclgroup.com) and on the website of NSDL immediately after the declaration of result. The Result shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

Dated : 14th August, 2016

**Corporate Office :**  
"EDCL House"  
1A, Elgin Road  
Kolkata - 700 020

By Order of the Board  
For **Energy Development Company Limited**

Sd/-  
**V ayshree Binnani**  
(Company Secretary)





## STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Statement pursuant to Section 102(1) of the Companies Act, 2013 ("The Act"), sets out all material facts relating to the business mentioned at Item Nos. 5, 6 and 7 of the accompanying Notice dated 14th August, 2016:

### Item No. 5

Mr. Chanakya Arvind Dhanda (DIN: 02709047) was appointed as an Additional Director of the Company with effect from 25th March, 2016 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Mr. Dhanda holds office upto the date of this Annual General Meeting but is eligible for the appointment as a Director (Categories being Non-executive, Professional). The Company has received a Notice from him in writing along with requisite deposit under Section 160 of the Act, proposing his candidature for the office of Director.

Mr. Dhanda has 10 years of experience in telecommunication industry & financial sector and 3 years of experience as VP in the field of marketing. A statement containing his profile is given in the Annexure to the Notice.

The Board recommends the passing of the Ordinary Resolution as set out in the Item No. 5 of the Notice for the appointment of Mr. Dhanda as a Director, liable to retire by rotation.

None of the Directors / Key Managerial Personnel / their relatives are in any way deemed to be concerned or interested, in the said resolution, except as Shareholder, if any.

### Item No. 6

The Board had on 30th May, 2016 on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. N. Radha Krishnan & Co., the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2017 at a remuneration of ₹ 40,000/- plus service tax and reimbursement of out-of-pocket expenses, if any. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, ratification of the remuneration payable to the Cost Auditors for the Financial Year 2016-17 is being sought from the members by way of an Ordinary Resolution as set out at Item No. 6 of the Notice.

The Board recommends the resolution for approval by the Members. None of the Directors / Key Managerial Personnel / their relatives are in any way deemed to be concerned or interested, in the said resolution, except as Shareholder, if any.

### Item No. 7

During the Financial Year 2015-16, the Company has entered into certain business transactions with M/s. Sarvottam Caps Private Limited and M/s. Startrack Vinimay Private Limited, which are Related Parties as defined under Section 2(76) of the Companies Act, 2013. The transactions entered into with the aforesaid parties does not attract the provisions of Section 188 of the Companies Act, 2013. However, in view of the monetary value of transactions exceeding 10% of the annual consolidated turnover of the Company as per the Last Audited Financial Statement of the Company, the resolution set out in the Item No. 7 of the Notice is proposed to be passed as an Ordinary Resolution.

The details of such transactions are given below:-

Transactions during 2015-16 :

Sl. No.	Nature of Transactions with M/s. Sarvottam Caps Private Limited	Amount (₹)
1	Purchase of preference shares of subsidiaries of M/s. Arunachal Hydro Power Limited	9,23,21,369.00
	<b>Total</b>	<b>9,23,21,369.00</b>



Sl. No.	Nature of Transactions with M/s. Startrack Vinimay Private Limited	Amount (₹)
1	Interest on unsecured loan	8,82,740.00
2	Purchase of preference shares of subsidiaries of M/s. Arunachal Hydro Power Limited	8,95,73,368.00
3	Unsecured Loan (Although materiality threshold was not reached at the time of taking loan)	1,50,00,000.00
4	Purchase of 0.01% NCR preference shares of Eastern Ramganga Valley Hydel Projects Company Private Limited	15,91,20,000.00
5	Purchase of 0.01% NCR preference shares of Sarju Valley Hydel Projects Company Private Limited	9,72,40,000.00
	<b>Total</b>	<b>36,18,16,108.00</b>

All the transactions with related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.

The Board recommends the resolution for approval by the Members. Except Mr. Amar Singh and Mrs. Pankaja Kumari Singh, none of the other Directors / Key Managerial Personnel / their relatives are in any way deemed to be concerned or interested, in the said resolution, except as Shareholder, if any.



## ANNEXURE TO THE NOTICE OF 21ST ANNUAL GENERAL MEETING

### PARTICULARS OF DIRECTORS SEEKING RE-APPOINTMENT/APPOINTMENT

In pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015  
and in pursuance of clause 1.2.5 of Secretarial Standard on General Meetings

Sl. No.	Particulars	Re-appointment		Appointment	
		Mr. Sanjiv Saraf		Mr. Chanakya Arvind Dhanda	
1.	Status of Directorship	Promoter, Executive Director		Non-executive Director (Additional)	
2.	Relationship with other Directors and Key Managerial Personnel	None		None	
3.	Date of Birth	13.05.1955		15.09.1984	
4.	Date of appointment	01.04.2014		25.03.2016	
5.	Qualification	M. Tech from B.H.U. (Varanasi)		Bachelors of Business Administration from International Management Institute, Brussels	
6.	Expertise in specific functional areas	Over 39 years' experience in Electrical Engineering & Hydro Electric Projects.		10 Years' experience in Telecommunication Industry & financial sector. 3 Years' experience as VP in the field of marketing.	
7.	Directorship in other Companies as on 31.03.2016	<ul style="list-style-type: none"> <li>i) Heinzmann Hydro Tech Pvt. Ltd.</li> <li>ii) EDCL Power Projects Ltd.</li> <li>iii) EDCL Infrastructure Ltd.</li> <li>iv) Ester India Chemicals Pvt. Ltd.</li> <li>v) Ayyappa Hydro Power Ltd.</li> <li>vi) Eastern Ramganga Valley Hydel Projects Company Pvt. Ltd.</li> <li>vii) Sarju Valley Hydel Projects Co. Pvt. Ltd.</li> <li>viii) EDCL- Seppa Marjingla Hydro Electric Pvt. Ltd.</li> <li>ix) EDCL - Seppa Nire Hydro Electric Pvt. Ltd.</li> <li>x) Boom Hydro Energy Private Limited</li> <li>xi) Khari Hydro Power Project Pvt. Ltd.</li> <li>xii) EDCL-Seppa Kawa Power Pvt. Ltd</li> </ul>	<ul style="list-style-type: none"> <li>i) Tirupati Fincorp Ltd.</li> <li>ii) Yuvraj Textiles Pvt. Ltd.</li> <li>iii) Equanimity Traders Pvt. Ltd.</li> <li>iv) LFS Broking Pvt. Ltd.</li> <li>v) IIST Infotech Pvt. Ltd.</li> <li>vi) CKP Holdings Pvt. Ltd.</li> <li>vii) CKP Capital Advisors Pvt. Ltd.</li> <li>viii) Easy Mobile India Pvt. Ltd.</li> <li>ix) Sanrachna Trading Pvt. Ltd.</li> <li>x) CKP Wealth Management Pvt. Ltd.</li> <li>xi) Easy Funtainment Pvt. Ltd.</li> <li>xii) Kolar Sharex Pvt. Ltd.</li> <li>xiii) Percept Media Work Pvt. Ltd.</li> <li>xiv) YR General Trading HK Ltd.</li> <li>xv) Easy Global Trading PTE Ltd.</li> <li>xvi) Easy Worldwide Trading LLC</li> </ul>		
8.	Chairman(C) / Member(M) of Committees of the Board of Companies of which he is a Director	<ul style="list-style-type: none"> <li>i) Energy Development Company Limited : <ul style="list-style-type: none"> <li>(a) Stakeholders Relationship Committee (M)</li> <li>(b) Corporate Social Responsibility Committee (M)</li> </ul> </li> <li>ii) Ayyappa Hydro Power Limited : <ul style="list-style-type: none"> <li>(a) Audit Committee (M)</li> <li>(b) Nomination and Remuneration Committee (M)</li> </ul> </li> <li>iii) EDCL Power Projects Limited : <ul style="list-style-type: none"> <li>(a) Nomination and Remuneration Committee (M)</li> </ul> </li> </ul>	NIL		



Sl. No.	Particulars	Re-appointment	Appointment
		Mr. Sanjiv Saraf	Mr. Chanakya Arvind Dhanda
9.	Number of shares held in the Company as on 31.03.2016.	10,000	8,01,000
10.	Number of convertible warrants held in the Company as on 31.03.2016.	Nil	Nil
11.	Date of first appointment on the Board	18.03.2002	25.03.2016
12.	Terms and condition of appointment	As approved in the Annual General Meeting held on 18.09.2014	Subject to the provisions contained in the Companies Act, 2013 and Memorandum and Articles of Association of Company.
13.	Remuneration to be paid	As approved in the Annual General Meeting held on 18.09.2014	Sitting Fees and such reimbursements as approved by Board
14.	Remuneration last drawn	₹ 47,54,600/-	Nil
15.	No. of the Board Meeting attended during the year	8	Nil



## DIRECTORS' REPORT

### TO THE MEMBERS,

Your Directors take pleasure in presenting the 21st Annual Report on the business and operations of your Company along with the standalone and consolidated summary financial statements for the year ended on 31st March, 2016.

### FINANCIAL RESULTS

Your Company's financial performance for the year under review is summarized below : (Amount in ₹)

PARTICULARS	Consolidated		Standalone	
	Year ended 31.03.2016	Year ended 31.03.2015	Year ended 31.03.2016	Year ended 31.03.2015
Revenue from operations	<b>1,49,45,06,937</b>	38,15,87,161	<b>1,33,74,95,375</b>	21,76,27,198
Other Income	<b>72,19,039</b>	7,82,03,472	<b>48,69,560</b>	6,18,20,773
<b>Total Revenue</b>	<b>1,50,17,25,976</b>	45,97,90,633	<b>1,34,23,64,935</b>	27,94,47,971
Total expenses other than depreciation & finance cost	<b>1,34,74,79,569</b>	21,24,92,564	<b>1,26,90,71,507</b>	14,79,26,215
<b>Profit before depreciation and finance cost</b>	<b>15,42,46,407</b>	24,72,98,069	<b>7,32,93,428</b>	13,15,21,756
Depreciation	<b>11,03,25,677</b>	11,85,95,505	<b>3,29,69,733</b>	4,06,37,807
<b>Profit before finance cost and tax</b>	<b>4,39,20,730</b>	12,87,02,564	<b>4,03,23,695</b>	9,08,83,949
Finance cost	<b>18,98,96,715</b>	26,29,35,120	<b>1,73,00,567</b>	7,69,81,563
<b>Profit before tax</b>	<b>(14,59,75,985)</b>	(13,42,32,556)	<b>2,30,23,128</b>	1,39,02,386
Tax expenses	<b>51,04,690</b>	51,52,335	<b>68,79,080</b>	1,01,545
<b>Net profit for the period</b>	<b>(15,10,80,675)</b>	(13,93,84,891)	<b>1,61,44,048</b>	1,38,00,841
<b>Earnings per equity share of ₹ 10 each (Basic &amp; Diluted)</b>	<b>(4.35)<sup>#</sup></b>	(6.29)	<b>0.46<sup>#</sup></b>	0.50

<sup>#</sup>On weighted average number of equity shares.

### APPROPRIATION

Your Directors recommend appropriation as under: (Amount in ₹)

PARTICULARS	Standalone	
	Year ended 31.03.2016	Year ended 31.03.2015
Surplus as at end of previous year	<b>58,75,51,401</b>	59,26,27,231
Add: Net profit for the year	<b>1,61,44,048</b>	1,38,00,841
<b>Available for appropriation</b>	<b>60,36,95,449</b>	60,64,28,072
Less: Proposed dividend	<b>2,37,50,000</b>	1,37,50,000
Less: Tax on dividend	<b>48,34,941</b>	27,99,176
Less: Transfer to General Reserve	-	-
Less: Adjustment of Depreciation (Net of Deferred Tax) as on 01.04.2015	-	23,27,495
<b>Total Appropriation</b>	<b>2,85,84,941</b>	1,88,76,671
<b>Surplus carried forward</b>	<b>57,51,10,508</b>	58,75,51,401



## **DIVIDEND**

Your Directors recommend payment of dividend @ 5% on the paid up share capital of the Company, i.e. ₹ 0.50/- per equity share of ₹ 10/- each.

## **RESERVES**

The Company did not transfer any amount to reserves during the year.

## **SHARE CAPITAL**

During the financial year under review the Company had increased its authorized share capital from ₹ 35 crore to ₹ 50 crore. Further, the Company had issued 2,00,00,000 equity shares of ₹ 10/- at a price of ₹ 22/- per share (including premium of ₹ 12/- per share) to promoters and non-promoters on preferential basis. Consequently, the issued, subscribed and paid up capital of the Company has been increased from ₹ 27.50 crore in financial year 2014-15 to ₹ 47.50 crore in financial year 2015-16. The fresh shares allotted as aforesaid have been duly listed on the Stock Exchanges.

Your Directors state that there has been no deviation or variation in the utilization of issue proceeds and the entire fund raised from the preferential issue (approved by shareholders in Extra-ordinary General Meeting held on 24.10.2015) has been utilized for the purposes for which it was raised.

## **STATE OF COMPANY'S AFFAIRS**

The Company is primarily engaged in power generation, infrastructure development, such as construction of bridges, hydro projects including operation and maintenance thereof, supply of materials etc. Financial position of the Company is given in the previous paragraphs. A detailed information on the operation of different business segments of the Company, future expectations and business environment is provided in the Management Discussion and Analysis Report which is annexed herewith and marked as **Annexure "A"**.

## **CORPORATE GOVERNANCE**

Pursuant to Regulation 34 and Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as LODR Regulations), Management Discussion and Analysis Report, the Report on Corporate Governance, Declaration of Whole-Time Director on Code of Conduct, CEO / CFO Certification and Auditors Certificate on compliance of conditions of Corporate Governance form an integral part of this Report and are annexed herewith and marked as **Annexure "A", "B", "C", "D" and "E"** respectively.

## **SUBSIDIARY AND ASSOCIATE COMPANIES**

The Company is developing several hydro power projects in the States of Arunachal Pradesh, Uttarakhand and Kerala, through its various subsidiaries.

The Company has total 18 subsidiaries as on 31st March, 2016 including 5 wholly owned subsidiaries and 13 subsidiaries held through Arunachal Hydro Power Limited, a wholly owned subsidiary of the Company. Out of the 18 subsidiaries, 3 are material non-listed subsidiaries, namely, Ayyappa Hydro Power Limited, EDCL Power Projects Limited and Arunachal Hydro Power Limited.

### **Wholly-owned subsidiaries :**

#### **i) Eastern Ramganga Valley Hydel Projects Co. Private Limited**

The Company is executing 6.5 MW Burthing Small Hydro Electric Project and 5 MW Phuliabagar Small Hydro Electric Project, in the State of Uttarakhand. DPR for both the projects have been approved.

#### **ii) Sarju Valley Hydel Projects Co. Private Limited**

The Company is executing 5.5 MW Balighat Small Hydro Electric Project in the State of Uttarakhand. DPR for the project has been approved.



**iii) EDCL Power Projects Limited**

The Company is operating the 7 MW Ullunkal Hydro Electric Project, in the state of Kerela.

Mr. Tarun Chaturvedi (DIN: 02309045) an Independent Director of the Company is on the Board of Directors of this subsidiary.

**iv) Ayyappa Hydro Power Limited**

The Company is executing a 15 MW Karikkayam Hydel Power Project, in the State of Kerala. The Project is scheduled to be completed in two phases. Entire generation from this unit is being sold to the Kerala State Electricity Board (KSEB) under a Long term Power Purchase Agreement (PPA), which was signed on 14.07.2014. The first phase of the project has become operational and the second phase is likely to be operational in the current financial year.

Two of the Independent Directors of the Company are on the Board of Directors of this Subsidiary, namely Mr. Tarun Chaturvedi (DIN: 02309045) and Mr. Vijoy Kumar (DIN: 02970626).

**v) Arunachal Hydro Power Limited**

The Company is executing 12 hydroelectric projects in the State of Arunachal Pradesh through its following subsidiaries having aggregate capacity of 643 MW (approx.), which may vary on finalization of Detailed Project Report (DPR) :

1. EDCL – Seppa Beyond Hydro Electric Private Limited
2. EDCL – Seppa Kawa Power Private Limited
3. EDCL – Tawang Lower Tsachu Hydro Electric Private Limited
4. EDCL – Tawang Upper Tsachu Hydro Electric Private Limited
5. EDCL – Seppa Nire Hydro Electric Private Limited
6. EDCL – Seppa Jung Power Private Limited
7. EDCL – Tawang Power Private Limited
8. EDCL – Seppa Pachuk Power Private Limited
9. EDCL – Seppa Dunkho Hydro Electric Private Limited
10. EDCL – Seppa Lada Hydro Electric Private Limited
11. EDCL – Seppa Riang Power Private Limited
12. EDCL – Seppa Marjingla Hydro Electric Private Limited

DPR is at various stages of preparation / approval. The total expenses for these projects in the State of Arunachal Pradesh as on 31.03.2016 is ₹ 2,00,74,20,123.60.

Mr. Vijoy Kumar (DIN: 02970626) an Independent Director of the Company is on the Board of Directors of this subsidiary.

Besides these, Arunachal Hydro Power Limited is also having one more wholly owned subsidiary viz. EDCL – Arunachal Hydro Projects Private Limited, which is yet to take up any project.

There has been no material change in the nature of the business of the subsidiaries.

The Company has also formulated a Policy for Determining ‘Material’ Subsidiaries in line with the requirement of LODR Regulations. The said Policy may be accessed at [http://www.edclgroup.com/codes\\_policies/policy\\_determining\\_subsidary.pdf](http://www.edclgroup.com/codes_policies/policy_determining_subsidary.pdf).

The Board of Directors in its meeting held on 9th November, 2015 had approved and executed two agreements with Essel Infraprojects Ltd. (“EIL”) wherein EIL would invest in the Hydro power projects held by the Company



through various subsidiaries in the state of Arunachal Pradesh and Uttarakhand, having total project capacity of 650 MW (approx.). Upon consummation of the transaction contemplated under these agreements, EIL (either itself or through its affiliates) would hold 76% and the Company would continue to hold 24% of the share capital of such project companies. The transaction was subject to certain conditions precedents to be fulfilled by the Company and all share transfers under the said agreements were contemplated at cost thereby ensuring that the Company had no loss on the Investments made so far. Further, the agreements executed on 9th November 2015, which was to be implemented by 31st March, 2016 subject to various regulatory and other requisite government approvals, has been extended. In connection with this the Company has sought shareholders' approval by way of Postal Ballot, result whereof shall be published within 19.08.2016.

The Company does not have any associate company.

The Consolidated Financial Statements (CFS) of the Company and its subsidiaries, prepared in accordance with Accounting standards, as required under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, form part of this Annual Report.

Pursuant to provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is annexed herewith and marked as **Annexure "F"**.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

## **DIRECTORS**

The Board of Directors comprises of nine Non-Executive Directors having experience in varied fields and a Whole-time Executive Director. Out of nine Non-Executive Directors, five of them are Independent Directors. Detailed information on Directors is provided in the Report on Corporate Governance is annexed herewith and marked as **Annexure "B"**.

None of the Independent Directors are due for re-appointment. Mr. Chanakya Arvind Dhanda (DIN : 02709047) who was appointed as an Additional Director (Categories being Non-Executive, Professional) on 25th March, 2016. In pursuance of Section 161 of the Companies Act, 2013, he shall hold office upto the date of ensuing Annual General Meeting. Notice under section 160 of the Companies Act, 2013 has been received from him signifying his intention to propose himself as Director of the Company.

Mr. Sanjiv Saraf (DIN : 00506650), Executive Director, (liable to retire by rotation) retires by rotation and being eligible offers himself for re-appointment.

The brief resume and other details relating to Mr. Sanjiv Saraf and Mr. Chanakya Arvind Dhanda are provided in the Notice of Annual General Meeting.

Your Board has also received Form 'DIR-8' pursuant to Section 164(2) of the Companies Act, 2013 read with the Companies (Appointment & Disqualification of Directors) Rules, 2014 from the aforementioned Directors confirming that they have not incurred any disqualification under Section 164(2) of the Companies Act, 2013. Your Board recommends their appointment / re-appointment.

## **Nomination and Remuneration Policy**

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service. The Company follows the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management Personnel of the Company as approved by the Board of Directors. The Nomination and Remuneration Policy is annexed herewith and marked as **Annexure "G"**.





## Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and the LODR Regulations. The Board is also of the opinion that the Independent Directors fulfill all the conditions specified in the Companies Act, 2013 making them eligible to act as Independent Directors.

## Familiarisation Programme for Independent Directors

The details of 'Familiarisation Programme for Independent Directors' has been given in the Corporate Governance Report, annexed herewith and marked as **Annexure "B"**.

## Performance Evaluation

LODR Regulations laying down the key functions of the Board mandates that the Board shall monitor and review the Board Evaluation Process and also stipulates that the Nomination and Remuneration Committee of the Company shall lay down the evaluation criteria for performance evaluation of Independent Directors. Section 134 of the Companies Act, 2013 provides that a formal evaluation needs to be made by the Board of its own performance and that of its committees and individual Directors. Further, Schedule IV to the Companies Act, 2013 states that performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

In accordance with the aforesaid provisions, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. The Directors expressed their satisfaction with the evaluation process.

Some of the performance indicators based on which the evaluation takes place are attendance in the meetings and quality of preparation / participation, ability to provide leadership, work as team player. In addition, few criteria for Independent Directors include commitment to protecting / enhancing interests of all shareholders, contribution in implementation of best governance practices. Performance criteria for Whole-time Director includes contribution to the growth of the Company, new ideas / planning and compliances with all policies of the Company.

## BOARD AND COMMITTEES

The Board met nine times during the financial year under review. At present, there are following four committees:

- i) Audit Committee
- ii) Nomination and Remuneration Committee
- iii) Stakeholders Relationship Committee
- iv) Corporate Social Responsibility Committee

The Board has accepted all the recommendations of Audit Committee. The details of composition, terms of reference, meetings etc. are given in the Corporate Governance Report, annexed herewith and marked as **Annexure "B"**.

## DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 with regard to the Directors' Responsibility Statement, your Board confirms that :

- a) in the preparation of the annual accounts for the financial year ended on 31st March, 2016, the applicable accounting standards have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit / loss of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;



- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **KEY MANAGERIAL PERSONNEL**

The following persons are Key Managerial Personnel :

**Whole-time Director** : Mr. Sanjiv Saraf- designated as "Executive Director".

**Chief Financial Officer** : Mr. Amit Damani.

**Company Secretary** : Ms. Vijayshree Binnani.

#### **ADEQUACY OF INTERNAL FINANCIAL CONTROL**

The Company has in place adequate internal financial control System commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

#### **RISK MANAGEMENT**

The Company has formulated a Risk Management Policy (Risk Management Procedure) in consultation with Senior Management to identify various kinds of risk in business of the Company and its process to minimize the same. The details of various risks and its mitigation are provided in the Management Discussion and Analysis Report, annexed herewith and marked as **Annexure "A"**.

At present the Company has not identified any element of risk which may threaten the existence of the Company.

#### **ESTABLISHMENT OF VIGIL MECHANISM**

The Company has a Whistle Blower Mechanism and a Policy namely, Whistle Blower Policy that lays down the process for raising concern about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. The said Policy may be accessed at [http://www.edclgroup.com/codes\\_policies/whistle\\_blower\\_policy.pdf](http://www.edclgroup.com/codes_policies/whistle_blower_policy.pdf).

Your Company hereby affirms that no Director / employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

#### **CORPORATE SOCIAL RESPONSIBILITY**

The Board of Directors has constituted a 'Corporate Social Responsibility Committee'. For composition and other details kindly refer to Corporate Governance Report.

During the current financial year the Company has spent significant amount under Corporate Social Responsibility, as required under Section 135 of the Companies Act, 2013 read with Rules made thereunder. Annual Report on CSR activities is annexed herewith and marked as **Annexure "H"**.

The Corporate Social Responsibility (CSR) Policy can be accessed at [www.edclgroup.com](http://www.edclgroup.com) under the 'Investor Information' section.

#### **LOAN, GUARANTEES AND INVESTMENTS**

Particulars of loans, investments and guarantees have been disclosed in the financial statements, which forms an integral part of this report.

#### **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

There were no related Party transactions in terms of Section 188 of the Companies Act, 2013 read with the Rules made thereunder. Accordingly, AOC-2 is not required to be attached. All other related party transactions not covered under section 188 of the Companies Act, 2013, that were entered into during the financial year were on arm's length



basis and were in ordinary course of business and were placed before the Audit Committee and Board for their approval, as required. Prior omnibus approval of the Audit Committee was obtained for the transactions which are of repetitive nature. The details of transactions with related parties as per Accounting Standards-18 are disclosed in the notes to accounts. The Company has developed a Related Party Transactions Policy for purpose of identification and monitoring of such transactions.

## AUDITORS AND AUDITORS' REPORT

### (i) Statutory Auditors

At the 19th Annual General Meeting held on 18th September 2014, M/s. Lodha & Co., Chartered Accountants, were appointed as the Statutory Auditors of the Company to hold office till the conclusion of 22nd Annual General meeting to be held in the year 2017, subject to ratification of their appointment at the 20th and 21st Annual General Meeting. In this regard, the Company has received a certificate from the Auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013. Their appointment was ratified at the 20th Annual General Meeting of the Company and they shall retire at the conclusion of the ensuing Annual General Meeting unless their appointment is ratified. Your Board recommends ratification of appointment of the Statutory Auditors.

The Auditors' Report to the members on the Accounts of the Company for the financial year ended on 31st March, 2016 does not contain any qualification, reservation, adverse remark or disclaimer.

### (ii) Cost Auditors

The Board of Directors has re-appointed M/s. N. Radhakrishnan & Co., Cost Accountant, of 11A, Dover Lane, Flat B1/34, Kolkata – 700 029 as the Cost Auditors of the Company to conduct Cost Audit for the financial year 2016 - 2017. In terms of Section 148 of the Companies Act, 2013. Your Board recommends ratification of remuneration of the Cost Auditors in the ensuing Annual General Meeting. The Cost Audit Report for the financial year 2014-15 has been filed with the Ministry of Corporate Affairs within due time.

### (iii) Secretarial Auditor

The Board of Directors has appointed Mr. Deepak Kumar Khaitan, Practicing Company Secretary to conduct the secretarial audit of the Company for the financial year 2015-16.

The Secretarial Audit Report for the financial year ended on 31st March, 2016 is annexed herewith and marked as **Annexure "I"** and forms an integral part of this Annual Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended is annexed herewith and marked as **Annexure "J"**.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars in respect of conservation of energy and technology absorption etc. are annexed herewith and marked as **Annexure "K"**. There were no foreign exchange earnings during the Financial Year 2015 – 2016, however, foreign exchange have been used for the purposes of travelling etc. details whereof are also given in the said **Annexure "K"**.

## EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Rules made thereunder, the extract of the Annual Return in Form MGT – 9 is annexed herewith and marked as **Annexure "L"**.



## GENERAL

The Directors state that no disclosure or reporting is required in respect of the following items during the year under review as :

1. No Deposits covered under Chapter V of the Companies Act, 2013 were accepted;
2. No equity shares with differential rights as to dividend, voting or otherwise; or shares (including sweat equity shares) to employees of the Company under any scheme were issued;
3. No remuneration or commission to the Whole-time Director of the Company were paid from any of its subsidiaries;
4. No significant and material orders passed by any regulatory authority or courts or tribunals impacting the going concern status and Company's operation in future;
5. No fraud has been reported by the Statutory Auditors, Cost Auditors and Secretarial Auditors to the Audit Committee or the Board.

## ACKNOWLEDGEMENTS

Your Directors express their sincere appreciation to the Central and State Governments, Banks, customers, vendors and the Company's valued investors for their continued co-operation and support.

Your Directors also wish to acknowledge the support and valuable contributions made by the employees, at all levels.

For and on behalf of the Board  
For **Energy Development Company Limited**

Place : New Delhi  
Dated : 14th August, 2016

Sd/-  
**Amar Singh**  
(Chairman)



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR THE FINANCIAL YEAR 2015-16

### A. INDUSTRY STRUCTURE AND DEVELOPMENT

India has a total power generation capacity of 298059.97 MW as on 31.03.2016. Major source of such generation are from coal, lignite, natural gas, oil, hydro and nuclear power and renewable sources like wind, solar, agriculture and domestic waste.

According to the data published in May 2015, by Power Reactor Information System (PRIS) of International Atomic Energy Agency (IAEA), India lies in the Twelfth position in terms of power generation in the world. As on 31.03.2016, out of the total Generation State Governments account for about 34.14%, Central Sectors account for 25.60% and private sectors account for 40.26%.

Out of the total generation of power of 298059.97 MW, thermal contributed about 70.68%, hydro contributed about 14.35%, small hydro power, biomass, urban and industrial waste, wind energy and solar power contributed about 13.02% and nuclear contributed 1.94%.

During the year 2015-16, India's per capita electricity consumption, was 1075 kWh compared with 1010 kWh in 2014-15.

During the year 2015-16, though the total ex-bus energy availability increased by 5.8% over the previous year and the peak met increased by 5.2%. The energy requirement registered a growth of 4.3% during the year against the projected growth of 8.7% and Peak demand registered a growth of 3.5% against the projected growth of 5.9%.

The studies carried out for anticipated power supply position for the year 2016-17 indicate that there would be energy surplus of 1.1% and peak surplus of 2.6% in the country during 2016-17.

Surplus energy is anticipated of the order of 3.3% and 6.9% in the Southern and Western Regions respectively. Northern, Eastern and North-Eastern regions are likely to face energy shortage of 1.8%, 10.3% and 8.3% respectively. The peaking shortages are likely to prevail mainly in the Northern, Southern and North-Eastern Regions to the tune of 1.6%, 10.0% and 3.8% respectively.

*Source: <http://pib.nic.in> & <http://www.cea.nic.in>*

Ministry of New and Renewable Energy has been vested with the responsibility of developing Small Hydro Power (SHP) projects up to 25 MW station capacities. The estimated potential for power generation in the country from such plants is over 20,000 MW. Most of the potential is in Himalayan States as river-based projects and in other States on irrigation canals. The SHP program is now essentially private investment driven. Projects are normally economically viable and private sector is showing lot of interest in investing in SHP projects. The viability of these projects improves with increase in the project capacity. The Ministry's aim is that at least 50% of the potential in the country is harnessed in the next 10 years.

#### Hydro Power Project

Hydro power projects are generally categorized in two segments i.e. small and large hydro. In India, hydro projects up to 25 MW station capacities have been categorized as Small Hydro Power (SHP) projects. While Ministry of Power, Government of India is responsible for large hydro projects, the mandate for the subject small hydro power (up to 25 MW) is given to Ministry of New and Renewable Energy. Small hydro power projects are further classified as

Class	Station Capacity in kW
Micro Hydro	Up to 100
Mini Hydro	101 to 2000
Small Hydro	2001 to 25000



## Small Hydro Power Programme

Small Hydro Power (SHP) Program is one of the thrust areas of power generation from renewable in the Ministry of New and Renewable Energy. It has been recognized that small hydropower projects can play a critical role in improving the overall energy scenario of the country and in particular for remote and inaccessible areas. The Ministry is encouraging development of small hydro projects both in the public as well as private sector. Equal attention is being paid to grid-interactive and decentralized projects.

**Aim :** The Ministry's aim is that the SHP installed capacity should be about 7000 MW by the end of 12th Plan. The focus of the SHP programme is to lower the cost of equipment, increase its reliability and set up projects in areas which give the maximum advantage in terms of capacity utilization.

**Potential:** An estimated potential of about 20,000 MW of small hydro power projects exists in India. Ministry of New and Renewable Energy has created a database of potential sites of small hydro and 6,474 potential sites with an aggregate capacity of 19,749.44 MW for projects up to 25 MW capacity have been identified.

The Administrative Approval for the year 2014-15 and remaining period of 12th Plan for Small Hydro Power Programme (upto 25 MW Capacity) has already been circulated vide letter no. 14(03)2014-SHP dated 2nd July 2014. Under the SHP Programme Central Financial Assistance is provided for:

- A) Resource Assessment and Support for Identification of new sites
- B) Setting up new SHP Projects in the private / co-operative / Joint sector etc
- C) Setting up new SHP Projects in the Government sector
- D) Renovation and Modernisation of existing SHP projects in the Government sector
- E) Development/upgradation of Water Mills (mechanical/electrical output) and setting up MicroHydel Projects (upto 100 KW capacity)
- F) Research & Development and Human Resource Development.

**Manufacturing Status :** There are about 27 Equipment Manufacturers (As on 31.01.2015) of Small Hydro Power Turbine who fabricate almost the entire range and type of SHP equipment listed in MNRE. Manufacturers' capacity is estimated at about 400 MW per year.

*Source: <http://www.mnre.gov.in/schemes/grid-connected/small-hydro/>*

## B. SWOT ANALYSIS

### i) Strengths :

Energy Development Company Limited (EDCL) has wide experience and expertise in execution of hydro power projects which gives it a significant competitive advantage. The team of EDCL is supported by eminent consultants. The Company is in the process of developing several hydro power projects through its subsidiaries in remote areas of the country which comes with a range of challenges – logistical, climatic and technological. However, with its strong and efficient team of competent and experienced professionals, most of the hurdles have been mitigated.

Long term power purchase agreement with the State Utilities confirms the sale of entire generation of electricity, as a result all projects under operation so far have PPA with State Utilities, and payments are received on time.

### ii) Opportunities :

The deteriorating hydro-thermal mix, increase in peak hour shortages and frequency variations have forced policymakers to turn their attention towards water resources and on developing hydropower. Besides India's huge untapped hydro potential, especially in the hilly region, with the focus shifting to hydropower, EDCL now has opportunities to add to its capacity in the coming years.



**iii) Threats/Weakness :**

The management of EDCL perceives the following as threats / risks / weaknesses in the construction of hydropower projects :

**Time in clearances** - Stringent norms and cumbersome procedures for getting environmental and forest clearances leads to delays in obtaining clearances for projects, which may affect the capacity addition programmes.

**Land acquisition** - The process of land acquisition for infrastructure work as well as for a project's components including submergence is quite cumbersome and time consuming.

**Geological uncertainties** - In spite of extensive surveys and investigations, various components of hydro projects such as head race tunnels, power houses, pressure shafts and surge shafts face geological surprises especially in the hilly region.

**Inter-state and International disputes** - As water is a state subject in India, there are often inter-state river disputes due to which many hydro projects may get delayed or abandoned. Certain projects are situated in border areas which affect India's international relations.

**Natural calamities** - As most of the hydro projects are located in hilly terrains, natural calamities like land slides, hill slope collapses and road blocks, floods and cloud bursts cause severe setbacks in construction schedules.

**Unexpected complexities** - Unexpected complexities and delays in clearances/execution due to reasons beyond one's control may cause variation/escalations in estimates.

**iv) Risks And Concerns**

Hydropower schemes are capital intensive, have long gestation period and require huge investments which are major constraints in the exploitation of the vast hydropower potential available in the country. Since water is a state subject, state governments are demanding a higher share of free power and other incentives, which lead to higher tariffs.

**C. SEGMENT WISE OR PRODUCT WISE PERFORMANCE**

The Company has three divisions namely generation division, contract division and trading division..

**Generation Division :**

The generating division did not perform well due to poor rainfall during the year under review in comparison to previous year, consequently poor generation of electricity thereof During the financial year 2015-16, total revenue generated from this division is ₹ 9,23,67,127/- (Previous year ₹ 13,49,11,400/-). The Company owns and operates from the following power plants :

**I. Hydro Electric Power Projects**

- i) 9 MW Harangi Hydro Electric Power Plant in the State of Karnataka and
- ii) 6 MW Harangi Hydro Electric Power Plant in the State of Karnataka

**II. Wind Mills**

- i) 1.5 MW Wind mill at Hasssan District in the State of Karnataka and
- ii) 1.5 MW Wind Mill at Chitradurga in the State of Karnataka

Saleable electricity generated from the :

**Hydro Power Plants :** 21.07 million units (previous year 32.13 million units)

**Wind Mills :** 5.22 million units (previous year 5.82 million units)



The Company also owns and operates 7 MW Ullankal Hydro Electric Power Project, through its subsidiary, EDCL Power Projects Limited and produced 18.30 million units during the year 2015-16 as compared to 20.82 million units in 2014-15.

The Company also owns and operates 15 MW Karrikayam Hydro Electric Power Project, through its subsidiary, Ayyapa Hydro Power Limited and produced 27.01 million units during the year 2015-16 as compared to 27.20 million units in 2014-15.

The Company is also developing and executing various hydro power projects through its several wholly owned subsidiaries, details whereof is given in the Directors' Report.

#### **Contract Division**

Infrastructure development in India is growing everyday, in order to tap this lucrative opportunity, your Company has participated and executing various infrastructure related projects like bridges, hydro projects and consultancy service etc. During the year under review the division has earned gross revenue of ₹ 66,86,83,247/- (previous year ₹ 8,27,15,798/-).

#### **Trading Division**

During the period January - March, 2016, the Company had carried out trading activities related to power equipments and the same having different risks and returns other than the existing activities, has been considered as a separate business segment. During the year under review, the trading division has earned gross revenue of ₹ 57,64,45,001/-.

### **D. OUTLOOK**

Your Company's main focus area is the generation of electricity, infrastructure development by way of contract or own projects & Trading of Renewable Energy Products. The Company is also setting up and executing various hydro power plants at Arunachal Pradesh & Uttarakhand which are at various stages of planning development. Details of the said projects are provided in the Directors Report.

### **E. INTERNAL CONTROL SYSTEM**

Company's internal control system have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies.

The Company has re-appointed a firm of Chartered Accountants, M/s. SRB & Associates to carry out internal audit of the Company. The Internal Audit process is designed to review the adequacy of internal control and checks in the system and covers all significant areas of the Company's operations.

The Company has an Audit Committee, the details of which have been provided in the Corporate Governance Report. The Audit Committee reviews Audit Reports submitted by the Internal Auditors.

### **F. FINANCIAL PERFORMANCE**

The net profit before tax stood at ₹ 2,30,23,128/- (Previous year - ₹ 1,39,02,386/-). The detailed performance is given in the Financial Statements of the Directors' Report.

### **G. HUMAN RESOURCES**

The Company regards its human resources as the most valuable assets. The Company strives to provide a fair, empowered and merit-based workplace with scope for continuous learning, enriching competencies among employees and accelerating corporate growth. During the year under review, the Company did not witness any kind of adverse development on the HR front. The Company has always aimed towards attracting and retaining talent in its various functions.





The Company also took initiatives to manage the growing human resource base including a regularized recruitment process, a fair and unbiased performance appraisal system along with an in-built feedback system.

#### **H. CAUTIONARY STATEMENT**

Statements in this Management Discussion and Analysis Report may be “forward looking statements” within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important facts that could make a difference to the Company’s operations include economic conditions affecting global and domestic demand-supply, raw-material costs and availability, changes in Government regulations, tax regimes, economic developments in India and other factors such as litigation and industrial relations, the Company assumes no responsibility to publicly amend, modify or revise any forward looking statement, on the basis of any subsequent developments, information or events. The Company also does not assume any responsibility on the accuracy of statements relating to industry structure and development, as it has been sourced from various available websites.



## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED ON 31.03.2016

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company strongly believes that sound principles of Corporate Governance are important key to success, as they enhance the ability to secure the confidence of its stakeholders. The Company's Corporate Governance initiative is based on three core principles :

- (i) Management must have the executive freedom to drive the enterprise forward without undue restraints.
- (ii) This freedom of management should be exercised within a frame work of effective accountability.
- (iii) Open, transparent and merit based Management.

### 2. BOARD OF DIRECTORS

#### (i) Composition

As on 31.03.2016, the Company has ten Directors. Of the ten Directors, nine (90%) are Non-Executive Directors and five (50%) are Independent Directors. The Company also has a woman Director and the Chairman of the Board is a Non-Executive Promoter Director. Therefore, the composition of Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 [Hereinafter referred to as LODR Regulations].

#### (ii) Board Meetings

The Board of Directors met nine times during the year. The maximum time gap between any two consecutive meetings did not exceed 120 days. The dates of the Board meetings along with attendance of the Directors are as under :-

Sl. No.	Date of Board Meeting	Board Strength	No. of Directors Present
1.	14.04.2015	9	7
2.	28.05.2015	9	7
3.	14.08.2015	9	6
4.	29.09.2015	9	5
5.	01.11.2015	9	6
6.	09.11.2015	9	5
7.	20.11.2015	9	5
8.	06.02.2016	9	8
9.	18.03.2016*	9	7

\*Adjourned meeting held on 25.03.2016 in which 4 out of 9 Directors were present.

#### (iii) Directors' attendance record and Directorship held

None of the members of the Board is holding membership of more than 10 Committees and Chairmanship of more than 5 Committees across all the companies in which he / she is a Director. All the Directors have made the necessary disclosures regarding their occupation in the Committee positions of other companies. The details of the Directors' attendance record at the Board Meetings and at the last Annual General



Meeting, their Directorship and Committee membership in other Companies held during the year under review are given below: -

Sl. No.	Name of Directors	Category	No. of Board Meetings Attended	Attendance at the last AGM held on 29.09.2015	No. of Directorship in the Board of other Companies as on 31.03.2016	No. of Membership held in Committees of Board of other Companies as on 31.03.2016*	No. of Chairmanship held in Committees of Board of other Companies as on 31.03.2016*
1.	Mr. Amar Singh	Promoter & Non-Executive Chairman	7	No	13 (including 5 Private Ltd. Cos.)	Nil	Nil
2.	Mrs. Pankaja Kumari Singh	Promoter & Non-Executive Director	3	No	10 (including 3 Private Ltd. Cos.)	Nil	Nil
3.	Mr. Sanjiv Saraf	Executive Director	8	Yes	12 (including 4 Private Ltd. Cos.)	1	Nil
4.	Mr. Sanjay Kumar Gupta	Non-Executive Director	7	Yes	2 (both Private Ltd. Cos.)	Nil	Nil
5.	Mr. Gouri Prasad Goenka	Independent Non-Executive Director	6	No	5	Nil	1
6.	Mr. Tarun Chaturvedi	Independent Non-Executive Director	7	Yes	11 (including 1 Private Ltd. Co.)	Nil	2
7.	Mr. Vijoy Kumar	Independent Non-Executive Director	7	Yes	6 (including 1 Private Ltd. Co.)	1	Nil
8.	Mr. Anil Gupta	Independent Non-Executive Director	6	No	18 (including 11 Private Ltd. Cos.)	2	Nil
9.	Mr. Bijay Kumar Garodia	Independent Non-Executive Director	5	No	7 (including 3 Private Ltd. Cos.)	1	Nil
10.	Mr. Chanakya Arvind Dhanda#	Non-Executive Director	0	N. A.	11 Private Ltd. Cos. & 3 foreign Cos.	Nil	Nil

\* As per Regulation 26 of the LODR Regulations, only two Committees viz. Audit Committee and Stakeholders Relationship Committee have been considered for this purpose.

# Mr. Chanakya Dhanda came on the Board of Company w.e.f. 25.03.2016.

Mrs. Pankaja Kumari Singh is the spouse of Mr. Amar Singh. None of the other Directors are related to any other Director on the Board.



**(iv) Meeting of Independent Directors**

Meeting of Independent Directors was held on 18.03.2016 to review the performance of Non-Independent Directors and the Board as a whole, review the performance of Chairman of the Company and to assess the quality, quantity and timeliness of flow of information between the Management and the Board. All 5 Independent Directors were present in the meeting.

**(v) Familiarisation Programme for Independent Directors**

The Executive Director/senior managerial personnel make presentations to the inductees about the Company's strategy, projects, operations, organizational structure, finance, human resources, technology, facility and risk management etc. Further, at the time of appointment, the Company issues a formal letter of appointment outlining his role, functions, duties, responsibilities as a Director.

The details of familiarization programme for the Independent Directors can be accessed at [http://www.edclgroup.com/codes\\_policies/training\\_familiarisation\\_programme\\_2015-16.pdf](http://www.edclgroup.com/codes_policies/training_familiarisation_programme_2015-16.pdf).

**(vi) Performance Evaluation**

The details of the performance evaluation has been given in the Directors' Report.

**3. COMMITTEES OF THE BOARD**

**(i) Audit Committee**

There was change in the composition of the Audit Committee on 29.09.2015. Mr. Tarun Chaturvedi, Chairman of the Audit Committee, being a Chartered Accountant by profession, is knowledgeable in areas of finance, accounts, company law and has vast experience in corporate affairs. All the members of the Committee are eminent professionals and draw upon their experience and expertise across a wide spectrum of functional areas such as finance, information systems, engineering and corporate strategy. The Committee met five times during the year, viz. 28.05.2015, 13.08.2015, 30.10.2015, 06.02.2016 and 18.03.2016.

The composition and categories of the members of the Audit Committee and their attendance at the Committee Meetings held during the financial year is given below :

Names of the Director	Category	No. of Committee Meetings attended
Mr. Tarun Chaturvedi	Chairman; Independent, Non-Executive Director	4
Mr. Sanjiv Saraf <sup>(1)</sup>	Member; Executive Director	2
Mr. Vijoy Kumar	Member; Independent, Non –Executive Director	5
Mr. Anil Gupta	Member; Independent, Non –Executive Director	4
Mr. Sanjay Kumar Gupta <sup>(1)</sup>	Member; Non –Executive Director	3

<sup>(1)</sup> Mr. Sanjiv Saraf resigned from the Committee on 29.09.2015 and Mr. Sanjay Kumar Gupta was inducted in the Committee w.e.f. 29.09.2015.

Company Secretary is the Secretary of the Committee. The then Chairman of the Audit Committee was present at the last Annual General Meeting.



**The terms of reference of the Audit Committee includes the following :**

- a) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - ii) Changes, if any, in accounting policies and practices and reasons for the same;
  - iii) Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv) Significant adjustments made in the financial statements arising out of audit findings;
  - v) Compliance with listing and other legal requirements relating to financial statements;
  - vi) Disclosure of any related party transactions;
- e) modified opinion(s) in the draft audit report;
- f) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- g) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- h) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- i) Approval or any subsequent modification of transactions of the company with related parties;
- j) Scrutiny of inter-corporate loans and investments;
- k) Valuation of undertakings or assets of the company, wherever it is necessary;
- l) Evaluation of internal financial controls and risk management systems;
- m) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- n) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- o) Discussion with internal auditors of any significant findings and follow up there on;
- p) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- q) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;



- r) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- s) To review the functioning of the Whistle Blower mechanism, if any;
- t) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- u) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**The Company is having systems and procedures in place to ensure that the Audit Committee mandatorily reviews :**

- (i) Management discussion and analysis of financial condition and results of operations;
- (ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (iv) Internal audit reports relating to internal control weaknesses; and
- (v) The appointment, removal and terms of remuneration of the internal auditors.

**The Audit Committee is also apprised on information with regard to :**

Related party transaction (whether or not in normal course of business and transactions not at arm's length); where money is raised through an issue (public issue, right issue, preferential issue etc.) periodical disclosures regarding use of funds by major category and on annual basis a statement of funds utilized for purpose other than those specified in the notice or offer document.

**(ii) Stakeholders Relationship Committee**

There was change in the composition of the Stakeholders Relationship Committee on 29.09.2015. The Stakeholders Relationship Committee met Four (4) times during the year, viz. 27.05.2015, 13.08.2015, 30.10.2015 and 04.02.2016.

**The composition and categories of the members of the Stakeholders Relationship Committee and their attendance record at the Committee Meetings held during the financial year is given below :**

Names of the Director	Category	No. of Committee Meetings attended
Mrs. Pankaja Kumari Singh	Chairperson, Promoter & Non-Executive Director	4
Mr. Sanjiv Saraf	Member, Executive Director	4
Mr. Vijoy Kumar	Member, Independent, Non-Executive Director	4
Mr. Sanjay Kumar Gupta <sup>(1)</sup>	Member, Non – Executive Director	1

<sup>(1)</sup> Inducted as the member of the Committee w.e.f. 29.09.2015.

**The role/terms of reference of Stakeholders Relationship Committee includes :**

- a) Transfer/Transmission of shares;
- b) Issue of Duplicate share certificates;
- c) Dematerialisation/Rematerialisation of Shares;
- d) Redressal of Investors' grievance;



- e) Non receipt of Annual Report and Dividend;
- f) All other incidental matters with respect to Shareholders and other Investors.

Company Secretary is the Compliance Officer for complying with the requirements of the LODR Regulations

**Status of Complaint Received and Pending :**

Number of Complaints From 01.04.2015 to 31.03.2016			
Pending as on 01.04.2015	Received	Redressed	Pending as on 31.03.2016
Nil	Nil	Nil	Nil

**(iii) Nomination and Remuneration Committee**

The Committee’s constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and Regulation 19 and Schedule II to the LODR Regulations, as amended from time to time. The Nomination and Remuneration Committee met Five (5) times during the year, viz. 28.05.2015, 13.08.2015, 30.10.2015, 06.02.2016 and 18.03.2016.

The composition and categories of the members of the Nomination and Remuneration Committee and their attendance record at the Committee Meetings held during the financial year is given below :

Names of the Director	Category	No. of Committee Meetings attended
Mr. Vijoy Kumar	Chairman, Independent Director	5
Mr. Tarun Chaturvedi	Member; Independent Director	4
Mr. Sanjay Kumar Gupta	Member; Non-Executive Director	5

**The role/terms of the Nomination and Remuneration Committee, inter-alia, includes the following :**

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- b) Formulation of criteria for evaluation of Independent Directors and the Board;
- c) Devising a policy on Board diversity;
- d) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- e) Reviewing and determining all elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc., of all the Directors;
- f) Reviewing and determining details of fixed component and performance linked incentives along with the performance criteria;
- g) Reviewing and determining service contracts, notice period, severance fees;
- h) Reviewing and determining stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable;
- i) Evaluating performance of each Director and performance of the Board as a whole.

**Nomination and Remuneration Policy**

The details of Nomination and Remuneration Policy has been given in the Directors’ Report.



### Criteria for Performance Evaluation of Independent Directors

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Non-Executive Directors, which is given in the Nomination and Remuneration Policy, annexed herewith and marked as **Annexure “G”**.

### Remuneration to Executive Director

Mr. Sanjiv Saraf was re-appointed as the Executive Director of the Company w.e.f. 01.04.2014 for a further period of three (3) years by the Board and also by the approval of the members at the 19th Annual General Meeting held on 18th September, 2014.

**Details of remuneration paid to Executive Director for the year ended on 31st March, 2016 is given herein below:**

Name of Director	Salary (₹)	Incentive (₹)	Allowances & Perquisites# (₹)	Total (₹)	Number of Shares held
Mr. Sanjiv Saraf	30,00,000	6,00,000	11,54,600	47,54,600	10,000

# Rent free accomodation

The terms of employment of the Executive Director stipulates a termination notice of 180 days in writing from either side or salary in lieu thereof.

### Remuneration to Non-Executive Directors

Details of remuneration paid to Non-Executive Directors for the year ended on 31st March, 2016 is given herein below :

Name of Director	Sitting Fees* (₹)	Commission	Total (₹)	Number of Shares held (₹)
Mr. Amar Singh	1,40,000	NIL	1,40,000	14,58,453
Mrs. Pankaja Kumari Singh	1,00,000	NIL	1,00,000	4,68,938
Mr. Gouri Prasad Goenka	1,20,000	NIL	1,20,000	NIL
Mr. Sanjay Kumar Gupta	2,70,000	NIL	2,70,000	6,000
Mr. Tarun Chaturvedi	2,50,000	NIL	2,50,000	NIL
Mr. Vijoy Kumar	2,80,000	NIL	2,80,000	NIL
Mr. Anil Gupta	1,60,000	NIL	1,60,000	NIL
Mr. Bijay Kumar Garodia	1,00,000	NIL	1,00,000	NIL
Mr. Chanakya Arvind Dhanda#	NIL	NIL	NIL	8,01,000

# Mr. Chanakya Arvind Dhanda came on the Board of Company w.e.f. 25.03.2016.

Non-Executive Directors receive only sitting fees as remuneration. No severance fees was paid to any Non-Executive Director of the Company.

### Directors with pecuniary relationship or business transaction with the Company

The Executive Director receives salary, allowances and perquisites while all Non-Executive Directors receive sitting fees. During the year the Company did not advance any loans to any of its Directors. No Stock Options have been issued to any of the Directors of the Company. The Company does not have any Convertible Warrant as on 31st March, 2016. Criteria for making payment to Non-Executive Directors can be accessed at [http://www.edclgroup.com/codes\\_policies/criteria\\_for\\_Payment\\_to\\_NEDs.pdf](http://www.edclgroup.com/codes_policies/criteria_for_Payment_to_NEDs.pdf)





**(iv) Corporate Social Responsibility Committee**

The Committee met Four (4) times during the year, viz. 28.05.2015, 13.08.2015, 30.10.2015 and 06.02.2016.

The composition and categories of the members of the Corporate Social Responsibility (CSR) Committee and their attendance record at the Committee Meetings held during the Year is given below :

Names of the Director	Category	No. of Committee Meetings attended
Mr. Sanjay Kumar Gupta	Chairman, Non - Executive Director	4
Mr. Sanjiv Saraf	Member, Executive Director	4
Mr. Tarun Chaturvedi	Member, Independent Director	3

**The broad terms of reference of the CSR Committee are as under :**

- Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013 or may be prescribed by the rules thereto;
- Recommend the amount of expenditure to be incurred on the activities referred to in the above clause;
- Monitor the CSR Policy of the Company from time to time; and
- Any other matter as the CSR committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

**4. VIGIL MECHANISM**

The details of the vigil mechanism has been given in the Directors' Report.

**5. RISK MANAGEMENT**

The Company has formulated a *Risk Management Policy* in consultation with Senior Management to identify various kinds of risk in business of the Company and its process to minimize the same. For further details, kindly refer to Directors' Report.

**6. COMPLIANCE REPORT**

The Board periodically reviews compliance report of all laws applicable to the Company, prepared by the Company Secretary as well as steps taken by the Company to rectify instances of non-compliances, if any.

**7. GENERAL BODY MEETINGS**

**(i) Location, date and time of the Annual General Meetings held during the preceding 3 years and the Special Resolutions passed there at are as follows :**

Year	Location	Date and time	Special Resolutions Passed
2013	Harangi Hydro Electric Project Vill. – Hulugunda, Taluka – Somawarpet Dist. – Kodagu, Karnataka – 571 233	12.09.2013 at 11:45 A.M.	None
2014	Harangi Hydro Electric Project Vill. – Hulugunda, Taluka – Somawarpet Dist. – Kodagu, Karnataka – 571 233	18.09.2014 at 01:30 P. M.	i) To appoint Mr. Tarun Chaturvedi as an Independent Director ii) To appoint Mr. Vijoy Kumar as an Independent Director iii) To appoint Mr. Gouri Prasad Goenka as an Independent Director iv) To appoint Mr. Anil Gupta as an Independent Director v) To re-appoint Mr. Sanjiv Saraf as Executive Director
2015	Harangi Hydro Electric Project Vill. – Hulugunda, Taluka – Somawarpet Dist. – Kodagu, Karnataka – 571 233	29.09.2015 at 01:30 P. M.	i) To approve remuneration of the Cost Auditors ii) To appoint Mr. Bijay Kumar Garodia as an Independent Director



**(ii) Location, date and time of the Extra Ordinary General Meetings : Two (2) Extra-ordinary General Meeting was held during the year 2015-16.**

Year	Location	Date and time	Special Resolutions Passed
2015-16	Harangi Hydro Electric Project Vill. – Hulugunda, Taluka – Somawarpet Dist. – Kodagu, Karnataka – 571 233	06.06.2015 at 1:00 P.M.	i) To raise the limit of Borrowing Powers under Section 180(1)(c) ii) To enhance the limit to create security under Section 180(1)(a)
2015-16	Harangi Hydro Electric Project Vill. – Hulugunda, Taluka – Somawarpet Dist. – Kodagu, Karnataka – 571 233	24.10.2015 at 12:15 P.M.	i) To increase the Authorised Share Capital of the Company ii) To make amendment in Memorandum of Association of the Company iii) To consider Preferential Issue of 2,00,00,000 Equity Shares

**(iii) Postal Ballot : A Postal Ballot was conducted in the Extra Ordinary general Meeting held on 06.06.2015 for passing of Two (2) Special Resolutions.**

(i) Details of voting pattern and summary of results declared is as follows :-

Item No. of Notice	Particulars and Type of Resolution	No. of folios casting the votes	Votes in favor of the resolution		Votes against the resolution	
			Number of Votes Cast in favour of the Resolution	% of the total number of votes cast	Number of Votes Cast against the Resolution	% of the total number of votes cast
Item No. 1	<b>Special Resolution</b> Special Resolution for increase in the borrowing powers of the Company under Section 180(1)(c) of the Companies Act, 2013.	15	1,54,90,876	100%	0	0
Item No. 2	<b>Special Resolution</b> Special Resolution for creation of Charge/ Mortgage on the Assets of the Company under Section 180(1) (a) of the Companies Act, 2013.	15	1,54,90,816	99.9996	60	0.0004

(ii) Mr. Mukesh Chaturvedi, Practicing Company Secretary acted as a Scrutinizer for the Postal Ballot process.

(iii) The Company is proposing a Special Resolution to be conducted through Postal Ballot.

(iv) Procedure for Postal Ballot : As prescribed under Section 108 and 110 of the Companies Act, 2013 read with the relevant Rules.

**(iv) In accordance with the law, a poll (electronically and by physical ballot) was conducted on all the resolutions of the Notice. All the members were given an option to vote through electronic means using the NSDL platform.**

## 8. DISCLOSURES

### (i) Related Party Transactions

There were no related Party transactions in terms of Section 188 of the Companies Act, 2013 read with the Rules made thereunder. Accordingly, AOC-2 is not required to be attached. All other related party transactions not covered under section 188 of the Companies Act, 2013, that were entered into during the financial year were on arm's length basis and were in ordinary course of business and were placed before



the Audit Committee and Board for their approval, as required. The details of transactions with related parties as per Accounting Standards-18 are disclosed in the notes to accounts.

The Board has approved a Policy For Related Party Transactions which may be accessed at [http://www.edclgroup.com/codes\\_policies/policy\\_related\\_party\\_transaction.pdf](http://www.edclgroup.com/codes_policies/policy_related_party_transaction.pdf).

**(ii) Accounting Treatment**

The Company has followed the Accounting standards as required under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 in preparation of its financial statements.

**(iii) Compliance of various Laws**

There were no instances of non-compliance by Company of any requirements of the Stock Exchange, SEBI or any other statutory authority on any matter related to capital markets during the last three years.

**(iv) Whistle Blower Policy**

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy may be accessed at [http://www.edclgroup.com/codes\\_policies/whistle\\_blower\\_policy.pdf](http://www.edclgroup.com/codes_policies/whistle_blower_policy.pdf). All the personnel of the Company have the access to the Audit Committee.

**(v) Anti-Sexual Harassment Policy**

The Company has adopted Anti-Sexual Harassment Policy, covering all the aspects as contained under the 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013'.

Up till date, the Company has not received any complaint under the Policy.

**(vi) Prevention of Insider Trading**

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has adopted the 'Code of Conduct for Regulating & Reporting Trading by Insiders and For Fair Disclosure, 2015' with a view to regulate trading in securities by the designated employees and connected persons. The said Code can be accessed at [http://www.edclgroup.com/codes\\_policies/ATT00007.pdf](http://www.edclgroup.com/codes_policies/ATT00007.pdf).

**(vii) Reconciliation of Share Capital Audit**

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

**(viii)** There has been no instance of non-compliance of any requirement of Corporate Governance Report.

**(ix)** The Company has complied with applicable requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of LODR Regulations.

**(x) CEO / CFO Certification**

The Executive Director and the Chief Financial Officer of the Company, in terms of Regulation 17(8) read with Part B of Schedule II of the LODR Regulations, have certified to the Board, *inter alia*, dealing with the review of financial statement and Cash Flow Statement for the year ended on 31.03.2016, transactions entered into by the Company during the year, their responsibility for establishing and maintaining internal control system for financial reporting and evaluation of the effectiveness of the internal control system and making of necessary disclosure to the Auditors and the Audit Committee have been duly complied with.



(xi) **Code of Conduct**

The Board of Directors has laid down Code of Conduct for the non – executive Directors, executive Directors and the designated employees in the senior management. The said code may be accessed at [http://www.edclgroup.com/codes\\_policies/code\\_of\\_conduct\\_corporate\\_governance.pdf](http://www.edclgroup.com/codes_policies/code_of_conduct_corporate_governance.pdf). All the Board members and the senior management executives have affirmed compliance with the code of conduct. A declaration to this effect signed by Mr. Sanjiv Saraf, Executive Director is annexed herewith and marked as **Annexure - 'C'**.

**9. SUBSIDIARY AND ASSOCIATE COMPANIES**

The Audit Committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board.

The Company has three material non-listed subsidiary companies namely, Ayyappa Hydro Power Limited, EDCL Power Projects Limited and Arunachal Hydro Power Limited. The Company's Policy for determining 'Material' Subsidiaries may be accessed at [http://www.edclgroup.com/codes\\_policies/policy\\_determining\\_subsidary.pdf](http://www.edclgroup.com/codes_policies/policy_determining_subsidary.pdf).

The Company does not have any Associate Company.

For further details, kindly refer to Directors' Report.

**10. DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON-MANDATORY REQUIREMENTS**

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement relating to Corporate Governance. The Company has adopted the non-mandatory requirements of the LODR Regulations relating to the Board, Modified Opinion(s) on Audit Report and Separate Post of Chairman and Executive Director.

**11. MEANS OF COMMUNICATION**

**(i) Quarterly Results**

The quarterly results are published in the newspapers and are not being sent to the individual shareholders.

**(ii) Newspapers**

As per Regulation 47 of the LODR Regulations, the financial Results, for the quarter ended on 30.06.2015, 30.09.2015, 31.12.2015 and 31.03.2016 were published in the following newspapers :-

The Business Standards – Bangalore and Mumbai Edition

Hosadigantha - (Kannada daily) – Bangalore Edition

**(iii) Website where results are displayed**

Full version of Annual Report including the Balance Sheet, Statement of Profit and Loss, Directors' Report, Corporate Governance Report and Auditors' Report; Cash Flow Statements; Half Yearly Financial Statements, Quarterly Financial Results and Quarterly Shareholding Pattern are available on the website of the Company – [www.edclgroup.com](http://www.edclgroup.com).

The official press releases are communicated to the National Stock Exchange of India Limited and BSE Limited where shares of the Company are listed.

Company Secretary is the Compliance Officer and is responsible for updating above mentioned information and the website of the Company with the requisite authorities.

There are no presentations made by the Company to any institutional investors or to any analyst.



## 12. GENERAL SHAREHOLDER INFORMATION

- (i) **Annual General Meeting :** The Annual General Meeting of the Company will be held on Thursday, the 29th day of September, 2016 at Harangi Hydroelectric Project, Village – Hulugunda, Taluka – Somawarpet, Dist. – Kodagu, Karnataka – 571 233 at 01:30 P.M.
- (ii) **Financial Year :** From 1st April to 31st March
- (iii) **Book Closure Period :** 23.09.2016 to 29.09.2016 (both days inclusive).
- (iv) **Dividend Payment Date :** 29.09.2016.
- (v) **The Company's shares are listed in the following Stock Exchanges :**

**1. BSE LIMITED**

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

**2. NATIONAL STOCK EXCHANGE OF INDIA LIMITED**

“Exchange Plaza”, Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051

Note : Annual listing fee for the year 2016 - 2017 has been paid to the above Stock Exchanges.

(vi) **Depositories :**

(i) **National Securities Depository Ltd.**

Trade World, 4th Floor,  
Kamala Mills Compound,  
Senapati Bapat Marg, Lower Parel,  
Mumbai – 400 013.

(ii) **Central Depository Services (India) Ltd.**

Phiroze Jeejeebhoy Towers, 28th floor,  
Dalal Street, Mumbai – 400 023.

The Company has paid custodial fees for the year 2016 – 2017 to National Securities Depository Limited and Central Depository Services (India) Limited on the basis of number of beneficial accounts maintained by them as on 31.03.2016.

(vii) **The Stock Code of the Company with the Stock Exchanges are as under :**

<b>STOCK EXCHANGE</b>	<b>CODE</b>
BSE Limited	532219
National Stock Exchange of India Limited	ENERGYDEV

(viii) **Demat ISIN Number : INE306C01019**



(ix) **Market Price Data :**

The details of trading at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), for the period from 01.04.2015 to 31.03.2016 are shown below:

MONTH	BSE SHARE PRICE		NSE SHARE PRICE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2015	19.00	15.65	20.25	15.70
May, 2015	18.40	16.10	17.95	16.00
June, 2015	17.45	13.25	17.75	12.40
July, 2015	17.95	13.55	17.95	13.20
August, 2015	28.50	15.65	28.50	15.55
September, 2015	28.45	15.05	28.20	14.95
October, 2015	41.75	27.70	41.45	27.75
November, 2015	42.50	32.05	41.95	32.55
December, 2015	40.30	34.20	40.20	34.30
January, 2016	47.90	35.50	48.20	35.00
February, 2016	49.00	36.05	49.00	35.95
March, 2016	72.50	47.35	72.70	47.00

As on the 31.03.2016 the closing price of the shares of the Company are ₹ 69.30 (in NSE) and ₹ 69.00 (in BSE).

(x) **Performance in comparison to BSE Sensex and NSE Ni y :**

DATE	BSE Limited		National Stock Exchange of India Ltd.	
	Company's Market Price (Close) Per share (₹)	Sensex points (Close)	Company's Market Price (Close) Per share (₹)	Ni y points (Close)
April 30, 2015	17.35	27011.31	16.70	8181.50
May 29, 2015	16.30	27828.44	16.30	8433.65
June 30, 2015	13.55	27780.83	14.00	8368.50
July 31, 2015	16.50	28114.56	15.90	8532.85
August 31, 2015	26.10	26283.09	26.10	7971.30
September 29, 2015	28.45	25778.66	28.20	7843.30
October 30, 2015	33.40	26656.83	33.85	8065.80
November 30, 2015	37.20	26145.67	37.35	7935.25
December 31, 2015	36.90	26117.54	36.75	7946.55
January 29, 2016	43.95	24870.69	43.55	7563.35
February 29, 2016	48.05	23002.00	47.85	6987.05
March 31, 2016	69.00	25341.86	69.30	7738.40



xi) **Registrar and Share Transfer Agent :**

M/s Niche Technologies Pvt. Ltd.  
D-511, Bagree Market, 5th floor,  
71, B. R. B. Basu Road,  
Kolkata – 700 001

(xii) **Exclusive E-mail ID for redressal of investor complaints :**

Kindly use the following contacts for redressal of Investor Complaints:

E-mail : [secretarial@edclgroup.com](mailto:secretarial@edclgroup.com)

(xiii) **Share Transfer System**

Share transfer in physical form should be lodged at the office of the Registrar and Transfer Agent at the address given above or at the Corporate Office of the Company. Share transfers are normally effected within a maximum period of 30 days from the date of lodgment, if technically found to be in order and complete in all respect.

Dematerialisation of shares is processed normally within a period of 21 days from the date of receipt of Demat Request Form.

(xiv) **Distribution of Shareholding as on 31.03.2016 is as under :**

Shareholding Range No. of Shares			Number of Shareholders	% of Shareholders	Number of Shares	% of Shareholding
Upto	–	500	6,122	87.3573	7,66,616	1.6139
501	–	1,000	411	5.8647	3,36,356	0.7081
1,001	–	5,000	316	4.5091	6,90,478	1.4536
5,001	–	10,000	59	0.8419	4,13,624	0.8708
10,001	–	50,000	61	0.8704	13,75,266	2.8953
50,001	–	1,00,000	8	0.1142	5,16,710	1.0878
1,00,001	and	above	31	0.4424	4,34,00,950	91.3704
<b>TOTAL</b>			<b>7,008</b>	<b>100.0000</b>	<b>4,75,00,000</b>	<b>100.0000</b>

(xv) **Shareholding as on 31.03.2016 :**

Category	No. of Shares held	% of holding
Promoters	2,91,24,475	61.31
Financial Institutions, Insurance Co., Banks etc.	0	0
Corporate Bodies	42,11,171	8.87
Indian Public	1,19,05,002	25.06
NRI / OCBs	1,02,597	0.22
Others	21,56,755	4.54
<b>TOTAL</b>	<b>4,75,00,000</b>	<b>100.00</b>

(xvi) **Dematerialization of Shares and Liquidity :**

The Shares of the Company has been dematerialized with NSDL and CDSL. As on 31.03.2016 3,66,14,140 shares (77.08%) has been dematerialized with NSDL and 1,08,44,054 shares (22.83%) with CDSL.



(xvii) **Outstanding GDRs / ADRs / Warrants or any Convertible instruments :**

During the financial year ended on 31.03.2016 the Company has not issued any GDR / ADR / Warrants or Convertible instruments. Also as on 31.03.2016, there were no GDR/ ADR/ Warrant or convertible instruments were outstanding against the Company.

(xviii) **Commodity Price Risk / Foreign Exchange Risk and Hedging :**

The nature of business of Company does not involve any risks / require hedging activities.

(xix) **Plant Locations :**

- Harangi Hydroelectric Power Project : Village – Hulugunda, Taluka – Somawarpet, Dist. – Kodagu, Karnataka – 571 233.
- Wind Mill Project : Rangapur Kawal, Arsikere, District – Hassan, Karnataka – 573 103
- Wind Mill Project: K-73, Elkurnahalli, Jogimatti Wind Zone, Chitradurga - District, Karnataka.

(xx) **Address for Correspondence :**

**Ms. V ayshree Binnani**

*Company Secretary*

**Energy Development Company Limited**

'EDCL HOUSE',

1A, Elgin Road, Kolkata – 700 020.





## DECLARATION TO COMPLIANCE OF CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

This is to confirm that the Company has adopted a Code of Conduct for its Directors and Senior Management and the same is available on our corporate website i.e. [www.edclgroup.com](http://www.edclgroup.com).

I confirm that the Company has in respect of financial year ended on 31st March 2016, received from the Directors and Senior Management Personnel of the Company, a declaration of the compliance with the Code of Conduct as applicable to them.

For **Energy Development Company Limited**

Place : New Delhi

Dated : 14th August, 2016

Sd/-  
**SANJIV SARAF**  
(Executive Director)

## CEO / CFO CERTIFICATION

To  
The Members of  
**Energy Development Company Limited**

**Re : Financial Statements for the year ended on 31st March, 2016**

Certification by Executive Director and CFO

We, Sanjiv Saraf, Executive Director and Amit Damani, CFO of Energy Development Company Limited, to the best of our knowledge and belief, certify that:

- A. We have reviewed the financial statements and the cash flow statement for the year ended on 31st March, 2016 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee :
1. significant changes in the internal control over financial reporting during the year under review;
  2. significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
  3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or other employees who have a significant role in the Company's internal control systems over financial reporting.

For **Energy Development Company Limited**

Sd/-  
**AMIT DAMANI**  
(CFO)

Sd/-  
**SANJIV SARAF**  
(Executive Director)

Place : Kolkata

Dated : 30th May, 2016



## AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

### To the Members of Energy Development Company Limited

1. We have examined the compliance of conditions of Corporate Governance by Energy Development Company Limited ('the Company'), for the year ended 31st March, 2016, as stipulated in
  - a) Clause 49 (excluding Clause 49(VII)(E) of the Listing Agreement ('Listing Agreement') of the Company with the Stock Exchange in India for the period from 1st April, 2015 to 30th November, 2015;
  - b) Clause 49(VII)(E) of the Listing Agreement of the Company with the Stock Exchange in India for the period from 1st April, 2015 to 1st September, 2015;
  - c) Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the period from 2nd September, 2015 to 31st March, 2016;
  - d) Regulations 17 to 27 (excluding Regulation 23(4)), clauses (b) to (i) of Regulation 46(2) and paragraph C, D and E of Schedule V of the Listing Regulations for the period from 1st December, 2015 to 31st March, 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on certification of Corporate Governance issued by the Institute of Chartered Accountants of India to the extent relevant, and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement and Listing Regulations, for the respective period, as applicable.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Lodha & Co.**  
Chartered Accountants  
Firm's ICAI Registration No. : 301051E  
Sd/-

**H. K. Verma**  
Partner  
Membership No. : 055104

Place : Kolkata  
Dated : 14th August, 2016



**Form AOC-1**

[Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014]

**STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES**

Part "A" : Subsidiaries												
Sl. No.	Name of the Subsidiary Company	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Share Holding
(Amount in ₹)												
1	Ayyappa Hydro Power Limited	52,00,00,000	(34,20,61,691)	1,51,27,46,717	1,33,48,08,409	-	11,23,57,440	(12,69,89,124)	(20,82,241)	(12,49,06,883)	-	100%
2	EDCL Power Projects Limited	14,75,00,000	(7,61,15,385)	2,98,803,165	22,74,18,550	-	4,46,54,123	(3,06,49,944)	3,07,851	(3,09,57,795)	-	100%
3	Arunachal Hydro Power Limited	1,64,30,00,000	(1,39,42,061)	1,69,44,92,789	6,54,34,850	1,62,58,95,029	-	(24,64,406)	-	(24,64,406)	-	100%
4	Eastern Ramganga Valley Hydel Projects Company Pvt. Ltd.	18,01,00,000	(40,54,652)	18,26,27,429	65,82,080	-	-	(6,46,193)	-	(6,46,193)	-	100%
5	Sarju Valley Hydel Projects Company Pvt. Ltd.	11,01,00,000	(17,14,859)	11,10,76,611	26,91,470	-	-	(3,04,935)	-	(3,04,935)	-	100%
<b>Subsidiaries of Arunachal Hydro Power Limited :-</b>												
6	EDCL - Arunachal Hydro Project Pvt. Ltd.	1,01,00,000	(61,15,600)	64,71,833	24,87,432	-	-	(57,62,707)	-	(57,62,707)	-	0.99%
7	EDCL - Seppa Beyond Hydro Electric Pvt. Ltd.	6,65,00,000	10,46,60,974	17,52,83,071	41,22,095	-	-	(1,65,198)	-	(1,65,198)	-	-
8	EDCL - Seppa Kawa Power Pvt. Ltd.	6,10,00,000	8,27,15,573	14,81,60,377	44,44,803	-	-	(1,73,849)	-	(1,73,849)	-	-
9	EDCL - Seppa Marjingla Hydro Electric Pvt. Ltd.	8,55,00,000	18,05,28,778	27,46,87,996	86,59,217	-	-	(1,67,145)	-	(1,67,145)	-	-
10	EDCL - Seppa Jung Power Pvt. Ltd.	5,03,00,000	3,99,91,695	9,05,07,508	2,15,813	-	-	(1,54,030)	-	(1,54,030)	-	-
11	EDCL - Seppa Rieng Power Pvt. Ltd.	5,83,75,000	1,48,70,762	7,34,61,576	2,15,813	-	-	(1,62,461)	-	(1,62,461)	-	-
12	EDCL - Seppa Nire Hydro Electric Pvt. Ltd.	2,80,00,000	3,08,86,957	6,17,01,580	28,14,623	-	-	(99,767)	-	(99,767)	-	-
13	EDCL - Seppa Pachuk Power Pvt. Ltd.	10,55,00,000	26,02,77,690	38,47,00,535	1,89,22,845	-	-	(2,80,791)	-	(2,80,791)	-	-
14	EDCL - Seppa Lada Hydro Electric Pvt. Ltd.	6,65,00,000	10,46,51,488	17,72,67,451	61,15,963	-	-	(1,76,711)	-	(1,76,711)	-	-



Part "A" : Subsidiaries												
Sl. No.	Name of the Subsidiary Company	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	(Amount in ₹)
												% of Share Holding
15	EDCL - Seppa Dunkho Hydro Electric Pvt. Ltd.	8,38,00,000	17,37,35,807	26,48,02,441	72,66,633	-	-	(1,78,392)	-	(1,78,392)	-	-
16	EDCL - Tawang Power Pvt. Ltd.	10,90,00,000	4,04,71,399	16,31,02,488	1,36,31,089	-	-	(3,13,665)	-	(3,13,665)	-	-
17	EDCL - Tawang Upper Tsachu Hydro Electric Pvt. Ltd.	4,65,00,000	95,51,176	5,87,44,208	26,93,032	-	-	(1,17,898)	-	(1,17,898)	-	-
18	EDCL - Tawang Lower Tsachu Hydro Electric Pvt. Ltd.	9,90,00,000	3,46,75,069	14,18,63,558	81,88,489	-	-	(1,91,876)	-	(1,91,876)	-	-

**Notes :**

- Names of subsidiaries which are yet to commence operations: Companies referred to in no. 4 to 18 in the above table.
- Names of subsidiaries which have been liquidated or sold during the year: Companies referred to in no. 7 to 18 in the above table became wholly owned subsidiary of Arunachal Hydro Power Limited (AHPL) which is again an wholly owned subsidiary of Energy Development company Limited(EDCL). % of shareholding is calculated on the basis of equity share capital.
- Accounts of Subsidiaries referred to in serial no. (6) to (18) in the above table have been consolidated with the accounts of Arunachal Hydro Power Limited.
- Reporting Currency is Indian Rupee and Exchange rate as on 31.03.2016 is not applicable.
- Reporting period for all subsidiaries is from 01.04.2015 to 31.03.2016

**Part "B" : Associates and Joint Ventures  
Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and joint ventures**

Not Applicable



## NOMINATION AND REMUNERATION POLICY

### 1. PREAMBLE

A transparent, fair and reasonable process for determining the appropriate remuneration at all levels of the Company is required to ensure that shareholders remain informed and confident in the management of the Company. To harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Hereinafter referred to as the "LODR") as amended from time to time, this Policy on nomination and remuneration of Directors (including non-executive Directors) Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

This Policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors (including non-executive Directors), Key Managerial Personnel and Senior Management Personnel.

### 2. OBJECTIVE

- To make recommendations to the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management Personnel;
- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- To evaluate the performance of the members of the Board and provide necessary reports to the Board for further evaluation and to ensure relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- To make recommendations to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management and to ensure that such remuneration involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

### 3. DEFINITIONS

**"Board"** means Board of Directors of the Company.

**"Company"** means "Energy Development Company Limited"

**"Employees' Stock Option"** means the option given to the Directors, officers or employees of a Company or of its holding Company or subsidiary Company or Companies, if any, which gives such Directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the Company at a future date at a pre-determined price.

**"Independent Director"** means a Director referred to in Section 149 (6) of the Companies Act, 2013 and in Regulation 16 of the LODR.

**"Key Managerial Personnel"** (KMP) means :

- Chief Executive Officer or the Managing Director or the Manager,
- Company Secretary,
- Whole-time Director,
- Chief Financial Officer and



- Such other officer as may be prescribed.

“**Nomination and Remuneration Committee**” mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the LODR.

“**Policy or This Policy**” means, “Nomination and Remuneration Policy.”

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes prerequisites as defined under the Income-tax Act, 1961.

“**Service Rules/HR Policy**” means “Service Rules / HR Policy” as framed by the management which are applicable to all employees, as may be amended or modified from time to time by the management.

“**Senior Management**” means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads, as may be decided by the Board from time to time.

Words and expression that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, the LODR and / or any other SEBI Regulation(s) as amended from time to time.

#### 4. APPOINTMENT AND REMOVAL

##### a) Appointment criteria and qualifications

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he is considered for appointment. He shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his professional obligations for informed and balanced decision making and assist the Company in implementing the best corporate governance practices. The Committee has discretion to decide whether qualification, expertise, experience and attributes possessed by a person are sufficient / satisfactory for the concerned position.
- The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

##### b) Term / Tenure

- **Managing Director / Executive Director / Whole-time Director / Manager** : The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- **Independent Director** : An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board’s report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.



However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1st October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed Company.

**c) Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly). The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence.

Criteria for performance evaluation of Independent Directors is given in the Appendix I to this Policy.

**d) Removal**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, Rules made thereunder or under any other applicable Act, Rules and Regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Managing Director / Executive Director / Whole Time Director, KMP or Senior Management subject to the provisions and compliance of the said Act, Rules and Regulations made thereunder and Service Rules / HR Policy of the Company as prevalent at that time.

**e) Retirement**

The Managing Director / Executive Director / Whole Time Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Managing Director / Executive Director / Whole Time Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company, subject to such approvals as may be required in this regard.

**5. PROVISIONS RELATING TO REMUNERATION**

**a) General**

- The remuneration / compensation / commission etc. to Managing Director / Executive Director / Whole Time Directors, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required.
- The remuneration and commission to be paid to Managing Director / Executive Director / Whole Time Directors shall be as per the statutory provisions of the Companies Act, 2013, and the Rules made thereunder for the time being in force and in accordance with and subject to the relevant provisions of the Articles of Association of the Company.
- Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the shareholders in the case of Managerial Person.
- Where any insurance is taken by the Company on behalf of its Managing Director / Executive Director / Whole Time Directors, KMP and any other personnel for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.



**b) Remuneration to Non-Executive / Independent Director**

- **Remuneration / Commission** : The Committee may recommend the payment of remuneration / commission in accordance with the statutory provisions of the Companies Act, 2013, and the Rules made thereunder for the time being in force.
- **Signing Fees** : The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- **Limit of Remuneration / Commission** : Remuneration / Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.
- **Stock Options** : An Independent Director shall not be entitled to any stock option of the Company.

**c) Executive / Whole Time Directors**

**i) Appointment / Re-appointment, Remuneration and Terms and Conditions**

Appointment and Re-appointment, if any, of Executive Directors / Whole time Directors including remuneration and other terms and conditions thereof shall be in accordance with the provisions of Section 196, 197 of the Companies Act, 2013 read with Schedule V appended thereto. The Committee will recommend the appointment or re-appointment, if any, of any of the Executive / Whole time Directors to the Board and same will be approved by the shareholders at General Meeting by passing the necessary resolution in terms of provisions of the Companies Act, 2013.

The components of remuneration package may include the following :

- Basic Pay
- Allowances
- LTA
- Any other perks and benefits.

**ii) Minimum Remuneration**

If in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive / Whole Time Directors in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

**iii) Overall Maximum Managerial Remuneration**

The total managerial remuneration payable by the Company to its Directors including Managing Director and Whole time Directors and its Managers in respect of any financial year shall not exceed 11% of the net profit of the Company for that financial year calculated in the manner as laid down in Section 198 of the Companies Act, 2013, except that the remuneration of the Directors shall not be deducted from the gross profit. In the event of payment of remuneration exceeding 11% of net profit necessary formalities to be complied with as per the said Act.

**iv) Provisions for excess remuneration**

If any Executive Director / Whole Time Directors draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the





Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

#### **d) Key Managerial Personnel and Senior Management**

Remuneration of KMP and Senior Management Personnel is proposed by the Company's Nomination and Remuneration Committee and subsequently approved by the Board of Directors. The remuneration is evaluated annually against performance of the Company, individual performance / contribution and decide rationally. The remuneration of KMP and Senior Management Personnel may comprise of the following:

- A fixed base salary, set at a level aimed at attracting and retaining executives with professional and personal competences required to drive the Company's performance.
- Special pay
- Variable pay linked with Performance in respect of certain positions
- Allowances (HRA, Conveyance etc.)
- LTA
- Perquisite and benefits
- Coverage on Mediclaim
- Retirement benefits including Superannuation

The KMP(s) and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

### **6. POLICY ON DIVERSITY OF BOARD**

The Board of Directors shall have the optimum combination of Executive and Non-executive Directors including Independent Directors from the different fields like Planning, Strategy, Production, Management, Engineering, Quality Assurance, Finance & Accountancy, Legal, Sales and Marketing, Supply chain, Research and Development, Human Resources etc. or as may be considered appropriate by the Committee from time to time. The Board shall have at least one member who has accounting or related financial management expertise and at least three members who are financially literate and at least one women Director as its member.

### **7. ASSISTANCE FROM OUTSIDE AGENCY**

The Committee may take the assistance of External expert / agency as and when required to ensure that recommendations are based on rationale as also parameter to judge the performance level through a process.

This Policy will be reviewed and amended by the Nomination and Remuneration Committee as and when required and appropriate recommendations will be made to the Board to update this Policy based on the changes that may be brought about due to any regulatory amendments or otherwise.

### **8. APPLICABILITY TO SUBSIDIARIES**

This Policy may be adopted by the Company's subsidiaries subject to suitable modifications and approval of the Board of Directors of the respective subsidiary.

### **9. DISCLOSURE OF INFORMATION**

Information as required in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 of Company (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as ammended shall be disclosed in the Board in the manner as provided therein.



## APPENDIX - I

### Criteria for Performance Evaluation of Independent Directors

The Nomination and Remuneration Committee laid down the criteria for performance evaluation of Independent Non-Executive Directors. They are enumerated as below :

1. Frequency of Attendance and contribution to the Board and Committee meetings of Directors;
2. Appropriate mix of expertise, skills, behaviour, experience, leadership qualities, understanding of business, strategic direction to align Company's value and standards;
3. Adequate understanding and knowledge of finance, accounts, legal, investment, marketing, internal controls, risk management, assessment and mitigation, business operations, processes and Corporate Governance;
4. Ability to create a performance culture that add value creation and high quality of discussions;
5. Effectiveness to respond positively and constructively and to encourage more transparency;
6. Recognize the role which is expected to be played, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company and to achieve organizational success and harmonizing the Board;
7. Physical and mental fitness, broader thinking and vision on corporate social responsibility;
8. Adhere to quality of decision and discussion for understanding financial statements and business performance, raising of finance, best source of finance, working capital requirement, forex dealings, geopolitics, human resources etc.;
9. To monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders; and
10. Contribution towards overall enhancement of brand image of the Company.



## ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes :** CSR Policy is stated on the Company's website i.e. [www.edclgroup.com](http://www.edclgroup.com).
2. **The composition of the CSR committee :**
  - a. Mr. Sanjay Kumar Gupta, Chairman
  - b. Mr. Sanjiv Saraf, Member
  - c. Mr. Tarun Chaturvedi, Member
3. **Average net profit of the company for last three financial years for the purpose of computation of CSR :** ₹ 24,57,108/-
4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) :** ₹ 49,142/-
5. **Details of CSR spent during the financial year :**
  - a. **Total amount to be spent for the financial year :** ₹ 14,00,000/- and 10% (+)/(-) thereof as budgeted. However, liability under section 135 of the Companies Act, 2013 comes to ₹ 49,142/- for the financial year 2015-16.
  - b. **Amount unspent :** Nil
  - c. **Manner in which the amount spent during the financial year :**

Sl. No.	CSR Project or Activity Identified	Sector in which the Project is Covered	Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) Project or programs wise (₹)	Amount spent (₹)	Cumulative expenditure upto the reporting period (₹)	Amount spent: Direct or through implementing agency (₹)
1	Education	Education	Rajasthan Bal Kalyan Samiti, Rajasthan	14,00,000/-*	15,00,000/-	15,00,000/-	15,00,000/-

\* ₹ 14,00,000/- and 10% (+)/(-) thereof.

6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report :** Not Applicable
7. **A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company :** The CSR committee hereby confirms that implementation and monitoring of the CSR policy are in compliance with CSR objectives and Policy of the Company.

For Energy Development Company Limited

Sd/-

**SANJIV SARAF**  
(Executive Director)

Member, CSR Committee

Sd/-

**SANJAY KUMAR GUPTA**  
Director

Chairman, CSR Committee

Place : New Delhi

Dated : 14th August, 2016



**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31ST, MARCH, 2016**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To  
The Members  
**ENERGY DEVELOPMENT COMPANY LIMITED**  
Reg. Office : Vill - Hulugunda  
Taluka - Somawarpet, Dist. - Kodagu  
Karnataka - 571233

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Energy Development Company Limited** having **CIN L85110KA1995PLC017003** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 (hereinafter called 'the Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 1956 and the rules made thereunder, to the extent they were applicable during the Audit Period and The Companies Act, 2013 and the rules made thereunder (hereinafter collectively called as 'the Act');
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- (Not applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and



- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- (Not applicable to the Company during the Audit Period);
- (vi) The Electricity Act, 2003 is the law applicable specifically to the Company for the purpose of reporting under this point as per the Management Representation Letter issued by the Company of even date.

I have also examined compliance with the applicable clauses of the following :

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements [including the new listing agreements in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015] entered into by the Company with BSE Limited & National Stock Exchange of India Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that investments purchased/ sold by the Company during the financial year are yet to be transferred in the name of the transferee. However, the Company has mentioned in the Management Representation Letter of even date that the same is in accordance with the law and also stated the reason for the same in the notes to the financial statement for the year ended 31st March, 2016.

### **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at board meetings and committee meetings held during the Audit Period were carried out unanimously as recorded in the minutes of the respective meetings.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the Audit Period, the following specific events/ actions have a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards etc referred to as above are as follows :-

- (a) Alteration of capital clause in the Memorandum of Association of the Company
- (b) Preferential Allotment of 2,00,00,000 equity shares for cash at Rs.22/- per equity share (including premium)
- (c) Secured borrowings made during the year
- (d) Entering into listing agreements in accordance with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (e) Investment in subsidiaries as mentioned in 'Emphasis of Matter' in the Audit Report dated 30th May, 2016.
- (f) Investment Agreements with Essel Infraprojects Limited for disposal of 76% of the investments in the subsidiaries (having hydro power project in the States of Arunachal Pradesh and Uttarakhand) of the Company within 30th September, 2016 (extended from 31st March, 2016). Accordingly that strategic investor will be implementing the projects leaving 24% which will be continued to be held by the Company and its wholly owned subsidiary. The said agreements are subject to various regulatory and other approvals. Further the transaction is subject to certain conditions precedent to be fulfilled by the Company.
- (g) Agreement for transfer of shares :-
- (i) To Arunachal Hydro Power Limited - all the equity shares of Rs.10/- each held by the Company in EDCL- Seppa Beyong Hydro Electric Private Limited (hereinafter referred to as 'BEYONG'), EDCL - Seppa Dunkho Hydro Electric Private Limited (hereinafter referred to as 'DUNKHO'), EDCL - Seppa Jung Power Private Limited (hereinafter referred to as 'JUNG'), EDCL - Seppa Kawa Power Private Limited (hereinafter referred to as 'KAWA'), EDCL - Seppa Lada Hydro Electric Private Limited (hereinafter referred to as 'LADA'), EDCL - Seppa Marjingla Hydro Electric Private Limited (hereinafter referred to as 'MARJINGLA'), EDCL - Seppa Nire Hydro Electric Private Limited (hereinafter referred to



- as 'NIRE'), EDCL – Seppa Pachuk Power Private Limited (hereinafter referred to as 'PACHUK'), EDCL – Seppa Riag Power Private Limited (hereinafter referred to as 'RIANG'), EDCL – Tawang Power Private Limited (hereinafter referred to as 'POWER'), EDCL – Tawang Upper Tsachu Hydro Electric Private Limited (hereinafter referred to as 'UPPER') and EDCL – Tawang Lower Tsachu Hydro Electric Private Limited (hereinafter referred to as 'LOWER').
- (ii) To the Company - all the preference shares of Rs.100/- each held by Startrack Vinimay Private Limited in BEYONG, DUNKHO, JUNG, KAWA, LADA, MARJINGLA, NIRE, PACHUK, RIANG, Sarju Valley Hydel Projects Company Private Limited and Eastern Ramganga Valley Hydel Projects Company Private Limited.
- (iii) To the Company - all the preference shares of Rs.100/- each held by Sarvottam Caps Private Limited in BEYONG, DUNKHO, JUNG, KAWA, LADA, MARJINGLA, NIRE, PACHUK and RIANG.

This report is to be read with our letter of even date which is annexed as **Annexure A** and form an integral part of this report.

Place : Kolkata  
Dated : 4th August, 2016

Sd/-  
**Deepak Kumar Khaitan**  
FCS No. : 5615, C P No. : 5207



**Annexure A**

to the **SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016**

To  
The Members  
**ENERGY DEVELOPMENT COMPANY LIMITED**  
Reg. Office : Vill - Hulugunda  
Taluka - Somawarpet, Dist. - Kodagu  
Karnataka - 571233

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata  
Dated : 4th August, 2016

Sd/-  
**Deepak Kumar Khaitan**  
FCS No. : 5615, C P No. : 5207



ANNEXURE - 'J'

**DETAILS PERTAINING TO REMUNERATION**

AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) AND 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 - AS AMENDED

Sl. No.	Requirements of Rule 5(1)	Details
1	The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year.	Apart from Mr. Sanjiv Saraf none of the Directors are being paid remuneration except fees for attending meetings. <b>The ratio is 18.70%.</b>
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary.	Whole-time Director – Nil Chief Financial Officer – Nil Company Secretary – (-54.94%) The comparison of remuneration has been made of the office of Chief Financial Officer and Company Secretary.
3	Percentage increase in the median remuneration of employees in the financial year.	12.04%
4	Number of permanent employees on the rolls of Company.	44 employees as on 31.03.2016.
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average Salary increase of non-managerial employees is 10%. Average Salary increase of managerial employees is 10%. There are no exceptional circumstances for increase in the managerial remuneration.
6	Affirmation that the remuneration is as per the remuneration policy of the Company	It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.





Requirements of Rule 5(2)		Details									
Top 10 employees in terms of remuneration drawn		Designation	Remuneration received	Nature of Employment	Qualification and experience	Date of Commencement of employment	Age	Last employment held before joining the Company	% of Equity shares held	Relationship with other Directors or Manager	
S I. No.	Name of the Employee										
01.	Sanjiv Saraf	Executive Director	47,54,600	Executive Director	M.Tech from B.H.U. (Varanasi) / 39 yrs.	01.04.2014	61	Executive Director, EDCL Power Projects Ltd.	0.02% (10,000 Eq. Share)	None	
02.	Tarun Goel	Senior Secretary to the Chairman	21,98,800	Managerial	P.G.Diploma in Marketing & Sales Management / 25 yrs	01.04.2012	51	Ayyappa Hydro Power Ltd.	Nil	None	
03.	Nathmal Modi	General Manager (Commercial)	20,32,000	Managerial	B. Com.; L.L.B / 30 yrs	01.01.2006	56	EDCL Power Projects Ltd.	Nil	None	
04.	M. Shiva Subramaniam	General Manager (OPERATIONS)	15,19,280	Managerial	Diploma in Electrical & Electronics Engineering (D.E.E)/ 18 yrs	01.12.1998	43	PES Engineers Pvt. Ltd.	0.00% (1 Eq. Share)	None	
05.	Geetanjali Dutta	Secretary to the Chairman	13,20,200	Managerial	P.G.Diploma in Public Relations/ 10 yrs	01.04.2012	40	Ayyappa Hydro Power Ltd.	Nil	None	
06.	Amit Damani	CFO	12,00,000	Accounting	C. A. / 11yrs	01.03.2015	41	Self Employed in practice	Nil	None	
07.	Satyabrata Seal	Senior Manager	11,28,400	Managerial	Diploma in Civil Engineering / 30 yrs	28.03.2007	56	Self Employed	Nil	None	
08.	Gopi Kishan Khetan	Officer on Special Duty	9,52,800	Administrative	B.Com / 28 yrs	10.09.2006	57	Self Employed	Nil	None	
09.	Anshuman Ahuja	Office Manager	8,77,200	Managerial	M.A. in Industrial Relations / 10 yrs	01.04.2012	35	Ayyappa Hydro Power Ltd.	Nil	None	
10.	Avinash R. Saliyan	Deputy Manager	7,33,600	Managerial	Diploma in Electrical & Electronics Engineering (D.E.E) / 14 yrs	11.12.2007	47	Dandelhi Steels Ltd.	0.00% (1 Eq. Share)	None	



ANNEXURE - 'K'

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION,  
FOREIGN EXCHANGE EARNING AND OUTGO ETC.**

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder :

<b>(A)</b>	<b>Conservation of Energy -</b>		
	(i)	The steps taken or impact on conservation of energy	Inside Power House all floodlights are replaced with LED from CFL.
	(ii)	the steps taken by the Company for utilizing alternate sources of energy	N.A.
	(iii)	the capital investment on energy conservation equipments	Insignificant.
<b>(B)</b>	<b>Technology Absorption -</b>		
	(i)	the efforts made towards technology absorption	N.A.
	(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	
	(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -	
	(a)	the details of technology imported	
	(b)	the year of import	
	(c)	whether the technology been fully absorbed	
	(d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
	(iv)	the expenditure incurred on Research and Development	
<b>(C)</b>	<b>Foreign exchange earnings and Outgo-</b>		
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows		Inflow : Nil Outflow : ₹ 2,25,126/- net of Recovery from Subsidiaries



Form No. MGT - 9

**EXTRACT OF ANNUAL RETURN**

AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

<b>i)</b>	CIN	L85110KA1995PLC017003
<b>ii)</b>	Registration Date	19/01/1995
<b>iii)</b>	Name of the Company	<b>Energy Development Company Limited</b>
<b>iv)</b>	Category / Sub-Category of the Company	Company Limited by shares
<b>v)</b>	Address of the Registered Office and contact details	Village – Hulugunda Taluka – Somawarpet District – Kodagu Karnataka – 571 233 <b>Phone</b> : 08276-277040 <b>Fax</b> : 08276-277012 <b>Email ID</b> : secretarial@edclgroup.com
<b>vi)</b>	Whether listed Company	Yes
<b>viii)</b>	Name, address and contact details of Registrar & Transfer Agents (RTA), if Any	Niche Technologies Private Limited D-511, Bagree Market, 5th Floor, 71, Biplabi Rash Behari Basu Road Kolkata – 700 001 <b>Phone</b> : (033) 2235 7270 / 7271 <b>Email ID</b> : nichetechel@nichetechpl.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated :

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Trading in Solar Photovalatic Module	46593	43%
2	Civil related services	43129	44%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of share held	Applicable Section
1	Ayyappa Hydro Power Limited "EDCL HOUSE" 1A, Elgin Road, Kolkata – 700 020	U40100WB2005PLC116955	Subsidiary	100%	2(87)(ii)
2	EDCL Power Projects Limited "EDCL HOUSE" 1A, Elgin Road, Kolkata – 700 020	U74140WB2002PLC095242	Subsidiary	100%	2(87)(ii)
3	Arunachal Hydro Power Limited Model Village, Near Pacha River, District – East Kameng, Seppa – 790 102 (A.P.)	U40101AR2013PLC008384	Subsidiary	100%	2(87)(ii)
4	Eastern Ramganga Valley Hydrel Projects Company Pvt. Ltd. E-593, Greater Kailash – II, New Delhi – 110 048	U40104DL2007PTC160700	Subsidiary	100%	2(87)(ii)



Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of share held	Applicable Section
5	Sarju Valley Hydel Projects Company Pvt. Ltd. E - 593, Greater Kailash - II, New Delhi - 110 048	U40101DL2007PTC160703	Subsidiary	100%	2(87)(ii)
6	EDCL - Arunachal Hydro Project Pvt. Ltd. "EDCL HOUSE" 1A, Elgin Road, Kolkata - 700 020	U40104WB2010PTC152829	Subsidiary*	0.99%	2(87) explanation (a)
7	EDCL - Seppa Beyong Hydro Electric Pvt. Ltd. "EDCL HOUSE" 1A, Elgin Road, Kolkata - 700 020	U40101WB2010PTC152531	Subsidiary*	-	2(87) explanation (a)
8	EDCL - Seppa Kawa Power Pvt. Ltd. "EDCL HOUSE" 1A, Elgin Road, Kolkata - 700 020	U40103WB2010PTC152532	Subsidiary*	-	2(87) explanation (a)
9	EDCL - Seppa Marjingla Hydro Electric Pvt. Ltd. "EDCL HOUSE" 1A, Elgin Road, Kolkata - 700 020	U40101WB2010PTC152533	Subsidiary*	-	2(87) explanation (a)
10	EDCL - Seppa Jung Power Pvt. Ltd. "EDCL HOUSE" 1A, Elgin Road, Kolkata - 700 020	U40101WB2010PTC152534	Subsidiary*	-	2(87) explanation (a)
11	EDCL - Seppa Rieng Power Pvt. Ltd. "EDCL HOUSE" 1A, Elgin Road, Kolkata - 700 020	U40102WB2010PTC152830	Subsidiary*	-	2(87) explanation (a)
12	EDCL - Seppa Nire Hydro Electric Pvt. Ltd. "EDCL HOUSE" 1A, Elgin Road, Kolkata - 700 020	U40101WB2010PTC152536	Subsidiary*	-	2(87) explanation (a)
13	EDCL - Seppa Pachuk Power Pvt. Ltd. "EDCL HOUSE" 1A, Elgin Road, Kolkata - 700 020	U40105WB2010PTC152524	Subsidiary*	-	2(87) explanation (a)
14	EDCL - Seppa Lada Hydro Electric Pvt. Ltd. "EDCL HOUSE" 1A, Elgin Road, Kolkata - 700 020	U40101WB2010PTC152525	Subsidiary*	-	2(87) explanation (a)
15	EDCL - Seppa Dunkho Hydro Electric Pvt. Ltd. "EDCL HOUSE" 1A, Elgin Road, Kolkata - 700 020	U40101WB2010PTC152526	Subsidiary*	-	2(87) explanation (a)
16	EDCL - Tawang Power Pvt. Ltd. "EDCL HOUSE" 1A, Elgin Road, Kolkata - 700 020	U40101WB2010PTC152528	Subsidiary*	-	2(87) explanation (a)
17	EDCL - Tawang Upper Tsachu Hydro Electric Pvt. Ltd. "EDCL HOUSE" 1A, Elgin Road, Kolkata - 700 020	U40102WB2010PTC152828	Subsidiary*	-	2(87) explanation (a)
18	EDCL - Tawang Lower Tsachu Hydro Electric Pvt. Ltd. "EDCL HOUSE" 1A, Elgin Road, Kolkata - 700 020	U40101WB2010PTC152520	Subsidiary*	-	2(87) explanation (a)

\* Held through Arunachal Hydro Power Limited, referred to in serial no. 3.

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
<b>a) Individual/ HUF</b>	1937391	0	1937391	7.045	1937391	0	1937391	4.079	-2.966
<b>b) Central Govt.</b>	-	-	-	-	-	-	-	-	-
<b>c) State Govt(s)</b>	-	-	-	-	-	-	-	-	-
<b>d) Bodies Corp.</b>	13562084	0	13562084	49.317	27187084	0	27187084	57.236	7.919
<b>e) Banks / FI</b>	-	-	-	-	-	-	-	-	-
<b>f) Any Other</b>	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	15499475	0	15499475	56.362	29124475	0	29124475	61.315	4.953



i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2) :</b>	0	0	0	0.000	0	0	0	0.000	0.000
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	15499475	0	15499475	56.362	29124475	0	29124475	61.315	4.953
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1) :</b>	0	0	0	0.000	0	0	0	0.000	0.000
<b>2. Non- Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	9070297	0	9070297	32.983	4211171	0	4211171	8.866	-24.117
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2122229	42306	2164535	7.871	1898451	41806	1940257	4.085	-3.786
ii) Individual shareholders holding nominal share capital in excess of ₹ 1lakh	590456	0	590456	2.147	9964745	0	9964745	20.978	18.831
c) Others Specify									
<b>(a) NRI</b>	81318	0	81318	0.296	102597	0	102597	0.216	-0.080



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(b) Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
(c) Foreign Nationals	-	-	-	-	-	-	-	-	-
(d) Clearing Members	93919	0	93919	0.342	2156755	0	2156755	4.541	4.199
(e) Trusts	-	-	-	-	-	-	-	-	-
(f) Foreign Bodies-D.R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2) :</b>	<b>11958219</b>	<b>42306</b>	<b>12000525</b>	<b>43.638</b>	<b>18333719</b>	<b>41806</b>	<b>18375525</b>	<b>38.685</b>	<b>-4.953</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>11958219</b>	<b>42306</b>	<b>12000525</b>	<b>43.638</b>	<b>18333719</b>	<b>41806</b>	<b>18375525</b>	<b>38.685</b>	<b>-4.953</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>27457694</b>	<b>42306</b>	<b>27500000</b>	<b>100.000</b>	<b>47458194</b>	<b>41806</b>	<b>47500000</b>	<b>100.000</b>	<b>0.000</b>

ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share Holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Amar Singh	1458453	5.303	0.000	1458453	3.070	0.000	-2.233
2	Mrs. Pankaja Kumari Singh	468938	1.705	0.000	468938	0.987	0.000	-0.718
3	Mr. Sanjiv Saraf	10000	0.036	0.000	10000	0.021	0.000	-0.015
4	M/s. Sarvottam Caps Private Limited	0	0.000	0.000	11800000	24.842	0.000	24.842
5	Startrack Vinimay Private Limited	0	0.000	0.000	1825000	3.842	0.000	3.842
6	Sterlite Merchants LLP	13562084	49.317	0.000	13562084	28.552	0.000	-20.765
	<b>TOTAL</b>	<b>15499475</b>	<b>56.362</b>	<b>0.000</b>	<b>29124475</b>	<b>61.315</b>	<b>0.000</b>	<b>4.953</b>



iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Mr. Amar Singh</b>				
	a) At the beginning of the year	1458453	5.303	-	-
	b) Changes during the year	No changes			
	c) At the end of the year	-	-	1458453	3.070
<b>2</b>	<b>Mrs. Pankaja Kumari Singh</b>				
	a) At the beginning of the year	468938	1.705	-	-
	b) Changes during the year	No changes			
	c) At the end of the year	-	-	468938	0.987
<b>3</b>	<b>Mr. Sanjiv Saraf</b>				
	a) At the beginning of the year	10000	0.036	-	-
	b) Changes during the year	No changes			
	c) At the end of the year	-	-	10000	0.021
<b>4</b>	<b>Sarvo am Caps Private Limited</b>				
	a) At the beginning of the year	0	0.000	-	-
	b) Changes during the year Preferential Allotment on 20/11/2015	11800000	24.842	11800000	24.842
	b) At the end of the year	-	-	11800000	24.842
<b>5</b>	<b>Startrack Vinimay Private Limited</b>				
	a) At the beginning of the year	0	0.000	-	-
	b) Changes during the year Preferential Allotment on 20/11/2015	1825000	3.842	1825000	3.842
	b) At the end of the year	-	-	1825000	3.842
<b>6</b>	<b>Sterlite Merchants LLP</b>				
	a) At the beginning of the year	13562084	49.317	-	-
	b) Changes during the year	No changes			
	c) At the end of the year	-	-	13562084	28.552
	<b>TOTAL</b>	<b>15499475</b>	<b>56.362</b>	<b>29124475</b>	<b>61.315</b>



iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Anup Shyamsunder Karwa</b>				
	a) At the beginning of the year	0	0.000	-	-
	b) Changes during the year Transfer on :				
	13/11/2015	74000	0.269	74000	0.156
	20/11/2015	68061	0.143	142061	0.299
	27/11/2015	11549	0.024	153610	0.323
	04/12/2015	1300	0.003	154910	0.326
	18/12/2015	13000	0.027	167910	0.353
	25/12/2015	49	0.000	167959	0.354
	31/12/2015	50000	0.105	217959	0.459
	15/01/2016	233302	0.491	451261	0.950
	22/01/2016	136924	0.288	588185	1.238
	29/01/2016	321108	0.676	909293	1.914
	05/02/2016	176500	0.372	1085793	2.286
	12/02/2016	-210716	0.444	875077	1.842
	19/02/2016	148134	0.312	1023211	2.154
	26/02/2016	-95046	0.200	928165	1.954
	04/03/2016	134608	0.283	1062773	2.237
	11/03/2016	23957	0.050	1086730	2.288
	18/03/2016	5400	0.011	1092130	2.299
	25/03/2016	-176400	0.371	915730	1.928
	31/03/2016	122822	0.259	1038552	2.186
	c) At the End of the year	-	-	1038552	2.186
<b>2</b>	<b>Banhem Stock Broking Private Limited</b>				
	a) At the beginning of the year	59783	0.217	-	-
	b) Changes during the year Transfer on :				
	21/08//2015	-17483	0.064	42300	0.089
	30/09//2015	-5300	0.019	37000	0.078
	09/10/2015	-6000	0.022	31000	0.065
	16/10/2015	-4000	0.015	27000	0.057
	06/11/2015	-7000	0.025	20000	0.042
	08/01/2016	-1250	0.003	18750	0.039
	15/01/2016	-12361	0.026	6389	0.013
	29/01/2016	-250	0.001	6139	0.013
	12/02/2016	-5139	0.011	1000	0.002
	04/03/2016	-1000	0.002	0	0.000
	c) At the End of the year	-	-	0	0.000
<b>3</b>	<b>Deven Suresh Pathak</b>				
	a) At the beginning of the year	0	0.000	-	-
	b) Changes during the year Preferential Allotment on 20.11.2015	1600000	3.368	1600000	3.368
	c) At the End of the year	-	-	1600000	3.368
<b>4</b>	<b>Diipesh Lakshaman Bhagtani</b>				
	a) At the beginning of the year	0	0.000	-	-
	b) Changes during the year Preferential Allotment on 20.11.2015	800000	1.684	800000	1.684
	c) At the End of the year	-	-	800000	1.684





Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>5</b>	<b>Exude Vincom Limited</b>				
	a) At the beginning of the year	64997	0.236	-	-
	b) Changes during the year Transfer on 11/09//2015	-64997	0.236	0	0.000
	c) At the End of the year	-	-	0	0.000
<b>6</b>	<b>Flex International Private Limited</b>				
	a) At the beginning of the year	252500	0.918	-	-
	b) Changes during the year	No changes			
	c) At the End of the year	-	-	252500	0.532
<b>7</b>	<b>Gatisheel Traders LLP</b>				
	a) At the beginning of the year	3725459	13.547	-	-
	b) Changes during the year Transfer on :				
	10/04//2015	31491	0.115	3756950	7.909
	22/01/2016	-49269	0.104	3707681	7.806
	05/02/2016	-1267816	2.669	2439865	5.137
	26/02/2016	-270500	0.569	2169365	4.567
	04/03/2016	-200000	0.421	1969365	4.146
	11/03/2016	-542790	1.143	1426575	3.003
	18/03/2016	-175226	0.369	1251349	2.634
	25/03/2016	-97545	0.205	1153804	2.429
	31/03/2016	29854	0.063	1183658	2.492
	c) At the End of the year	-	-	1183658	2.492
<b>8</b>	<b>Globe Captial Market Limited</b>				
	a) At the beginning of the year	383	0.001	-	-
	b) Changes during the year Transfer on :				
	09/10/2015	-100	0.000	283	0.001
	16/10/2015	200	0.001	483	0.001
	30/10/2015	-200	0.001	283	0.001
	31/12/2015	164863	0.347	165146	0.348
	08/01/2016	100000	0.211	265146	0.558
	22/01/2016	-100	0.000	265046	0.558
	29/01/2016	-2	0.000	265044	0.558
	12/02/2016	214000	0.451	479044	1.009
	19/02/2016	-50000	0.105	429044	0.903
	26/02/2016	129117	0.272	558161	1.175
	04/03/2016	204005	0.429	762166	1.605
	11/03/2016	175260	0.369	937426	1.974
	18/03/2016	3916	0.008	941342	1.982
	25/03/2016	43840	0.092	985182	2.074
	31/03/2016	-5966	0.013	979216	2.062
	c) At the End of the year	-	-	979216	2.062



Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>9</b>	<b>Innovative Designers Private Limited</b>				
	a) At the beginning of the year	50211	0.183	-	-
	b) Changes during the year Transfer on 31/03/2016	-50211	0.106	0	0.000
	c) At the End of the year	-	-	0	0.000
<b>10</b>	<b>Ketan R. Deshpande</b>				
	a) At the beginning of the year	0	0.000	-	-
	b) Changes during the year Preferential Allotment on 20.11.2015	775000	1.632	775000	1.632
	c) At the End of the year	-	-	775000	1.632
<b>11</b>	<b>Laxmi Devi Jiwrajka</b>				
	a) At the beginning of the year	0	0.000	-	-
	b) Changes during the year Transfer on 18.12.2015	719954	1.516	719954	1.516
	c) At the End of the year	-	-	719954	1.516
<b>12</b>	<b>Pooja Dhanda</b>				
	a) At the beginning of the year	0	0.000	-	-
	b) Changes during the year Preferential Allotment on 20.11.2015	800000	1.684	800000	1.684
	c) At the End of the year	-	-	800000	1.684



Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>13</b>	<b>Prafulla Bhat</b>				
	a) At the beginning of the year	0	0.000	-	-
	b) Changes during the year Transfer on :				
	28/08/2015	30532	0.111	30532	0.064
	04/09/2015	2862	0.010	33394	0.070
	11/09/2015	36147	0.131	69541	0.146
	18/09/2015	36231	0.132	105772	0.223
	30/09/2015	385	0.001	106157	0.223
	16/10/2015	-6500	0.024	99657	0.210
	23/10/2015	16953	0.062	116610	0.245
	30/10/2015	-17234	0.063	99376	0.209
	06/11/2015	26668	0.097	126044	0.265
	13/11/2015	450008	1.636	576052	1.213
	20/11/2015	51350	0.108	627402	1.321
	27/11/2015	1764	0.004	629166	1.325
	04/12/2015	20051	0.042	649217	1.367
	18/12/2015	12778	0.027	661995	1.394
	31/12/2015	10000	0.021	671995	1.415
	08/01/2016	-22950	0.048	649045	1.366
	15/01/2016	91520	0.193	740565	1.559
	22/01/2016	30212	0.064	770777	1.623
	29/01/2016	64649	0.136	835426	1.759
	19/02/2016	20650	0.043	856076	1.802
	26/02/2016	31968	0.067	888044	1.870
	04/03/2016	206859	0.435	1094903	2.305
	11/03/2016	63863	0.134	1158766	2.440
	18/03/2016	-78179	0.165	1080587	2.275
	25/03/2016	5075	0.011	1085662	2.286
	31/03/2016	64406	0.136	1150068	2.421
	c) At the End of the year	-	-	1150068	2.421
<b>14</b>	<b>Ro ex Mercantile Limited</b>				
	a) At the beginning of the year	3887424	14.136	-	-
	b) Changes during the year Transfer on :				
	18/09/2015	-50000	0.182	3837424	8.079
	09/10/2015	-3000000	10.909	837424	1.763
	13/11/2015	-190000	0.691	647424	1.363
	08/01/2016	-175000	0.368	472424	0.995
	29/01/2016	-749	0.002	471675	0.993
	11/03/2016	-295059	0.621	176616	0.372
	c) At the End of the year	-	-	176616	0.372



Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>15</b>	<b>Sahara India Commercial Corporation Limited</b>				
	a) At the beginning of the year	250000	0.909	-	-
	b) Changes during the year	No changes			
	c) At the End of the year	-	-	250000	0.526
<b>16</b>	<b>Surendra Singh</b>				
	a) At the beginning of the year	0	0.000	-	-
	b) Changes during the year Preferential Allotment on 20.11.2015	800000	1.684	800000	1.684
	c) At the End of the year	-	-	800000	1.684
<b>17</b>	<b>Waltz Tracom Private Limited</b>				
	a) At the beginning of the year	58200	0.212	-	-
	b) Changes during the year	No changes			
	c) At the End of the year	-	-	58200	0.123
<b>18</b>	<b>Wamil Suppliers Private Limited</b>				
	a) At the beginning of the year	219971	0.800	-	-
	b) Changes during the year Transfer on:				
	04/09/2015	-200000	0.727	19971	0.042
	11/09/2015	-19971	0.073	0	0.000
	c) At the End of the year	-	-	0	0.000
<b>19</b>	<b>Yes Equities Private Limited</b>				
	a) At the beginning of the year	61658	0.224	-	-
	b) Changes during the year Transfer on:				
	17/07/2015	-61658	0.224	0	0.0000
	c) At the End of the year	-	-	0	0.000
	<b>TOTAL</b>	<b>8630586</b>	<b>31.384</b>	<b>10583764</b>	<b>22.282</b>



**E. Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Amar Singh</b>				
	a) At the beginning of the year	1458453	5.303	-	-
	b) Changes during the year	No changes			
	c) At the End of the year	-	-	1458453	3.070
<b>2</b>	<b>Chanakya Arvind Dhanda</b>				
	a) At the beginning of the year	0	0.000	-	-
	b) Changes during the year	No changes			
	Preferential Allotment on 20.11.2015	800000	1.684	800000	1.684
	Transfer on 18.03.2016	1000	0.002	801000	1.686
	c) At the End of the year	-	-	801000	1.686
<b>3</b>	<b>Pankaja Kumari Singh</b>				
	a) At the beginning of the year	468938	1.705	-	-
	b) Changes during the year	No changes			
	c) At the End of the year	-	-	468938	0.987
<b>4</b>	<b>Sanjiv Saraf (Executice Director &amp; KMP)</b>				
	a) At the beginning of the year	10000	0.036	-	-
	b) Changes during the year	No changes			
	c) At the End of the year	-	-	10000	0.021
<b>5</b>	<b>Mr. Sanjay Kumar Gupta</b>				
	a) At the beginning of the year	6000	0.022	-	-
	b) Changes during the year	No changes			
	c) At the End of the year	-	-	6000	0.013



## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment :

(In ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	46407442	Nil	-	46407442
ii) Interest due but not paid	-	Nil	-	Nil
iii) Interest accrued but not due	-	Nil	-	Nil
<b>Total(i+ii+iii)</b>	46407442	NIL	-	46407442
<b>Change in Indebtedness during the financial year</b>				
- Addition	-	27500000	-	27500000
- Reduction	-	-	-	-
<b>Net Change</b>	16748490	27500000	-	44248490
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	63155932	27500000	-	90655932
ii) Interest due but not paid	-	1673260	-	1673260
iii) Interest accrued but not due	-	-	-	-
<b>Total(i+ii+iii)</b>	<b>63155932</b>	<b>29173260</b>	-	<b>92329192</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole- time Directors and / or Manager :

(In ₹)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager Mr. Sanjiv Saraf	Total Amount
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	4100000	4100000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	654600	654600
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify	-	-
5.	Others, please specify	-	-
	<b>Total (A)</b>	<b>4754600</b>	<b>4754600</b>
	Ceiling as per the Act	Ceiling as per Section 197 of the Companies Act, 2013 is 5% of Net Profit calculated as per Section 198 of the said Act comes to Rs. 13,64,932/-. Since there is inadequate profit during the year the Managerial Remuneration has been paid as per schedule V appended to the Companies Act, 2013 and the overall remuneration is within the limits as specified therein computed based on effective Capital as provided in Section II of Part II of said schedule.	



**B. Remuneration to other Directors :**

(In ₹)

Sl. No.	Particulars of Remuneration	Name of Directors									Total Amount
		Amar Singh	Pankaja Kumari Singh	Sanjay Kumar Gupta	V oy Kumar	Tarun Chaturvedi	Gouri Prasad Goenka	Anil Gupta	B ay Kumar Garodia	Chanakya Arvind Dhanda	
1	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	-	-	-	280000	250000	120000	160000	100000	-	910000
	<b>Total (1)</b>	-	-	-	<b>280000</b>	<b>250000</b>	<b>120000</b>	<b>160000</b>	<b>100000</b>	-	<b>910000</b>
2	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	140000	100000	270000	-	-	-	-	-	-	510000
	<b>Total (2)</b>	<b>140000</b>	<b>100000</b>	<b>270000</b>	-	-	-	-	-	-	<b>510000</b>
	<b>Total (B)=(1+2)</b>	140000	100000	270000	280000	250000	120000	160000	100000	-	<b>1420000</b>
	<b>Total Managerial Remuneration (A+B)</b>										<b>6174600</b>
	Overall Ceiling as per the Act	Ceiling as per Section 197 of the Companies Act, 2013 is 1% of Net Profit calculated as per Section 198 of the said Act comes to ₹. 2,72,986/-.Remuneration paid to Non-executive Directors in the form Sitting fees for attending the Board / Committee meetings are well within the ceilings as prescribed under Section 197 of the Companies Act, 2013 read with Rule 4 of Companies (Appointment & Managerial Remuneration) Rules, 2014.									

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD :**

(In ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
		Ms. V ayshree Binnani	Mr. Amit Damani	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	286334	834000	1120334
		32100	-	32100
		-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	<b>318434</b>	<b>834000</b>	<b>1152434</b>



**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :**

(In ₹)

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment					
Compounding					





## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF ENERGY DEVELOPMENT COMPANY LIMITED**

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

We have audited the accompanying standalone financial statements of Energy Development Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014 ("the Rules"). 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstance. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, its profit and its cash flows for the year ended on that date.

#### **Emphasis of Matter**

We draw attention to Note No. 12(b) of the financial statements regarding investment of ₹ 5,864.55 lacs as on 31st March, 2016 (₹ 1,465.95 lacs as on 31st March, 2015) in subsidiaries, which are involved in setting up hydel power plants at various locations. The Company has entered into agreements for disposal of 76% of the investments in these subsidiaries at cost to another strategic investor which are to be implemented by 30th September, 2016. Pending this, no diminution in value of these investments has been considered necessary by the management.

Our opinion is not modified in respect of this matter.



## Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and according to the information and explanations given to us and also on the basis of such checks as we considered appropriate, we give in the "Annexure - A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, we report that :

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of 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, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Rules.
- e) On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164(2) of the Act.
- f) 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".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
  - i. Pending litigations (other than those already recognised in the financial statements) having material impact on the financial position of the Company have been disclosed in the financial statements as required in terms of relevant accounting standards and provisions of the Act [Note No. 26(a)].
  - ii. As explained to us, the Company has made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, on long-term contracts, including derivative contracts [Note No. 29(b)].
  - iii. During the year, the amounts which were required to be transferred to the Investor Education and Protection Fund have been transferred by the Company within the due date.

For **Lodha & Co.**  
Chartered Accountants  
Firm's ICAI Registration No. 301051E

Sd/- **H K Verma**  
Partner  
Membership No. 055104

Place : Kolkata  
Dated : 30th May, 2016



## “ANNEXURE – A” TO AUDITORS’ REPORT referred to in our report of even date

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies in respect of the assets verified during the year were noticed.
- (c) According to information and explanations given to us, the title deeds of immovable property are held in the name of the Company.
- ii) The inventory has been physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, the frequency of verification is reasonable. As far as ascertained, discrepancies noticed on physical verification of inventory were not material as compared to the book records and these have been properly dealt within the books of account.
- iii) According to information and explanations given to us, the Company has given unsecured loans to companies listed in the register maintained under Section 189 of the Act.
- (a) As informed to us, the terms and conditions of such loans are not prejudicial to the Company’s interest.
- (b) According to the information and explanations given to us, the principal amount due for repayment and interest thereon has been regularly received.
- (c) As informed to us, having regard to terms and conditions of the loan as mentioned above, there is no overdue amount outstanding in respect of such loan and interest thereon.
- iv) According to the information and explanations given to us, the Company has given loans and guarantee for loan taken by a subsidiary from banks or financial institutions which are in accordance with the provisions of Section 185 and 186 of the Act and the rules made thereunder.
- v) The Company has not accepted any deposits from the public and accordingly, the provisions of Section 73 to 76 or any other relevant provisions of the Act are not applicable.
- vi) We have broadly reviewed the cost records and accounts prescribed by the Central Government under Section 148(1) of the Act and are of the opinion that prima-facie, such records have been made and maintained by the Company. However, we have not carried out any detailed examination of such accounts and records.
- vii) (a) According to the information and explanations given to us, except in respect of tax deducted at source, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employee’s State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other statutory dues applicable to it. According to the information and explanations given to us, there are no undisputed amounts payable in respect of aforesaid dues for a period of more than six months from the date they become payable except ₹ 9,89,047/- in respect of tax deducted at source.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited on account of dispute except as given below :

Statute	Nature of Tax	Forum where Dispute is Pending	Amount (₹)	Period to which amount relates
The Income Tax Act, 1961	Income Tax	CIT (Appeals)	3,51,13,330	FY 2010-11 and 2011-12
The West Bengal Value Added Tax Rules, 2005	Sales Tax	Joint Commissioner	22,52,013	FY 2012-13
		Revision Board	93,81,687	FY 2010-11 and 2011-12



- viii) According to the information and explanations given to us, the Company has not defaulted in repayment of borrowings from banks. The Company has no loans or borrowings from financial institutions, government or debenture holders during the year. Accordingly, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix) In our opinion and according to the information and explanations given to us, term loans have been utilised for the purposes for which they were raised. The Company has not raised any amount by way of public offer.
- x) During the course of our examinations of the books of accounts carried out in accordance with the generally accepted auditing practices in India, we have neither come across any incidence of fraud on or by the Company, nor have we been informed of any such case by the management.
- xi) According to the information and explanations given to us, the managerial remuneration paid or provided during the year was in accordance with provisions of Section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly, the provision of Clause 3(xii) of the Order is not applicable to the Company.
- xiii) According to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) During the year, the Company has made preferential allotment of fully paid up equity shares and complied with the requirements of section 42 of the Act with respect to such allotment. The amounts raised have been used for the purposes for which they were raised.
- xv) According to the information and explanations given to us and based on our examination of the records, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with the directors and accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provision of Clause 3(xvi) of the Order is not applicable to the Company.

Place : Kolkata  
Dated : 30th May, 2016

For **Lodha & Co.**  
Chartered Accountants  
Firm's ICAI Registration No. 301051E  
  
Sd/- **H K Verma**  
*Partner*  
Membership No. 055104



## **“ANNEXURE – B” TO AUDITORS’ REPORT** referred to in our report of even date

### **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 over financial reporting of Energy Development Company Limited (“the Company”) as at March 31, 2016 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 Act.

#### **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 deemed to be prescribed under Section 143(10) of the Act, 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 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

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

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



## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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.

Place : Kolkata  
Dated : 30th May, 2016

For **Lodha & Co.**  
Chartered Accountants  
Firm's ICAI Registration No. 301051E

Sd/- **H K Verma**  
*Partner*  
Membership No. 055104



## BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	Amount in ₹	
		As at 31st March 2016	As at 31st March 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	47,50,00,000	27,50,00,000
Reserves and Surplus	3	1,29,25,64,489	1,06,50,05,381
		<b>1,76,75,64,489</b>	<b>1,34,00,05,381</b>
<b>Non-Current Liabilities</b>			
Long-term borrowings	4	2,75,00,000	–
Deferred tax liabilities (Net)	5	57,65,067	52,85,987
Long term provisions	6	32,76,000	39,06,000
		<b>3,65,41,067</b>	<b>91,91,987</b>
<b>Current Liabilities</b>			
Short-term borrowings	7	6,31,55,932	4,64,07,442
Trade payables	8		
- Dues to Micro and Small Enterprises		–	–
- Dues to Others		24,39,94,273	5,61,59,851
Other current liabilities	9	37,71,03,131	3,98,79,533
Short-term provisions	10	2,93,19,941	1,72,81,176
		<b>71,35,73,277</b>	<b>15,97,28,002</b>
<b>Total</b>		<b>2,51,76,78,833</b>	<b>1,50,89,25,370</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
- Tangible assets	11	44,62,28,344	47,88,99,317
- Intangible assets	11	5,76,824	7,00,284
		<b>44,68,05,168</b>	<b>47,95,99,601</b>
Non-current investments	12	1,14,67,83,279	70,69,23,511
Long term loans and advances	13	48,27,87,470	11,21,37,530
Other non-current assets	14	95,000	95,000
		<b>2,07,64,70,917</b>	<b>1,29,87,55,642</b>
<b>Current assets</b>			
Inventories	15	1,48,01,875	2,59,13,723
Trade receivables	16	33,30,97,447	8,85,24,191
Cash and bank balances	17	6,40,17,092	3,56,46,274
Short-term loans and advances	18	2,38,95,318	2,68,87,383
Other current assets	19	53,96,184	3,31,98,158
		<b>44,12,07,916</b>	<b>21,01,69,729</b>
<b>Total</b>		<b>2,51,76,78,833</b>	<b>1,50,89,25,370</b>
Significant Accounting Policies	1		
The accompanying notes (1-33) form an integral part of financial statements			

As per our Report of even date  
For **Lodha & Co.**  
Chartered Accountants  
Firm's ICAI Registration No. 301051E

**H K Verma**  
Partner  
Membership No. 055104  
Place : Kolkata  
Dated : 30th May, 2016

**For and on behalf of the Board of Directors**  
Sd/- **Amar Singh**, Non Executive Chairman  
Sd/- **Sanjiv Saraf**, Executive Director  
Sd/- **Chanakya Arvind Dhandra**, Director  
Sd/- **Sanjay Kumar Gupta**, Director  
Sd/- **V oy Kumar**, Director  
Sd/- **Amit Damani**, Chief Financial Officer  
Sd/- **V ayshree Binnani**, Company Secretary







## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### NOTE 1

#### SIGNIFICANT ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The accounts have been prepared under the historical cost convention and in accordance with the provisions of the Companies Act, 2013 and accounting standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. Accounting policies unless specifically stated to be otherwise, are consistent and are in consonance with generally accepted accounting principles.

##### 1.2 Use of Estimates

The preparation of financial Statements require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the Balance Sheet date and the reported amounts of income and expenses during the year. Difference between the actual results and the estimates are recognised in the year in which the results become known/ materialise.

##### 1.3 Fixed Assets

Fixed assets are stated at cost which comprise its purchase price and any attributable cost of bringing the assets to its working condition for its intended use. In case of construction/erection of fixed assets, cost comprise those costs that relate directly to the specific asset and those that are attributable to the construction/erection activities in general and can be allocated to the specific assets. Cost includes interest and pre-operative expenses.

##### 1.4 Expenditure during Construction Period

Expenditure related to and incurred during implementation of capital project is included under Capital Work-in-progress and the same is allocated to the respective Fixed Assets on completion of its construction / erection. Interest on borrowing costs related to qualifying asset is worked out on the basis of actual utilization of funds out of project specific loans and / or other borrowings to the extent identifiable with the qualifying asset and are capitalized with the cost of qualifying assets.

##### 1.5 Depreciation and Amortisation

Depreciation on all assets, other than the generating plant and machinery, building and roads, hydraulic works, transmission lines, transformers & cable network has been provided on written down value method at the rates and in the manner specified in Schedule II to the Companies Act, 2013.

In respect of assets of generating plant and machinery, building and roads, hydraulic works, transmission lines, transformers & cable network depreciation has been provided on straight line method over useful life of 30 years as per the implementation agreement with the authorities. Erection and maintenance tools are amortised over a period of five years on pro -rata basis. Intangible fixed assets are amortised at the rate of 40% on written down value method. Leasehold land is amortised over the period of lease on straight line method.

##### 1.6 Investments

Long-term investments are valued at cost. Current investments are valued at lower of cost and fair value as on the date of the Balance Sheet. In respect of long term investments, the Company provides for diminution in the value of investments, other than temporary in nature.

##### 1.7 Revenue Recognition

- a) Revenue in respect of sale of electricity generated is accounted for on delivery to the grid.
- b) Revenue in respect of Contract Division & Trading Division from goods/services is recognized on delivery of the goods/ rendering of services. Revenue against construction/consultancy contracts is recognized progressively on the basis of Percentage of Completion method. Stage of completion of contracts in progress is determined by reference to the physical proportion of the contract work completed and billed.



## 1.8 Inventories

Inventories are valued at cost or estimated net realisable value, whichever is lower. Cost of inventory comprising stores, spares and consumables are determined applying weighted average method. Values of spares related to the machinery are charged out as consumption, over the effective life of the plant and machinery to which they relate.

Cost in respect of work in progress represents cost of materials remaining uncertified/incomplete under the construction/consultancy contracts undertaken by the company.

## 1.9 Impairment

Fixed Assets are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of fixed assets is determined. An impairment loss is recognised, whenever the carrying amount of assets exceed recoverable amount. The recoverable amount is the greater of assets net selling price or its value in use. In assessing the value in use, the estimated future cash flows from the use of assets are discounted to their present value at appropriate rate. An impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets on a pro-rata basis. Subsequent to recognition of impairment loss/reversal thereof, depreciation is provided on the revised carrying amount of the asset, on a systematic basis, over its remaining useful life.

## 1.10 Employee Benefits

Employees benefits are accrued in the year services are rendered by the employees.

Contribution to defined contribution schemes such as Provident Fund etc. are recognized as and when incurred.

Long term employee benefits under defined benefit scheme such as contribution to gratuity, leave etc. are determined at close of the year at present value of the amount payable using actuarial valuation techniques.

Actuarial gains and losses are recognised in the year when they arise.

## 1.11 Taxation

Provision for tax is made for current and deferred taxes. Current tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing differences, which are capable of reversal in subsequent years are recognised using tax rates and tax laws, which have been enacted or substantively enacted. Deferred tax assets other than in respect of carried forward losses or unabsorbed depreciation are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized.

Entitlement credit in respect of Minimum Alternate Tax is recognised only if there is convincing evidence of realisation of the same.

## 1.12 Borrowing Costs

Borrowing costs that are attributable to the acquisition / construction/erection of fixed assets are capitalized as part of the assets. Other borrowing costs are recognised as expenses in the year in which they are incurred.

## 1.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not provided for and are disclosed by way of notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

## 1.14 Leases

Lease rental payments for operating leases are recognised as an expense on straight-line basis over the lease term and paid / provided for as per terms of the agreement on an accrual basis.



	As at 31st March 2016 ₹	As at 31st March 2015 ₹
<b>NOTE 2</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
50,000,000 (35,000,000) Equity shares of ₹ 10/- each	50,00,00,000	35,00,00,000
	<b>50,00,00,000</b>	<b>35,00,00,000</b>
<b>Issued, Subscribed and Paid-up</b>		
47,500,000 (27,500,000) Equity shares of ₹ 10/- each fully paid up	47,50,00,000	27,50,00,000
	<b>47,50,00,000</b>	<b>27,50,00,000</b>

<b>Reconciliation of the number of equity shares outstanding</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
At the beginning	2,75,00,000	2,75,00,000
Add : Issued during the year [Refer Note (b) below]	2,00,00,000	-
At the end	4,75,00,000	2,75,00,000

<b>Shareholders holding more than 5% of equity shares</b>	<b>Nos.of shares (%)</b>	<b>Nos.of shares (%)</b>
Sterlite Merchants LLP	1,35,62,084 (28.5%)	1,35,62,084 (49.3%)
Sarvottam Caps Private Limited	1,18,00,000 (24.8%)	-
Amar Singh	14,58,453 (3.1 %)	14,58,453 (5.3%)
Rottex Mercantile Private Limited	1,76,616 (0.3 %)	38,87,424 (14.1%)
Gatisheel Traders LLP	11,83,658 (2.5 %)	37,25,459 (13.5%)

**Rights, Preferences and Restrictions attaching to each classes of shares including restrictions on the distribution of dividends and the repayment of capital**

- The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity is entitled to one vote per share. The dividend, if any proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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 in proportion to the number of equity shares held by them.
- During the year, the company has issued and allotted 2,00,00,000 fully paid equity shares of ₹ 10/- each at a premium of ₹ 12/- each aggregating to ₹ 44,00,00,000/- by way of private placement. Requirements specified under section 42 of the Companies Act 2013 with respect to such issue has been complied with and the proceeds from the issue has been utilised for the purposes for which they were raised.
- The Board of Directors has recommended payment of dividend @ 5% (₹ 0.50) per equity share on the paid-up share capital of the company for the financial year 2015-2016 subject to approval of members at the ensuing Annual General Meeting.

**NOTE 3**

**RESERVES AND SURPLUS**

Capital Reserve on Amalgamation	11,65,345	11,65,345
Capital Reserve	12,40,00,000	12,40,00,000
<b>Securities Premium</b>		
Opening Balance	35,00,00,000	35,00,00,000
Add : Received on shares issued during the year [Refer Note 2(b) ]	24,00,00,000	-
Closing Balance	59,00,00,000	35,00,00,000
General Reserve	22,88,636	22,88,636
<b>Surplus in Statement of Profit and Loss</b>		
Opening Balance	58,75,51,401	59,26,27,231
Less : Adjustment of depreciation (net of deferred tax) due to Schedule II of the Companies Act, 2013	-	23,27,495
Add : Profit/(Loss) for the year transferred from Statement of Profit and Loss	1,61,44,048	1,38,00,841
Less : Appropriations		
Proposed Dividend on Equity shares	2,37,50,000	1,37,50,000
[Dividend per share ₹ 0.50/- (Previous year ₹ 0.50 /-)]		
Tax on Dividend	48,34,941	27,99,176
<b>Balance at the end of the year</b>	<b>57,51,10,508</b>	<b>58,75,51,401</b>
<b>Total</b>	<b>1,29,25,64,489</b>	<b>1,06,50,05,381</b>



	As at 31st March 2016 ₹	As at 31st March 2015 ₹
<b>NOTE 4</b>		
<b>LONG-TERM BORROWINGS</b>		
<b>Unsecured</b>		
<b>Loan from Related Parties</b>		
From Bodies Corporate (Refer Note 27) (*)	1,50,00,000	-
<b>Loan from others</b>		
From Bodies Corporate	1,25,00,000	-
	<b>2,75,00,000</b>	<b>-</b>
(*) Private company in which director is a director.		
<b>Terms of Repayment</b>		
These loans are repayable in the financial year 2017-18. Interest rate wherever applicable, is 12%.		
<b>NOTE 5</b>		
<b>DEFERRED TAX LIABILITIES (NET)</b>		
Deferred Tax Liabilities (Net) (*)	57,65,067	52,85,987
	<b>57,65,067</b>	<b>52,85,987</b>
<b>(*) Break Up</b>		
<b>Deferred Tax Liabilities</b>		
Depreciation Difference	86,52,618	84,97,944
<b>Deferred Tax Assets</b>		
Expenses allowable on payment basis	(28,87,551)	(32,11,957)
	<b>57,65,067</b>	<b>52,85,987</b>
<b>NOTE 6</b>		
<b>LONG TERM PROVISIONS</b>		
<b>Provision for Employee Benefits</b>		
Provision for leave encashment	22,56,000	20,86,000
Provision for Gratuity	10,20,000	18,20,000
	<b>32,76,000</b>	<b>39,06,000</b>
<b>NOTE 7</b>		
<b>SHORT-TERM BORROWINGS</b>		
<b>(Secured)</b>		
<b>(Repayable on Demand)</b>		
Cash Credit from Bank	6,31,55,932	4,64,07,442
	<b>6,31,55,932</b>	<b>4,64,07,442</b>

(Secured by hypothecation of entire stocks and other movables of the company including all movable Plant and Machinery, Furniture and Fixtures, Vehicles, Computers and other accessories etc. stored or to be stored, at the premises / godowns of the company's contract division and also all present and future book debts, outstanding monies, receivables, claims, bills etc. and equitable mortgage of immovable properties at 9MW Harangi Hydro Electric Project)



	As at 31st March 2016 ₹	As at 31st March 2015 ₹
<b>NOTE 8</b>		
<b>TRADE PAYABLES</b>		
Payables for goods and services		
- Dues to Micro and Small Enterprises	-	-
- Dues to Others (*)	<b>24,39,94,273</b>	5,61,59,851
	<b>24,39,94,273</b>	5,61,59,851

(\*) [Includes ₹ 5,24,000/- (Previous Year ₹ 10,78,000 /- ) payable to subsidiaries] (Refer Note 27)

- a) The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under the Act has not been given.
- b) Payables for goods and services includes acceptances amounting to ₹ 10,00,75,310 /- (Previous year ₹ NIL/-)

**NOTE 9**  
**OTHER CURRENT LIABILITIES**

Payable towards Purchase of Investments [Refer Note 27]	<b>19,86,81,369</b>	-
Advance against Sale of Investments	<b>10,00,00,000</b>	-
Advance from customers	<b>4,69,90,885</b>	2,69,90,635
Interest accrued and due on borrowings		
- Related parties (Refer Note 27)	<b>7,94,466</b>	-
- Others	<b>8,78,794</b>	-
	<b>16,73,260</b>	-
Interest accrued and due on Others	<b>1,23,32,447</b>	89,05,948
Statutory Payables	<b>1,65,39,710</b>	30,53,247
Unpaid Dividends (*)	<b>7,20,663</b>	7,52,761
Other Payables	<b>1,64,797</b>	1,76,942
	<b>37,71,03,131</b>	3,98,79,533

(\*) As at the year end there are no amounts due for payment to the investor education and protection fund u/s 205C of the Companies Act 2013.

**NOTE 10**  
**SHORT TERM PROVISIONS**

<b>Provision for Employee Benefits</b>		
Provision for Leave Encashment	<b>7,35,000</b>	7,32,000
<b>Other Provisions</b>		
Provision for Proposed Dividend	<b>2,37,50,000</b>	1,37,50,000
Provision for Dividend Distribution Tax	<b>48,34,941</b>	27,99,176
	<b>2,93,19,941</b>	1,72,81,176



**NOTE 11**

**FIXED ASSETS**

Amount in ₹

Name of the Assets	Gross Block			Depreciation/Amortization			Net Block			
	Cost as at 31.03.2015	Additions / Adjustment	Deletion / Adjustments	Cost as at 31.03.2016	As at 31.03.2015	During the year		Up to 31.03.2016	As at 31.03.2016	As at 31.03.2015
						In statement of Profit and Loss	In Surplus balance of Profit and Loss			
(A) Tangible Assets										
Freehold Land	2,08,300	-	-	2,08,300	-	-	-	-	2,08,300	2,08,300
Leasehold Land [Note a & b]	-	-	-	-	-	-	-	-	-	-
Buildings and Roads	11,29,33,241	-	-	11,29,33,241	2,62,26,278	42,87,932	-	3,05,14,210	8,24,19,031	8,67,06,963
Plant & Equipment	38,54,35,022	19,200	-	38,54,54,222	21,29,70,902	1,15,60,743	-	22,45,31,645	16,09,22,577	17,24,64,120
Hydraulic Works	15,51,10,028	-	-	15,51,10,028	8,74,27,409	38,05,436	-	9,12,32,845	6,38,77,183	6,76,82,619
Transmission Lines, Transformers, Cable Network etc [Note c]	5,34,66,018	-	-	5,34,66,018	3,18,71,319	12,81,627	-	3,31,52,946	2,03,13,072	2,15,94,699
Office Equipment	78,49,103	88,687	-	79,37,790	70,82,719	4,04,902	-	74,87,621	4,50,169	7,66,384
Furniture and Fixtures	1,54,66,590	14,913	-	1,54,81,503	1,15,28,268	11,87,131	-	1,27,15,399	27,66,104	39,38,322
Motor Vehicle	3,46,71,516	-	-	3,46,71,516	2,74,29,298	23,55,015	-	2,97,84,313	48,87,203	72,42,218
Windmill [Note d]	18,47,67,000	-	-	18,47,67,000	6,64,71,309	79,10,986	-	7,43,82,295	11,03,84,705	11,82,95,691
<b>Total (A)</b>	<b>94,99,06,818</b>	<b>1,22,800</b>	-	<b>95,00,29,618</b>	<b>47,10,07,502</b>	<b>3,27,93,772</b>	-	<b>50,38,01,274</b>	<b>44,02,28,344</b>	<b>47,88,99,317</b>
(B) Intangible Assets										
Computer Software	30,71,608	52,500	-	31,24,108	23,71,324	1,75,960	-	25,47,284	5,76,824	7,00,284
<b>Total (B)</b>	<b>30,71,608</b>	<b>52,500</b>	-	<b>31,24,108</b>	<b>23,71,324</b>	<b>1,75,960</b>	-	<b>25,47,284</b>	<b>5,76,824</b>	<b>7,00,284</b>
<b>Total (A+B)</b>	<b>95,29,78,426</b>	<b>1,75,300</b>	-	<b>95,31,53,726</b>	<b>47,33,78,826</b>	<b>3,29,69,733</b>	-	<b>50,63,48,559</b>	<b>44,68,05,168</b>	<b>47,95,99,601</b>
Previous Year	96,00,86,785	25,81,304	96,89,663	95,29,78,426	43,19,73,429	4,06,37,807	34,47,734	47,33,78,826	47,95,99,601	

- Note :** (a) 7.21 acres of Land has been taken on lease for 40 years w.e.f.14th July, 1999 at an annual lease rent of ₹ 72,100/-.  
(b) 1.2 acre of land has been taken on lease for 30 years w.e.f. 30th August, 2010 at an annual lease rent of ₹ 1,20,000/-  
(c) Transmission Lines, Transformers, Cable Network etc. include Power Evacuating facilities put up in relation to the Hydro Electric Generating Station, which has been handed over to the Electricity Board for transmission of Electricity and maintenance thereof.  
(d) Gross Block of Windmill includes Leasehold Land of ₹ 3,600,000 /- (Previous year ₹ 3,600,000/-)



		No. of Shares 31.03.2016	As at 31st March 2016	No. of Shares 31.03.2015	As at 31st March 2015
<b>NOTE 12</b>			₹		₹
<b>NON CURRENT INVESTMENTS</b>					
<b>(Long Term)(At cost,unless otherwise stated)(Other than trade Investments)</b>					
<b>Investment in Equity shares of Subsidiaries (Unquoted)</b>					
(i)	Ayyappa Hydro Power Limited (FV of ₹ 10/- each fully paid up) [Refer Note (a) below] [Maximum amount during the year ₹ 300,000,000/- (Previous Year ₹ 300,000,000/-)]	3,00,00,000	30,00,00,000	3,00,00,000	30,00,00,000
(ii)	EDCL Power Projects Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 40,000,000/- (Previous Year ₹ 40,000,000/-)]	37,50,000	4,00,00,000	37,50,000	4,00,00,000
(iii)	Arunachal Hydro Power Limited (FV of ₹10/- each fully paid up) [Maximum amount during the year ₹ 148,000,000/- (Previous Year ₹ 499,940/-)]	1,48,00,000	14,80,00,000	49,994	4,99,940
(iv)	Eastern Ramganga Valley Hydel Projects Company Private Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 100,000/- (Previous Year ₹ 100,000/-)]	10,000	1,00,000	10,000	1,00,000
(v)	Sarju Valley Hydel Projects Company Private Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 100,000/- (Previous Year ₹ 100,000/)]	10,000	1,00,000	10,000	1,00,000
			48,82,00,000		34,06,99,940
<b>Investment in Equity shares of Subsidiaries of (iii) above (Unquoted)</b>					
(vi)	EDCL Seppa Beyong Hydro Electric Private Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 19,831,579/- (Previous Year ₹ 47,100,000/-)]	-	-	4,00,000	1,98,31,579
(vii)	EDCL Seppa Dunkho Hydro Electric Private Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 19,831,579/- (Previous Year ₹ 47,100,000/-)]	-	-	4,00,000	1,98,31,579
(viii)	EDCL Seppa Jung Power Private Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 98,22,222/- (Previous Year ₹ 22,100,000/-)]	-	-	2,00,000	98,22,222
(ix)	EDCL Seppa Kawa Power Private Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 19,831,579/- (Previous Year ₹ 47,100,000/)]	-	-	4,00,000	1,98,31,579
(x)	EDCL Seppa Lada Hydro Electric Private Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 19,831,579/- (Previous Year ₹ 47,100,000/-)]	-	-	4,00,000	1,98,31,579
(xi)	EDCL Seppa Marjingla Hydro Electric Private Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 19,831,579/- (Previous Year ₹ 47,100,000/-)]	-	-	4,00,000	1,98,31,579



(xii)	EDCL Seppa Nire Hydro Electric Private Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 98,00,000/- (Previous Year ₹ 19,600,000/-)]	-	-	2,00,000	98,00,000
(xiii)	EDCL Seppa Pachuk Power Private Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 19,831,579/- (Previous Year ₹ 47,100,000/)]	-	-	4,00,000	1,98,31,579
(xiv)	EDCL Seppa Riang Power Private Limited (FV of ₹10/- each fully paid up) [Maximum amount during the year ₹ 47,33,333/- (Previous Year ₹ 7,100,000/-)]	-	-	1,00,000	47,33,333
(xv)	EDCL Tawang Lower Tsachu Hydro Electric Private Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 8,50,000/- (Previous Year ₹ 8,50,000/-)]	-	-	25,000	8,50,000
(xvi)	EDCL Tawang Power Private Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 8,50,000/- (Previous Year ₹ 8,50,000/-)]	-	-	25,000	8,50,000
(xvii)	EDCL Tawang Upper Tsachu Hydro Electric Private Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 8,50,000/- (Previous Year ₹ 8,50,000/-)]	-	-	25,000	8,50,000
(xviii)	EDCL Arunachal Hydro Project Private Limited (FV of ₹10/- each fully paid up) [Maximum amount during the year ₹ 1,00,000/- (Previous Year ₹ 1,00,000/)]	10,000	1,00,000	10,000	1,00,000
				<b>1,00,000</b>	14,59,95,029
	<b>(A)</b>			<b>48,83,00,000</b>	<b>48,66,94,969</b>
<b>Investment in 0.01% Cumulative Redeemable Preference Shares of Subsidiaries of (iii) above (Unquoted)</b>					
(xix)	EDCL Seppa Riang Power Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 1,89,83,368/- (Previous Year ₹ NIL/-)]	3,50,000	1,89,83,368	-	-
(xx)	EDCL Seppa Beyond Hydro Electric Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ NIL/)]	4,00,000	2,17,20,000	-	-
(xxi)	EDCL Seppa Dunkho Hydro Electric Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ NIL/-)]	4,00,000	2,17,20,000	-	-
(xxii)	EDCL Seppa Jung Power Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ NIL/)]	4,00,000	2,17,20,000	-	-
(xxiii)	EDCL Seppa Kawa Power Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ NIL/-)]	4,00,000	2,17,20,000	-	-
(xxiv)	EDCL Seppa Lada Hydro Electric Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ NIL/)]	4,00,000	2,17,20,000	-	-
(xxv)	EDCL Seppa Marjingla Hydro Electric Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ NIL/-)]	4,00,000	2,17,20,000	-	-





(xxvi)	EDCL Seppa Nire Hydro Electric Private Limited (FV of ₹100/- each fully paid up) [Maximum amount during the year ₹1,08,71,369/- (Previous Year ₹NIL/-)]	<b>2,00,000</b>	<b>1,08,71,369</b>	-	-
(xxvii)	EDCL Seppa Pachuk Power Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ NIL/-)]	<b>4,00,000</b>	<b>2,17,20,000</b>	-	-
	<b>(B)</b>		<b>18,18,94,737</b>	-	-
<b>Investment in 0.01% Non Cumulative Redeemable Preference Shares of Subsidiaries ( Unquoted )</b>					
(xxviii)	Eastern Ramganga Valley Hydel Projects Company Private Limited (FV of ₹100/- each fully paid up) [Maximum amount during the year ₹ 15,91,20,000/- (Previous Year ₹ NIL/-)]	<b>18,00,000</b>	<b>15,91,20,000</b>	-	-
(xxix)	Sarju Valley Hydel Projects Company Private Limited (FV of ₹100/- each fully paid up) [Maximum amount during the year ₹ 9,72,40,000/- (Previous Year ₹ NIL/-)]	<b>11,00,000</b>	<b>9,72,40,000</b>	-	-
	<b>(C)</b>		<b>25,63,60,000</b>		
<b>Investment in 10% Cumulative Redeemable Preference Shares of Subsidiaries ( Unquoted )</b>					
(xxx)	Ayyappa Hydro Power Limited (FV of ₹ 10/- each fully paid up ) [Refer Note (a) below] [Maximum amount during the year ₹ 22,00,00,000/- (Previous Year ₹ 22,00,00,000/-)]	<b>2,20,00,000</b>	<b>22,00,00,000</b>	2,20,00,000	22,00,00,000
	<b>(D)</b>		<b>22,00,00,000</b>		<b>22,00,00,000</b>
<b>Investment through PMS ( Unquoted )</b>					
(xxxi)	Sai Rayalaseema Paper Mills Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 2,28,542/- (Previous Year ₹ 2,28,542/-)]	<b>18,810</b>	<b>2,28,542</b>	18,810	2,28,542
	<b>(E)</b>		<b>2,28,542</b>		<b>2,28,542</b>
	<b>Total (A+B+C+D+E)</b>		<b>1,14,67,83,279</b>		<b>70,69,23,511</b>
	<b>Aggregate amount of unquoted investments</b>		<b>1,14,67,83,279</b>		<b>70,69,23,511</b>

Notes :

- The shares held in Ayyappa Hydro Power Limited, a subsidiary are pledged (3,00,00,000 equity shares and 2,20,00,000 preference shares) with the lender of the said subsidiary.
- The various subsidiaries [mentioned in (iii to xvii) & (xix to xxx) above] of the company on completion of prefeasibility report have been granted permission for setting up of certain hydel power plants, having aggregate capacity of 660 MW by the Government of Arunachal Pradesh and Uttarakhand. Project survey, geological investigation and formulation of Detailed Project Report (DPR) and other allied works are under progress. In terms of agreement entered into on 9th November, 2015, 76% of the investments will be held by another strategic investor who will be implementing the projects leaving 24% which will be continued to be held by the company and its wholly owned subsidiary. The said agreements which are to be implemented by 30th September, 2016 (extended from 31st March, 2016) are subject to various regulatory and other approvals. Further the transaction is subject to certain conditions precedent to be fulfilled by the company. In terms of the above agreements, the company's investments in the subsidiaries implementing the above projects is contemplated to be transferred by the company atleast at the value at which they are stated in the accounts and no diminution in the value thereof is expected to arise in this respect.
- In pursuance of Section 187(2)(c) of the Companies Act, 2013, investments purchase [mentioned in (iii to xvii) / (xix to xxix)] by the company, during the year are still lying in the name of transferor for want of performance of obligation undertaken by the company, as per agreement entered with the seller.



	As at 31st March 2016 ₹	As at 31st March 2015 ₹
<b>NOTE 13</b>		
<b>LONG TERM LOANS AND ADVANCES</b>		
<b>(Unsecured, considered good)</b>		
Security Deposits/Retention money with customers	1,33,90,124	1,05,04,938
Other Security Deposits	40,10,435	40,63,845
Loan to Related Parties - Subsidiaries (Refer Note 27) (*) (**)	37,21,90,001	1,32,19,764
Advance Income Tax (Net of provisions)	5,48,80,250	4,44,12,124
MAT Credit Entitlement	3,80,15,860	3,97,15,860
Other Advances (Refer Note 18)	3,00,800	2,21,000
	<b>48,27,87,470</b>	<b>11,21,37,530</b>
<b>(*) Particulars of loans to subsidiaries</b>		
Ayyappa Hydro Power Limited	28,08,50,001	37,00,001
[Maximum amount during the year ₹ 31,57,50,001/- (P.Y ₹ 4,34,80,062/-)]		
Arunachal Hydro Power Limited	6,53,00,000	-
[Maximum amount during the year ₹ 6,53,00,000/- (P.Y ₹ NIL/-)]		
EDCL Arunachal Hydro Projects Private Limited	15,00,000	10,00,000
[Maximum amount during the year ₹ 15,00,000/- (P.Y ₹ 16,00,000/-)]		
EDCL Power Projects Limited	1,65,25,000	18,50,000
[Maximum amount during the year ₹ 14,19,00,000/- (P.Y ₹ 2,92,50,000/-)]		
EDCL Seppa Beyond Hydro Electric Private Limited	-	5,94,341
[Maximum amount during the year ₹ 35,94,341/- (P.Y ₹ 2,36,94,341/-)]		
EDCL Seppa Dunkho Hydro Electric Private Limited	-	8,41,511
[Maximum amount during the year ₹ 64,81,511/- (P.Y ₹ 2,89,91,511/-)]		
EDCL Seppa Jung Power Private Limited	-	4,06,605
[Maximum amount during the year ₹ 10,06,605/- (P.Y ₹ 94,56,605/-)]		
EDCL Seppa Kawa Power Private Limited	-	3,03,208
[Maximum amount during the year ₹ 41,03,208/- (P.Y ₹ 2,23,03,208/-)]		
EDCL Seppa Lada Hydro Electric Private Limited	-	4,56,134
[Maximum amount during the year ₹ 59,56,134/- (P.Y ₹ 2,94,56,134/-)]		
EDCL Seppa Marjingla Hydro Electric Private Limited	-	2,12,511
[Maximum amount during the year ₹ 64,40,326/- (P.Y ₹ 4,19,12,511/-)]		
EDCL Seppa Nire Hydro Electric Private Limited	-	3,35,379
[Maximum amount during the year ₹ 25,35,379/- (P.Y ₹ 92,35,379/-)]		
EDCL Seppa Pachuk Power Private Limited	-	11,28,183
[Maximum amount during the year ₹ 14,728,183/- (P.Y ₹ 6,17,28,183/-)]		
EDCL Seppa Riang Power Private Limited	-	3,85,378
[Maximum amount during the year ₹ 5,85,378/- (P.Y ₹ 88,85,378/-)]		
EDCL Tawang Lower Tsachu Hydro Electric Private Limited	-	1,38,573
[Maximum amount during the year ₹ 62,88,573/- (P.Y ₹ 3,66,38,573/-)]		
EDCL Tawang Power Private Limited	-	9,69,435
[Maximum amount during the year ₹ 11,169,435/- (P.Y ₹ 4,15,69,435/-)]		
EDCL Tawang Upper Tsachu Hydro Electric Private Limited	-	2,98,505
[Maximum amount during the year ₹ 18,98,504/- (P.Y ₹ 97,98,505/-)]		
Eastern Ramganga Valley Hydrel Projects Company Private Limited	57,00,000	4,00,000
[Maximum amount during the year ₹ 57,00,000/- (P.Y ₹ 11,80,95,586/-)]		
Sarju Valley Hydrel Projects Company Private Limited	23,15,000	2,00,000
[Maximum amount during the year ₹ 23,15,000/- (P.Y ₹ 6,58,61,284/-)]		
	<b>37,21,90,001</b>	<b>1,32,19,764</b>

(\*\*) These loans to subsidiaries have been given for business purposes. They are repayable in FY 2017-18.



	As at 31st March 2016 ₹	As at 31st March 2015 ₹
<b>NOTE 14</b>		
<b>OTHER NON-CURRENT ASSETS</b>		
<b>Other bank balances</b>		
– on Margin Money Accounts (*) (with more than 12 months maturity) (Refer Note 17)	95,000	95,000
	<u>95,000</u>	<u>95,000</u>
(*) Security deposit with Sales tax authorities		
<b>NOTE 15</b>		
<b>INVENTORIES</b>		
<b>(At Lower of Cost or Market Value)</b>		
(As taken, valued and certified by the management)		
Contract work-in-progress	94,57,791	2,09,71,969
Goods in transit (*)	14,88,886	3,25,388
Stores, Spares and Consumables	38,55,198	46,16,366
	<u>1,48,01,875</u>	<u>2,59,13,723</u>
<b>(*) Under Broad Heads</b>		
Steel	14,88,886	–
Bearing and Spares	–	3,25,388
	<u>14,88,886</u>	<u>3,25,388</u>
<b>NOTE 16</b>		
<b>TRADE RECEIVABLES</b>		
<b>(Unsecured, considered good)</b>		
Outstanding for a period of more than six months	5,37,78,225	4,98,46,712
Other Debts	27,93,19,222	3,86,77,479
	<u>33,30,97,447</u>	<u>8,85,24,191</u>
Trade receivables in respect of sale of power from generation by 6MW Harangi-II SHP, are subject to a charge in favour of lenders of one of the subsidiaries.		
<b>NOTE 17</b>		
<b>CASH AND BANK BALANCES</b>		
<b>Cash and cash equivalents</b>		
– Balance with Banks on Current Accounts	2,36,68,747	53,08,823
– Cash on hand	3,97,682	8,54,691
	<u>2,40,66,429</u>	<u>61,63,514</u>
<b>Other bank balances</b>		
– on Unpaid Dividend Account	7,20,663	7,52,761
– on Margin Money Accounts (*) (with less than 12 months maturity)	3,92,30,000	2,87,30,000
	<u>3,99,50,663</u>	<u>2,94,82,761</u>
	<u>6,40,17,092</u>	<u>3,56,46,274</u>

(\*) Margin money are deposited with banks against bank guarantees and Letter of Credit issued.



	As at 31st March 2016 ₹	As at 31st March 2015 ₹
<b>NOTE 18</b>		
<b>SHORT TERM LOANS AND ADVANCES</b>		
<b>(Unsecured, considered good)</b>		
Advance to suppliers	1,53,85,147	1,64,96,612
Prepaid expenses	31,97,852	32,93,868
Balance with Government authorities	28,00,000	28,00,000
Other Advances <sup>(*)(**)(***)</sup>	25,12,319	42,96,903
	<b>2,38,95,318</b>	<b>2,68,87,383</b>

(\*) Includes ₹ 6,29,000 /- (Previous Year ₹ 14,71,175/-) recoverable from subsidiaries (Refer Note 27)

(\*\*) Includes ₹ 75,643 /- (Previous Year ₹ NIL/-) recoverable from other related parties (Refer Note 27)

(\*\*\*) Other Advances includes ₹ 1,99,603 /- (Previous Year ₹ 411,586/-) under Short Term Loans and Advances and ₹ 300,800/- (Previous Year ₹ 2,21,000/-) under Long Term Loans and Advances in respect of loan to employees. Maximum outstanding ₹ 10,13,986 /- (Previous Year ₹ 11,68,370/-)

**NOTE 19**  
**OTHER CURRENT ASSETS**  
**(Unsecured, considered good)**

Interest Receivable (*)	53,96,184	3,31,98,158
	<b>53,96,184</b>	<b>3,31,98,158</b>

(\*) Includes ₹ NIL /- (Previous Year ₹ 29,152,905/-) recoverable from subsidiaries (Refer Note 27)

**NOTE 20**  
**REVENUE FROM OPERATIONS**

	Year ended 31st March 2016 ₹	Year ended 31st March 2015 ₹
Sale of Products		
- Hydro power (*)	7,46,05,704	11,51,20,382
- Wind power (*)	1,77,61,423	1,97,91,017
- Construction contracts	7,79,78,956	7,04,75,592
- Traded goods (**)	57,64,45,001	1,01,90,207
	<b>74,67,91,084</b>	<b>21,55,77,198</b>
Sale of Services (***)	60,12,44,094	23,03,380
Less : Service Tax	1,05,39,803	2,53,380
	<b>59,07,04,291</b>	<b>20,50,000</b>
	<b>1,33,74,95,375</b>	<b>21,76,27,198</b>

(\*) **Total number of the units generated and sold (In million units)**

- Hydro power	21.07 m.u.	32.13 m.u.
- Wind power	5.22 m.u.	5.82 m.u.

(\*\*) **Under Broad Heads**

- Hydraulic Hoist System with structure	-	1,01,90,207
- Solar Photovoltaic Module	57,64,45,001	-
	<b>57,64,45,001</b>	<b>1,01,90,207</b>

(\*\*\*) **Under Broad Heads**

- Civil Work	59,07,04,291	-
- Commissioning Income	-	20,50,000
	<b>59,07,04,291</b>	<b>20,50,000</b>



	Year ended 31st March 2016 ₹	Year ended 31st March 2015 ₹
<b>NOTE 21</b>		
<b>OTHER INCOME</b>		
Interest Income on loans & deposits (*)	48,46,498	5,62,01,168
Profit on Sale of investments (Long Term) (Refer Note 27)	-	19,45,029
Insurance Claim Received	-	16,91,293
Liability & Provision no longer required written back	22,057	19,78,472
Miscellaneous income	1,005	4,811
	<u>48,69,560</u>	<u>6,18,20,773</u>
(*) Includes ₹ NIL/- (Previous year ₹ 52,374,083/-) on loans given to subsidiaries (Refer Note 27)		
<b>NOTE 22</b>		
<b>COST OF MATERIALS CONSUMED (*) (**)</b>		
Cost of Material Consumed	3,80,90,227	5,02,12,655
	<u>3,80,90,227</u>	<u>5,02,12,655</u>
<b>(*) Under Broad Heads</b>		
Steel	1,62,08,906	2,89,12,708
Cement	35,48,559	52,87,048
Aggregate	70,76,360	90,07,052
Concrete	62,86,200	43,45,515
Others	49,70,202	26,60,332
	<u>3,80,90,227</u>	<u>5,02,12,655</u>
(**) The entire consumption is out of indigenous supplies.		
<b>PURCHASE OF STOCK-IN-TRADE (*)</b>		
Purchase of Stock-In-Trade	55,03,96,687	22,95,000
	<u>55,03,96,687</u>	<u>22,95,000</u>
<b>(*) Under Broad Heads</b>		
Hydraulic Hoist System with Structure	-	22,95,000
Solar Photovoltaic Module	55,03,96,687	-
	<u>55,03,96,687</u>	<u>22,95,000</u>
<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
Opening stock of Contract Work-in-Progress	2,09,71,969	1,86,75,854
Less : Closing stock of Contract Work-in-Progress	94,57,791	2,09,71,969
	<u>1,15,14,178</u>	<u>(22,96,115)</u>
<b>NOTE 23</b>		
<b>EMPLOYEE BENEFITS EXPENSES</b>		
Salaries & Wages	2,28,80,060	2,33,89,981
Contribution to Provident and other Funds	9,39,526	11,18,214
Staff welfare expenses	17,53,161	21,12,075
	<u>2,55,72,747</u>	<u>2,66,20,270</u>



### Employees Benefits :

The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006 (AS-15), are given below :

#### (i) Defined Contribution Scheme

Contribution to Defined Contribution Plan, recognized for the year are as under :

Employer's Contribution to Provident Fund ₹ 161,016 /- (Previous year ₹ 131,598/-)

Employer's Contribution to Pension Fund ₹ 364,978/- (Previous year ₹ 298,766/-)

#### (ii) Defined Benefit Scheme :

The employee's gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for Leave Encashment is recognized in the same manner as gratuity.

(₹ in lacs)

	Particulars	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
	<b>Expenses Recognized in the Statement of Profit &amp; Loss</b>	<b>2015-2016</b>	<b>2015-2016</b>	<b>2014-2015</b>	<b>2014-2015</b>
1	Current Service Cost	4.94	3.03	10.73	7.90
2	Interest Cost	4.50	2.14	6.36	3.44
3	Expected return on plan assets	(4.02)	-	(5.65)	-
4	Actuarial Losses / (Gains)	(1.67)	(3.46)	(5.34)	(7.94)
	<b>Total Expenses</b>	<b>3.75</b>	<b>1.71</b>	<b>6.10</b>	<b>3.40</b>
	<b>Change in the obligation during the year</b>				
1	<b>Present value of Defined Benefit Obligation at the beginning of the year</b>	<b>57.70</b>	<b>28.18</b>	<b>70.47</b>	<b>38.80</b>
2	Current Service Cost	4.94	3.03	10.73	7.90
3	Interest Cost	4.50	2.14	6.36	3.44
4	Acquisition Cost/(Credit)	(9.11)	1.59	(21.08)	(10.78)
5	Benefit Paid	-	(1.57)	(3.43)	(3.24)
6	Actuarial (Gains) / Losses	(2.62)	(3.46)	(5.35)	(7.94)
7	<b>Present value of Defined Benefit Obligation at the end of the year</b>	<b>55.41</b>	<b>29.91</b>	<b>57.70</b>	<b>28.18</b>
	<b>Change in the Assets during the year ended March 31, 2016</b>				
1	<b>Plan Assets at the beginning of the year</b>	<b>39.50</b>	-	<b>64.51</b>	-
2	Contribution by Employer	-	-	0.05	-
3	Acquisition Adjustment	(7.80)	-	(27.27)	-
4	Expected return on plan assets	4.02	-	5.65	-
5	Actual Company Contributions	10.44	-	-	-
6	Benefit Paid	-	-	(3.43)	-
7	Actuarial Gains/(Losses)	(0.95)	-	(0.01)	-
	<b>Plan Assets at the end of the year</b>	<b>45.21</b>	-	<b>39.50</b>	-
	<b>Reconciliation of Net Asset/(Liability) recognised in the Balance Sheet during the year ended March 31, 2016</b>				
1	<b>Net Asset/(Liability) at beginning of the year</b>	<b>(18.20)</b>	<b>(28.18)</b>	<b>(5.96)</b>	<b>(38.80)</b>
2	Acquisitions	1.31	(1.59)	(6.19)	10.78
3	Employer (Expense)/Credit	(3.75)	(1.71)	(6.10)	(3.40)
4	Employer Contributions	10.44	1.57	0.05	3.24
5	<b>Net Asset/(Liability) at the end of the year</b>	<b>(10.20)</b>	<b>(29.91)</b>	<b>(18.20)</b>	<b>(28.18)</b>
	<b>Actuarial Assumptions</b>				
1	Discount Rate	7.90%	7.90%	7.80%	7.80%
2	Expected Rate of Return on Plan Assets	9.00%	Not Applicable	9.00%	Not Applicable
3	Rate of Salary Increases	10.00%	10.00%	10.00%	10.00%



(iii) Disclosure in terms of Para 120(n) of AS 15

(₹ in lacs)

Particulars	Gratuity (Funded)				
	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
Present value of defined benefit obligations	(55.41)	(57.70)	(70.47)	(68.59)	(56.60)
Fair value of plan assets	45.21	39.50	64.51	54.95	46.83
Surplus/(Deficit)	(10.20)	(18.20)	(5.96)	(13.64)	(9.77)
Experience adjustment on plan liabilities (loss)/gain	1.94	14.06	6.03	3.95	4.09
Experience adjustment on plan assets (loss)/gain	(0.95)	(0.01)	(0.34)	(0.16)	(0.22)
Actuarial Gain/(Loss) due to change in assumptions	(8.71)	10.85	(3.59)	2.36	-

(iv) Details of Plan assets

Other assets including under scheme of insurance	Gratuity (Funded)	
	2015-2016	2014-2015
	100%	100%
Actual return on plan assets	3.07	5.64

Notes :

- Assumptions related to future salary increases, attrition, interest rate for discount and overall expected rate of return on Assets have been considered based on relevant economic factors such as inflation, market growth and other factors applicable to the period over which the obligation is expected to be settled.
- Acquisition adjustment represents amount in respect of certain employees transferred into / transferred from the company without affecting the term of employment.
- The expected contribution to the fund by the company during the year 2016-17 is yet to be determined.

Year ended 31st March 2016	Year ended 31st March 2015
₹	₹

**NOTE 24  
FINANCE COSTS**

Interest Expenses

On Cash Credit	92,40,825	68,55,575
On Other Borrowings	18,59,178	6,51,77,557
On Others	34,91,633	35,47,739

Other Borrowing Costs

	1,45,91,636	7,55,80,871
	27,08,931	14,00,692
	<b>1,73,00,567</b>	<b>7,69,81,563</b>

**NOTE 25  
OTHER EXPENSES**

Payment to Auditors (excluding Service tax):

- As Auditors	2,50,000	2,50,000
- For Taxation matters	1,60,000	3,60,000
- Other Services	2,40,000	1,67,500
Cost of Power Purchased	22,95,712	23,23,739
Stores and Spares consumed (*)	10,38,019	18,15,465
Discount & Rebate	13,80,757	22,03,774
Rent (Refer Note 28)	67,42,949	52,90,280
Repairs & Maintenance :		
- Plant & Machinery	76,25,720	84,71,281
- Others	37,98,784	31,93,308



	Year ended 31st March 2016	Year ended 31st March 2015
	₹	₹
Rates & Taxes	1,23,28,529	82,24,625
Travelling & Conveyance Expenses	47,73,152	35,93,796
Insurance	12,56,360	12,07,911
Legal & Professional charges	1,04,19,640	58,13,302
Security Services.	15,49,311	16,66,011
Telephone, Fax, Postal etc.	16,52,216	12,92,641
Bad Debts & Irrecoverable balance written off (Previous Year ₹ 24,205,271/-)	9,06,056	
Less : Provision for Doubtful Debts Written Back (Previous Year ₹ 24,204,059/-)	-	1,212
Miscellaneous Expenses (**)	85,07,629	43,67,466
	<b>6,49,24,834</b>	<b>5,02,42,310</b>

(\*) Value of consumption of stores and spare parts :

(i) The entire consumption is out of indigenous supplies.

(ii) Consumption as above includes ₹ 149,974/- (Previous year ₹ 149,974/-) on account of amortisation of spares.

(iii) Stores and Spare parts included in inventory are largely consumed as replacements and hence their consumption may not be comparable on a year on year basis.

(\*\*) Includes Net (Gain) / Loss on foreign currency transactions of ₹ 748,027 /- ( Previous Year : ₹ (-) 13,17,008/-)

Particulars	As at 31st March, 2016	As at 31st March, 2015
	₹	₹

## NOTE 26

### CONTINGENT LIABILITIES AND COMMITMENTS

(To the extent not provided for)

#### Contingent Liabilities

a) Claims against the company not acknowledged as debts

i) Income Tax matters under disputes and pending in appeal

3,66,96,131

11,94,30,590

ii) Sales Tax matters under disputes and pending in appeal

1,44,33,700

2,39,19,314

The Company's pending litigation comprise of proceedings with income tax and sales tax authorities. The company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The company does not expect the outcome of these proceedings to have material impact on its financial position. Future cash outflows if any in respect of (i) and (ii) above are dependent upon the outcome of the decision/judgements.

b) **Guarantees :**

i) The company has given guarantee in respect of loan taken by one of its subsidiaries.

- Outstanding Loan Balance

90,24,99,878

90,24,99,878

ii) Bank guarantees given

8,79,27,677

11,42,47,677

c) **Commitments**

a) Estimated amount of contracts remaining to be executed on capital account (net of advances)

5,51,36,888

24,42,88,027





**NOTE 27**

**RELATED PARTY DISCLOSURES PURSUANT TO ACCOUNTING STANDARD - 18**

<b>(a) Key Management Personnel and their relative</b>	
	Sanjiv Saraf (Executive Director)
	Indira Saraf (Wife of the Executive Director)
<b>(b) Subsidiary Companies</b>	
1	Ayyappa Hydro Power Limited
2	EDCL Power Projects Limited
3	Eastern Ramganga Valley Hydel Projects Company Private Limited
4	Sarju Valley Hydel Projects Company Private Limited
5	Arunachal Hydro Power Limited
<b>Subsidiaries of Arunachal Hydro Power Limited</b>	
(i)	EDCL Arunachal Hydro Project Private Limited
(ii)	EDCL Seppa Beyong Hydro Electric Private Limited
(iii)	EDCL Seppa Dunkho Hydro Electric Private Limited
(iv)	EDCL Seppa Jung Power Private Limited
(v)	EDCL Seppa Kawa Power Private Limited
(vi)	EDCL Seppa Lada Hydro Electric Private Limited
(vii)	EDCL Seppa Marjingla Hydro Electric Private Limited
(viii)	EDCL Seppa Nire Hydro Electric Private Limited
(ix)	EDCL Seppa Pachuk Power Private Limited
(x)	EDCL Seppa Riang Power Private Limited
(xi)	EDCL Tawang Lower Tsachu Hydro Electric Private Limited
(xii)	EDCL Tawang Power Private Limited
(xiii)	EDCL Tawang Upper Tsachu Hydro Electric Private Limited
<b>(c) Individuals having significant influence directly or indirectly (Promoter and their relatives)</b>	
1.	Amar Singh (Non Executive Chairman )
2.	Pankaja Kumari Singh (Wife of the Non Executive Chairman)
<b>(d) Enterprises over which individuals mentioned in (c) above exercises significant influence</b>	
1.	Startrack Vinimay Private Limited
2.	Sarvottam Caps Private Limited

The aggregate amount of transactions with the related parties as mentioned in (a) above is as below :

Particulars	2015-16 (₹)	2014-15 (₹)
<b>Transactions during the year :</b>		
<b>Remuneration :</b>		
Sanjiv Saraf	<b>48,20,000</b>	48,20,000
<b>Rent Paid</b>		
Indira Saraf	<b>10,54,200</b>	9,58,320



The aggregate amount of transactions with the related parties as mentioned in (b) above is as given below :

**(i) Investments in shares of subsidiaries :**

(Amount in ₹)

	Subsidiary Company	Transactions during the year		Outstanding Balances as at the year end			
		Investment in Equity shares		Investment in Equity shares		Investment in Preference shares	
		2015-16	2014-15	31.03.2016	31.03.2015	31.03.2016	31.03.2015
1	AYYAPPA HYDRO POWER LIMITED	-	-	30,00,00,000	30,00,00,000	22,00,00,000	22,00,00,000
2	EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	-	-	1,00,000	1,00,000	15,91,20,000	-
3	EDCL ARUNACHAL HYDRO PROJECT PRIVATE LIMITED	-	-	1,00,000	1,00,000	-	-
4	EDCL POWER PROJECTS LIMITED	-	-	4,00,00,000	4,00,00,000	-	-
5	EDCL SEPPA BEYONG HYDRO ELECTRIC PRIVATE LIMITED	-	-	-	1,98,31,579	2,17,20,000	-
6	EDCL SEPPA DUNKHO HYDRO ELECTRIC PRIVATE LIMITED	-	-	-	1,98,31,579	2,17,20,000	-
7	EDCL SEPPA JUNG POWER PRIVATE LIMITED	-	-	-	98,22,222	2,17,20,000	-
8	EDCL SEPPA KAWA POWER PRIVATE LIMITED	-	-	-	1,98,31,579	2,17,20,000	-
9	EDCL SEPPA LADA HYDRO ELECTRIC PRIVATE LIMITED	-	-	-	1,98,31,579	2,17,20,000	-
10	EDCL SEPPA MARJINGLA HYDRO ELECTRIC PRIVATE LIMITED	-	-	-	1,98,31,579	2,17,20,000	-
11	EDCL SEPPA NIRE HYDRO ELECTRIC PRIVATE LIMITED	-	-	-	98,00,000	1,08,71,369	-
12	EDCL SEPPA PACHUK POWER PRIVATE LIMITED	-	-	-	1,98,31,579	2,17,20,000	-
13	EDCL SEPPA RIANG POWER PRIVATE LIMITED	-	-	-	47,33,333	1,89,83,368	-
14	EDCL TAWANG LOWER TSACHU HYDRO ELECTRIC PRIVATE LIMITED	-	-	-	8,50,000	-	-
15	EDCL TAWANG POWER PRIVATE LIMITED	-	-	-	8,50,000	-	-
16	EDCL TAWANG UPPER TSACHU HYDRO ELECTRIC PRIVATE LIMITED	-	-	-	8,50,000	-	-
17	SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	-	-	1,00,000	1,00,000	9,72,40,000	-
18	ARUNACHAL HYDRO POWER LIMITED	14,75,00,000	4,99,940	14,80,00,000	4,99,940	-	-
	<b>Total :</b>	<b>14,75,00,000</b>	<b>4,99,940</b>	<b>48,83,00,000</b>	<b>48,66,94,969</b>	<b>65,82,54,737</b>	<b>22,00,00,000</b>

(a) Transactions during the year represents amount of subscription to capital issued by the subsidiaries. Further, investments in preference shares of ₹ 438,254,737/- (Previous Year : ₹ NIL ), equity shares of ₹ 60/- (Previous Year ₹ Nil/-) has been purchased from other parties [including related parties as reported in Note 27 (d) below] and investments in equity shares costing ₹ 14,58,95,029 /- ( Previous Year : ₹ 30,30,54,971/-) have been sold to subsidiaries as reported in Note 27 [b (iv) ] below.

**(ii) Loans given to subsidiaries :**

(Amount in ₹)

	Subsidiary Company	Transactions during the year				Outstanding Balances as at the year end	
		Loans Given		Proceeds from Repayment of Loans		Loans	
		2015-16	2014-15	2015-16	2014-15	31.03.2016	31.03.2015
1	AYYAPPA HYDRO POWER LIMITED	33,38,50,000	10,37,24,767	5,67,00,000	12,04,24,866	28,08,50,001	37,00,001
2	EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	53,00,000	97,30,000	-	11,80,95,586	57,00,000	4,00,000
3	EDCL ARUNACHAL HYDRO PROJECT PRIVATE LIMITED	5,00,000	6,00,000	-	6,00,000	15,00,000	10,00,000
4	EDCL POWER PROJECTS LIMITED	26,53,75,000	2,34,50,000	25,07,00,000	4,46,50,000	1,65,25,000	18,50,000
5	EDCL SEPPA BEYONG HYDRO ELECTRIC PRIVATE LIMITED	30,00,000	1,54,00,000	35,94,341	2,35,00,000	-	5,94,341
6	EDCL SEPPA DUNKHO HYDRO ELECTRIC PRIVATE LIMITED	60,00,000	1,21,00,000	68,41,511	2,85,00,000	-	8,41,511
7	EDCL SEPPA JUNG POWER PRIVATE LIMITED	6,00,000	44,00,000	10,06,605	94,00,000	-	4,06,605
8	EDCL SEPPA KAWA POWER PRIVATE LIMITED	38,00,000	1,31,00,000	41,03,208	2,20,00,000	-	3,03,208
9	EDCL SEPPA LADA HYDRO ELECTRIC PRIVATE LIMITED	55,00,000	1,67,50,000	59,56,134	2,90,00,000	-	4,56,134
10	EDCL SEPPA MARJINGLA HYDRO ELECTRIC PRIVATE LIMITED	87,00,000	2,32,50,000	89,12,511	4,35,00,000	-	2,12,511
11	EDCL SEPPA NIRE HYDRO ELECTRIC PRIVATE LIMITED	22,00,000	39,00,000	25,35,379	90,00,000	-	3,35,379
12	EDCL SEPPA PACHUK POWER PRIVATE LIMITED	1,36,00,000	3,37,10,000	1,47,28,183	6,65,00,000	-	11,28,183
13	EDCL SEPPA RIANG POWER PRIVATE LIMITED	2,00,000	43,50,000	5,85,378	85,00,000	-	3,85,378
14	EDCL TAWANG LOWER TSACHU HYDRO ELECTRIC PRIVATE LIMITED	61,50,000	2,08,00,000	62,88,573	3,65,00,000	-	1,38,573
15	EDCL TAWANG POWER PRIVATE LIMITED	1,02,00,000	2,07,00,000	1,11,69,435	4,15,00,000	-	9,69,435
16	EDCL TAWANG UPPER TSACHU HYDRO ELECTRIC PRIVATE LIMITED	16,00,000	50,50,000	18,98,505	95,00,000	-	2,98,505
17	SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	21,15,000	53,80,000	-	6,58,61,284	23,15,000	2,00,000
18	ARUNACHAL HYDRO POWER LIMITED	6,53,00,000	-	-	-	6,53,00,000	-
	<b>Total :</b>	<b>73,39,90,000</b>	<b>31,63,94,767</b>	<b>37,50,19,763</b>	<b>67,70,31,736</b>	<b>37,21,90,001</b>	<b>1,32,19,764</b>



**(iii) Interest income on loans given to subsidiaries :**

(Amount in ₹)

	Subsidiary Company	Transactions during the year		Outstanding Balances as at the year end	
		Interest Income		Interest Receivable	
		2015-16	2014-15	31.03.2016	31.03.2015
1	AYYAPPA HYDRO POWER LIMITED	-	19,15,898	-	17,24,308
2	EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	-	1,28,31,571	-	533
3	EDCL ARUNACHAL HYDRO PROJECT PRIVATE LIMITED	-	1,55,770	-	1,40,193
4	EDCL POWER PROJECTS LIMITED	-	19,84,718	-	17,86,246
5	EDCL SEPPA BEYONG HYDRO ELECTRIC PRIVATE LIMITED	-	23,00,609	-	20,70,548
6	EDCL SEPPA DUNKHO HYDRO ELECTRIC PRIVATE LIMITED	-	26,19,305	-	23,57,374
7	EDCL SEPPA JUNG POWER PRIVATE LIMITED	-	8,23,352	-	7,41,017
8	EDCL SEPPA KAWA POWER PRIVATE LIMITED	-	22,21,503	-	19,99,353
9	EDCL SEPPA LADA HYDRO ELECTRIC PRIVATE LIMITED	-	29,02,846	-	26,12,561
10	EDCL SEPPA MARJINGLA HYDRO ELECTRIC PRIVATE LIMITED	-	31,60,066	-	28,44,059
11	EDCL SEPPA NIRE HYDRO ELECTRIC PRIVATE LIMITED	-	8,15,643	-	7,34,079
12	EDCL SEPPA PACHUK POWER PRIVATE LIMITED	-	50,74,707	-	45,67,236
13	EDCL SEPPA RIANG POWER PRIVATE LIMITED	-	7,13,955	-	6,42,559
14	EDCL TAWANG LOWER TSACHU HYDRO ELECTRIC PRIVATE LIMITED	-	33,18,010	-	29,86,209
15	EDCL TAWANG POWER PRIVATE LIMITED	-	35,87,538	-	32,28,784
16	EDCL TAWANG UPPER TSACHU HYDRO ELECTRIC PRIVATE LIMITED	-	7,97,081	-	7,17,373
17	SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	-	71,51,511	-	473
	<b>Total :</b>	-	5,23,74,083	-	2,91,52,905

**(iv) Sale of Investments to Subsidiaries :**

(Amount in ₹)

	Subsidiary Company	Transactions during the year	
		Sale consideration on sale of Investments	
		2015-16	2014-15
	ARUNACHAL HYDRO POWER LIMITED (*)	14,58,95,029	30,50,00,000

(\*) Profit on sale of Investments to the subsidiary is ₹ NIL /- (Previous Year : ₹ 19,45,029/-)



**(v) Payment of expenses on behalf of subsidiaries :**

(Amount in ₹)

	Subsidiary Company	Transactions during the year				Outstanding Balances as at the year end	
		Expenses incurred on behalf		Amount Recovered		Other Receivables	
		2015-16	2014-15	2015-16	2014-15	31.03.2016	31.03.2015
1	AYYAPPA HYDRO POWER LIMITED	51,03,607	59,98,620	59,56,782	51,45,445	-	8,53,175
2	EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	12,67,856	10,24,981	12,67,856	10,24,981	-	-
3	EDCL ARUNACHAL HYDRO PROJECT PRIVATE LIMITED	2,667	354	2,667	354	-	-
4	EDCL POWER PROJECTS LIMITED	55,12,581	45,79,948	55,12,581	45,79,948	-	-
5	EDCL SEPPA BEYONG HYDRO ELECTRIC PRIVATE LIMITED	5,63,371	3,47,011	5,63,371	3,47,011	-	-
6	EDCL SEPPA DUNKHO HYDRO ELECTRIC PRIVATE LIMITED	10,01,783	7,53,000	10,01,783	7,53,000	-	-
7	EDCL SEPPA JUNG POWER PRIVATE LIMITED	3,39,089	2,04,835	3,39,089	2,04,835	-	-
8	EDCL SEPPA KAWA POWER PRIVATE LIMITED	8,04,197	5,94,476	8,04,197	5,94,476	-	-
9	EDCL SEPPA LADA HYDRO ELECTRIC PRIVATE LIMITED	6,33,458	3,88,933	6,33,458	3,88,933	-	-
10	EDCL SEPPA MARJINGLA HYDRO ELECTRIC PRIVATE LIMITED	10,42,883	6,50,585	10,42,883	6,50,585	-	-
11	EDCL SEPPA NIRE HYDRO ELECTRIC PRIVATE LIMITED	2,12,931	1,28,081	2,12,931	1,28,081	-	-
12	EDCL SEPPA PACHUK POWER PRIVATE LIMITED	55,08,664	32,74,075	55,08,664	32,74,075	-	-
13	EDCL SEPPA RIANG POWER PRIVATE LIMITED	2,12,931	1,28,079	2,12,931	1,28,079	-	-
14	EDCL TAWANG LOWER TSACHU HYDRO ELECTRIC PRIVATE LIMITED	13,26,880	9,03,690	13,26,880	9,03,690	-	-
15	EDCL TAWANG POWER PRIVATE LIMITED	40,56,516	12,83,697	40,56,516	12,83,697	-	-
16	EDCL TAWANG UPPER TSACHU HYDRO ELECTRIC PRIVATE LIMITED	3,36,993	1,98,683	3,36,993	1,98,683	-	-
17	SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	5,20,397	5,73,330	5,20,397	5,73,330	-	-
18	ARUNACHAL HYDRO POWER LIMITED	8,977	16,400	8,977	16,400	-	-
	<b>Total :</b>	<b>2,84,55,781</b>	<b>2,10,48,778</b>	<b>2,93,08,956</b>	<b>2,01,95,603</b>	<b>-</b>	<b>8,53,175</b>

**(vi) Net Provision (Liability - Assets) for Employee Retirement Benefits transferred (to)/from the party:**

	Subsidiary Company	Transactions during the year				Outstanding Balances as at the year end			
		Gratuity		Leave Encashment		Other Receivables		Payables	
		2015-16	2014-15	2015-16	2014-15	31.03.2016	31.03.2015	31.03.2016	31.03.2015
1	AYYAPPA HYDRO POWER LIMITED	69,000	3,06,000	5,41,000	(4,30,000)	6,94,000	3,06,000	84,000	4,30,000
2	EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	3,000	27,000	46,000	(72,000)	49,000	27,000	-	72,000
3	EDCL POWER PROJECTS LIMITED	-	1,63,000	-	(3,54,000)	-	1,63,000	-	3,54,000
4	EDCL SEPPA PACHUK POWER PRIVATE LIMITED	5,000	85,000	11,000	(1,63,000)	16,000	85,000	-	1,63,000
5	EDCL TAWANG LOWER TSACHU HYDRO ELECTRIC PRIVATE LIMITED	-	24,000	-	(49,000)	-	24,000	-	49,000
6	EDCL TAWANG POWER PRIVATE LIMITED	(1,30,000)	-	(4,40,000)	-	(1,30,000)	-	4,40,000	-
7	SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	-	13,000	-	(10,000)	-	13,000	-	10,000
	<b>Total :</b>	<b>(53,000)</b>	<b>6,18,000</b>	<b>1,58,000</b>	<b>(10,78,000)</b>	<b>6,29,000</b>	<b>6,18,000</b>	<b>5,24,000</b>	<b>10,78,000</b>

**(vii) Guarantee given to banks on behalf of Subsidiary :**

	Particular	2015-16 (₹)	2014-15 (₹)
1	AYYAPPA HYDRO POWER LIMITED (for business purpose)		
	Outstanding balance of such loan	<b>90,24,99,878</b>	90,24,99,878



The aggregate amount of transactions with the related parties as mentioned in (c) above is as given below :

Particular		2015-16 (₹)	2014-15 (₹)
<b>Transaction during the year :</b>			
i)	<b>Board Meeting Fees</b>		
	- Amar Singh	<b>1,40,000</b>	80,000
	- Pankaja Kumari Singh	<b>60,000</b>	20,000
ii)	<b>Commitee Meeting Fees</b>		
	- Amar Singh	-	30,000
	- Pankaja Kumari Singh	<b>40,000</b>	40,000

The aggregate amount of transactions with the related parties as mentioned in (d) above is as given below:

Particular		2015-16 (₹)	2014-15 (₹)
<b>Transaction during the year :</b>			
i)	<b>Unsecured Loan received</b>		
	- Startrack Vinimay Private Limited	<b>1,50,00,000</b>	3,35,00,000
	- Sarvottam Caps Private Limited	-	5,00,00,000
ii)	<b>Unsecured Loan repaid</b>		
	- Startrack Vinimay Private Limited	-	37,31,00,000
	- Sarvottam Caps Private Limited	-	36,80,00,000
iii)	<b>Interest Expenses</b>		
	- Startrack Vinimay Private Limited	<b>8,82,740</b>	3,00,18,083
	- Sarvottam Caps Private Limited	-	3,31,65,896
iv)	<b>Purchase of Investments in Subsidiaries</b>		
	- Startrack Vinimay Private Limited	<b>34,59,33,368</b>	-
	- Sarvottam Caps Private Limited	<b>9,23,21,369</b>	-
v)	<b>Proceed from issue of Equity Shares</b>		
	- Startrack Vinimay Private Limited	<b>4,01,50,000</b>	-
	- Sarvottam Caps Private Limited	<b>25,96,00,000</b>	-
vi)	<b>Expenses incurred by the company on behalf of the party</b>		
	- Startrack Vinimay Private Limited	<b>50,113</b>	-
	- Sarvottam Caps Private Limited	<b>25,530</b>	-



Particular		2015-16 (₹)	2014-15 (₹)
<b>Balances as at the year end :</b>			
i)	<b>Unsecured Loans</b>		
	- Startrack Vinimay Private Limited	<b>1,50,00,000</b>	-
ii)	<b>Interest accrued and due (Payable)</b>		
	- Startrack Vinimay Private Limited	<b>7,94,466</b>	-
iii)	<b>Payable towards purchase of Investments</b>		
	- Startrack Vinimay Private Limited	<b>19,86,81,369</b>	-
iv)	<b>Advance (Reimbursable Expenses)</b>		
	- Startrack Vinimay Private Limited	<b>50,113</b>	-
	- Sarvottam Caps Private Limited	<b>25,530</b>	-

**Notes :**

- i) In respect of above parties, there is no provision for doubtful debts as on 31st March 2016 and no amount has been written off or written back during the year in respect of debts due from / to them.
- ii) The above Related Party information is as identified by the Management and relied upon by the auditors.

**NOTE 28**

**OPERATING LEASE**

The company has taken several premises under cancellable operating leases. The lease term is upto 5 years and have the option of renewal on expiry of the lease period based on mutual agreement of both the parties. Certain lease arrangements have been terminated during the year based upon mutual agreement of both the parties. Rental expenses towards cancellable operating lease charged to statement of profit and loss amounts to ₹ 52,12,900/- (Previous year ₹ 42,99,820/-) and has been disclosed as "Rent" in Note 25 of the financial statement.

The Company has taken certain machineries under cancellable operating leases. The lease term has an option of renewal on expiry of the list period based on the mutual agreement of both the parties. Rental expenses towards such cancellable operating lease charged to statement of profit and loss amounts to ₹ 7,20,000 /- (Previous Year ₹ 3,96,000/-) and has been disclosed as "Rent" in Note 25 of the financial statement

**NOTE 29**

**CONSTRUCTION CONTRACTS DISCLOSURES**

a)	Particulars	2015-16 ₹	2014-15 ₹
i)	Contract revenue recognised as revenue in the period	<b>7,79,78,956</b>	7,04,75,592
ii)	Contract costs incurred upto the reporting date	<b>47,79,49,408</b>	43,44,07,465
iii)	Advances received	<b>2,69,90,635</b>	2,69,90,635
iv)	Retention money with customers	<b>1,33,90,124</b>	1,05,04,938
v)	Gross amount due from customers for contract work	<b>9,16,13,941</b>	7,77,16,865

- b) In case of long term contracts in operation, the foreseeable losses if any are recognised based on the management's estimation of percentage of completion and cost involved thereagainst.



## NOTE 30

### EARNINGS PER SHARE (EPS) :

Particulars	2015-16 (₹)	2014-15 (₹)
<b>Basic and Diluted Earnings per share has been computed as under :</b>		
Profit/(Loss) after tax for the year	<b>1,61,44,048</b>	1,38,00,841
Weighted Average Number of Equity Shares issued (Nos.)	<b>3,47,67,760</b>	2,75,00,000
Basic and Diluted Earnings per Share (Face Value ₹10/- per share fully paid up )	<b>0.46</b>	0.50

## NOTE 31

### (A) PAYMENT IN FOREIGN CURRENCY :

Particulars	2015-16 (₹)	2014-15 (₹)
Travelling & Conveyance Expenses (*)	<b>2,25,126</b>	–
Legal & Professional Charges (**)	–	–

(\*) Net of recovery of ₹ 3,54,556 /- (Previous year ₹ 9,09,626/-) from Subsidiary companies.

(\*\*) Net of recovery of ₹ 51,31,959 /- (Previous year ₹ NIL /-) from Subsidiary companies.

### (B) UNHEDGED FOREIGN CURRENCY EXPOSURE OF THE COMPANY AS AT THE YEAR END :

Particulars	Amount in Foreign Currency	
	2015-16	2014-15
Payables		
– Imports		
EURO	<b>80,784</b>	80,784
USD	<b>16,660</b>	16,660

## NOTE 32

### SEGMENT REPORTING

Segments have been identified in line with the Accounting Standards AS-17 taking into account the organization structure as well as the differencing risk and return. The Company's business segment comprises of (1) generation and sale of electricity division and (2) construction development, implementation, operation & maintenance of projects and consultancies (Contract Division) (3) trading . These have been identified by the type of their respective sales and services rendered.

During the year, the company has carried out trading activities related to power equipments and the same having different risks and returns other than the existing activities, has been considered as a separate business segment. Further, the transaction under the said trading activities has been undertaken in the current year only and therefore, figures for the previous year are not applicable.

Particulars	Sale of Electricity		Contract Division		Trading		Total	
	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)
<b>Revenue:</b>								
External sales (*)	<b>9,23,67,127</b>	13,49,11,400	<b>66,86,83,247</b>	8,27,15,798	<b>57,64,45,001</b>	–	<b>1,33,74,95,375</b>	21,76,27,198
<b>Result:</b>								
Segments	<b>4,31,07,700</b>	8,49,38,491	<b>1,70,47,285</b>	(1,61,85,362)	<b>2,57,28,813</b>	–	<b>8,58,83,798</b>	6,87,53,129
Less : Interest and Finance Charges							<b>1,73,00,567</b>	7,69,81,563
Less : Other common expenses (net)							<b>4,55,60,103</b>	(2,21,30,820)
Total Profit Before Tax							<b>2,30,23,128</b>	1,39,02,386
Provisions For Tax							<b>68,79,080</b>	1,01,545
Profit After Tax							<b>1,61,44,048</b>	1,38,00,841
Segments Assets	<b>43,73,02,165</b>	46,41,76,022	<b>20,89,25,912</b>	15,27,74,296	<b>17,64,45,001</b>	–	<b>82,26,73,078</b>	61,69,50,318
Unallocable Corporate Assets							<b>1,69,50,05,755</b>	89,19,75,052
<b>TOTAL</b>							<b>2,51,76,78,833</b>	<b>1,50,89,25,370</b>
Segments Liabilities	<b>50,05,802</b>	41,31,540	<b>16,85,76,132</b>	7,87,47,162	<b>12,90,44,037</b>	–	<b>30,26,25,971</b>	8,28,78,702
Unallocable Corporate Liabilities							<b>44,74,88,373</b>	8,60,41,287
<b>TOTAL</b>							<b>75,01,14,344</b>	<b>16,89,19,989</b>



Particulars	Sale of Electricity		Contract Division		Trading		Total	
	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)
Capital expenditure for the segment	19,200	15,550	-	22,82,943	-	-	19,200	22,98,493
Unallocable Corporate Capital Expenditure							1,56,100	2,82,811
<b>Total Capital Expenditure</b>							<b>1,75,300</b>	<b>25,81,304</b>
Depreciation and amortisation for the segment	2,63,75,286	2,74,62,236	32,64,924	55,30,134	-	-	2,96,40,210	3,29,92,370
Unallocable Depreciation and amortisation							33,29,523	76,45,437
<b>Total depreciation and amortisation</b>							<b>3,29,69,733</b>	<b>4,06,37,807</b>
Non cash expenditure, other than depreciation and amortisation for the segment	1,49,974	1,50,129	50,610	400	-	-	2,00,584	1,50,529
Unallocable non cash expenditure, other than depreciation and amortisation							8,55,446	657
<b>Total non cash expenditure, other than depreciation and amortisation</b>							<b>10,56,030</b>	<b>1,51,186</b>

- (a) Revenue and expenses have been identified to segment on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relates to enterprise as a whole and not allocable to segment on a reasonable basis have been included under the head other common expenses.
- (b) As the company operates entirely in India no secondary segment has been identified for the above purpose.

### NOTE 33 COMPARATIVES

The previous year's figures have been regrouped and rearranged wherever considered necessary.

As per our Report of even date  
For **Lodha & Co.**  
Chartered Accountants  
Firm's ICAI Registration No. 301051E

**H K Verma**  
Partner  
Membership No. 055104  
Place : Kolkata  
Dated : 30th May, 2016

**For and on behalf of the Board of Directors**

Sd/- **Amar Singh**, Non Executive Chairman  
Sd/- **Sanjiv Saraf**, Executive Director  
Sd/- **Chanakya Arvind Dhandra**, Director  
Sd/- **Sanjay Kumar Gupta**, Director  
Sd/- **Voy Kumar**, Director  
Sd/- **Amit Damani**, Chief Financial Officer  
Sd/- **Vayshree Binnani**, Company Secretary





## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars		For the year ended 31.03.2016		For the year ended 31.03.2015	
		Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
<b>A)</b>	<b>A) Cash Flow From Operating Activities:</b>				
	Profit/ (Loss) before taxation		2,30,23,128		1,39,02,386
	<b>Adjustments for :</b>				
	Depreciation & Amortisation	3,29,69,733		4,06,37,807	
	Amortisation of Stores, Spares & Tools	1,49,974		1,49,974	
	Interest & Finance Charges	1,73,00,567		7,69,81,563	
	(Profit)/Loss on Sale of Investments (Net)	-		(19,45,029)	
	Interest Income on loans & deposits	(48,46,498)		(5,62,01,168)	
	Bad debts and advances written off	9,06,056		2,42,05,271	
	Provision for doubtful debts written back	-		(2,42,04,059)	
	Liability no longer required written back	(22,057)	4,64,57,775	(19,78,472)	5,76,45,887
	<b>Operating Profit before Working Capital Changes</b>		<b>6,94,80,903</b>		<b>7,15,48,273</b>
	<b>Adjustments for :</b>				
	(Increase)/Decrease in Inventory	1,09,61,874		(22,38,857)	
	(Increase)/Decrease in Trade and Other receivables	(24,53,98,823)		3,26,47,232	
	Increase/(Decrease) in Trade and Other payables	22,06,71,950	(1,37,65,001)	(3,72,45,751)	(68,37,376)
	<b>Cash generated from operations</b>		<b>5,57,15,902</b>		<b>6,47,10,897</b>
	Direct Taxes paid (Net of refund)		(1,51,68,125)		(71,99,612)
	<b>Net Cash Flow from Operating Activities</b>		<b>4,05,47,777</b>		<b>5,75,11,285</b>
<b>B)</b>	<b>Cash Flow from Investing Activities</b>				
	Purchase of Fixed Assets	(1,75,300)		(25,81,304)	
	Sale of Fixed Assets	-		70,09,518	
	Sale of Investments	14,58,95,028		30,50,00,000	
	Advance received against Sale of Investments	10,00,00,000		-	
	Purchase of Investments	(38,70,73,427)		(4,99,940)	
	Deposit / redemption of Margin Money and other bank balances	(1,04,67,902)		2,08,31,268	
	Loan (Given) / Proceeds on repayment	(35,89,70,237)		36,06,36,969	
	Interest Received	3,26,48,470	(47,81,43,368)	5,70,66,509	74,74,63,020
	<b>Net Cash Flow from Investing Activities</b>		<b>(47,81,43,368)</b>		<b>74,74,63,020</b>
<b>C)</b>	<b>Cash Flow from Financing Activities</b>				
	Proceeds from / (repayments) of borrowings	4,42,48,490		(66,34,07,836)	
	Proceeds from Issue of Equity Share	44,00,00,000		-	
	Interest & Finance Charges paid	(1,22,00,808)		(12,99,50,692)	
	Dividend Paid	(1,37,50,000)		(1,37,50,000)	
	Dividend Distribution Tax Paid	(27,99,176)	45,54,98,506	(23,36,813)	(80,94,45,341)
	<b>Net Cash flow from Financing Activities</b>		<b>45,54,98,506</b>		<b>(80,94,45,341)</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>1,79,02,915</b>		<b>(44,71,036)</b>
	<b>Cash and Cash equivalents at the beginning of the year</b>		<b>61,63,514</b>		<b>1,06,34,548</b>
	<b>Cash and Cash equivalents at the end of the year (Refer Note 17)</b>		<b>2,40,66,429</b>		<b>61,63,514</b>

### Notes :

- 1) Cash Flow Statement is prepared by the indirect method as set out in Accounting Standard - 3 on Cash Flow Statement
- 2) Cash & Cash Equivalents presented in the statement consists of cash on hand and balances with banks on current account as on the balance sheet date.
- 3) Previous year's figures have been re-grouped/rearranged wherever considered necessary.

As per our Report of even date  
For **Lodha & Co.**  
Chartered Accountants  
Firm's ICAI Registration No. 301051E

**H K Verma**  
Partner  
Membership No. 055104  
Place : Kolkata  
Dated : 30th May, 2016

### For and on behalf of the Board of Directors

Sd/- **Amar Singh**, Non Executive Chairman  
Sd/- **Sanjiv Saraf**, Executive Director  
Sd/- **Chanakya Arvind Dhanda**, Director  
Sd/- **Sanjay Kumar Gupta**, Director  
Sd/- **V oy Kumar**, Director  
Sd/- **Amit Damani**, Chief Financial Officer  
Sd/- **V ayshree Binnani**, Company Secretary



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# **CONSOLIDATED FINANCIAL STATEMENTS**

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## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF ENERGY DEVELOPMENT COMPANY LIMITED**

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

We have audited the accompanying consolidated financial statements of Energy Development Company Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014 ("the Rules"). The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### **Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.



## Emphasis of Matter

We draw attention to Note No. 27(a) of the financial statements regarding ₹ 23,005.90 lacs as on 31st March, 2016 (₹ 23,164.73 lacs as on 31st March, 2015) being carried forward as Capital Work in Progress in respect of certain hydel power projects under implementation by the subsidiaries. Adjustments with respect to these being determinable on ascertainment of status of these projects, resultant impact in this respect as such is presently not ascertainable.

Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that :

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Rules.
- e) On the basis of the written representations received from the directors of the Holding Company and the subsidiary companies as on March 31, 2016, taken on record by the respective Board of Directors, none of the directors of the Group is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
- f) 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 - A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. Pending litigations (other than those already recognised in the financial statements) having material impact on the financial position of the Group have been disclosed in the financial statements as required in terms of relevant accounting standards and provisions of the Act [Note No. 26(a)].
  - ii. As explained to us, the Group has made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, on long-term contracts, including derivative contracts [Note No. 28(b)].
  - iii. During the year, the amounts which were required to be transferred to the Investor Education and Protection Fund have been transferred by the Holding Company within the due date. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Subsidiary Companies.

For **Lodha & Co.**  
Chartered Accountants  
Firm's ICAI Registration No. 301051E

Sd/- **H K Verma**  
Partner  
Membership No. 055104

Place : Kolkata  
Dated : 30th May, 2016



## **“ANNEXURE – A” TO AUDITORS’ REPORT** referred to in our report of even date

### **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 over financial reporting of Energy Development Company Limited (hereinafter referred to as “the Holding Company”) and its subsidiaries (the holding Company and its subsidiary together referred to as “the Group”), as at March 31, 2016 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and the Subsidiary Companies is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and the Subsidiary Companies 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 respective 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 Act.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Group’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 deemed to be prescribed under Section 143(10) of the Act, 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 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that



the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Group 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 March 31, 2016, based on the internal control over financial reporting criteria established by the Holding Company and the Subsidiary Companies 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 **Lodha & Co.**  
Chartered Accountants  
Firm's ICAI Registration No. 301051E

Sd/- **H K Verma**  
*Partner*  
Membership No. 055104

Place : Kolkata  
Dated : 30th May, 2016



## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	Amount in ₹	
		As at 31st March 2016	As at 31st March 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	475,000,000	275,000,000
Reserves and Surplus	3	1,018,902,914	771,823,267
		<b>1,493,902,914</b>	1,046,823,267
<b>Preference shares (Issued by subsidiaries outside the group)</b>		<b>1,605,000,000</b>	2,230,000,000
<b>Non Current Liabilities</b>			
Long Term Borrowings	4	1,181,499,878	1,309,999,878
Long Term Provisions	5	5,781,000	6,579,000
		<b>1,187,280,878</b>	1,316,578,878
<b>Current Liabilities</b>			
Short-term borrowings	6	63,155,932	46,407,442
Trade payables	7		
- Dues to Micro and Small Enterprises		-	-
- Dues to Others		257,529,841	87,750,137
Other current liabilities	8	482,905,825	168,001,592
Short-term provisions	9	29,419,941	17,828,176
		<b>833,011,539</b>	319,987,347
<b>Total</b>		<b>5,119,195,331</b>	4,913,389,492
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
- Tangible assets	10	1,997,505,629	2,092,324,463
- Intangible assets	10	68,615,751	77,807,161
- Capital Work-in-Progress	27	2,441,791,017	2,391,875,137
		<b>4,507,912,397</b>	4,562,006,761
Non Current Investments	11	228,542	1,928,542
Deferred Tax Assets (Net)	12	2,537,234	1,283,541
Long Term Loans and Advances	13	111,862,297	104,149,596
Other Non Current Assets	14	172,500	95,000
		<b>4,622,712,970</b>	4,669,463,440
<b>Current assets</b>			
Inventories	15	23,840,668	35,187,992
Trade Receivables	16	342,275,156	101,121,247
Cash and Bank Balances	17	91,068,141	71,690,929
Short Term Loans and Advances	18	33,883,677	31,874,642
Other Current Assets	19	5,414,719	4,051,242
		<b>496,482,361</b>	243,926,052
<b>Total</b>		<b>5,119,195,331</b>	4,913,389,492

Significant Accounting Policies 1  
The accompanying notes (1-34) form an integral part of financial statements

As per our Report of even date

For **Lodha & Co.**

Chartered Accountants

Firm's ICAI Registration No. 301051E

**H K Verma**

Partner

Membership No. 055104

Place : Kolkata

Dated : 30th May, 2016

For and on behalf of the Board of Directors

Sd/- **Amar Singh**, Non Executive Chairman

Sd/- **Sanjiv Saraf**, Executive Director

Sd/- **Chanakya Arvind Dhanda**, Director

Sd/- **Sanjay Kumar Gupta**, Director

Sd/- **V oy Kumar**, Director

Sd/- **Amit Damani**, Chief Financial Officer

Sd/- **V aishree Binnani**, Company Secretary



## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Note No.	Amount in ₹	
		Year ended 31st March 2016	Year ended 31st March 2015
<b>REVENUE :</b>			
Revenue from operations	20	<b>1,494,506,937</b>	381,587,161
Other Income	21	<b>7,219,039</b>	78,203,472
<b>Total Revenue</b>		<b>1,501,725,976</b>	459,790,633
<b>EXPENSES :</b>			
Cost of materials consumed	22	<b>38,090,227</b>	50,212,655
Purchase of Stock-in-Trade	22	<b>550,396,687</b>	2,295,000
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	<b>11,514,178</b>	(2,296,115)
Employee Benefits Expense	23	<b>58,651,700</b>	62,164,809
Finance Costs	24	<b>197,012,722</b>	368,343,315
Depreciation and Amortization Expense	10	<b>110,325,677</b>	118,595,505
Contract, Consultancy & Service Charges		<b>57,85,72,834</b>	2,08,52,095
Other Expenses	25	<b>14,78,02,114</b>	15,63,16,549
		<b>1,692,366,139</b>	776,483,813
Less : Expenses transferred to Pre Operative Expenses Account		<b>(44,664,178)</b>	(182,460,624)
<b>Total Expenses</b>		<b>1,647,701,961</b>	594,023,189
<b>Profit/(Loss) before tax for the year</b>		<b>(145,975,985)</b>	(134,232,556)
<b>Tax Expense :</b>			
– Current tax		<b>6,400,000</b>	620,000
– Tax for earlier years		<b>(41,616)</b>	1,160
– Deferred tax charge / (credit)		<b>(1,253,694)</b>	4,531,175
<b>Total Tax Expense</b>		<b>5,104,690</b>	5,152,335
<b>Profit/(Loss) after tax for the year</b>		<b>(151,080,675)</b>	(139,384,891)
Earnings per equity share of ₹ 10 each fully paid-up	33		
– Basic & Diluted		<b>(4.35)</b>	(6.29)
Significant Accounting Policies	1		
The accompanying notes (1-34) form an integral part of financial statements			

As per our Report of even date  
For **Lodha & Co.**  
Chartered Accountants  
Firm's ICAI Registration No. 301051E

**H K Verma**  
Partner  
Membership No. 055104  
Place : Kolkata  
Dated : 30th May, 2016

**For and on behalf of the Board of Directors**

Sd/- **Amar Singh**, Non Executive Chairman  
Sd/- **Sanjiv Saraf**, Executive Director  
Sd/- **Chanakya Arvind Dhanda**, Director  
Sd/- **Sanjay Kumar Gupta**, Director  
Sd/- **Vijay Kumar**, Director  
Sd/- **Amit Damani**, Chief Financial Officer  
Sd/- **Vishayshree Binnani**, Company Secretary





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### NOTE 1

#### SIGNIFICANT ACCOUNTING POLICIES

##### 1.1 Principles of Consolidation

- a) The Consolidated Financial Statements of Energy Development Company Limited (“the Company”) and its Subsidiary Companies have been prepared in accordance with Accounting Standard (AS 21) on “Consolidated Financial Statements”. The basis of preparation of the Consolidated Financial Statements is as follows :
- The financial statements (the Balance Sheet and the Statement of Profit & Loss ) of the Company and the Subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and transactions if any and the resulting unrealized profits or losses.
  - The financial statement of the subsidiaries used in the consolidation is drawn upto 31st March 2016, the same reporting date as that of the Company.
  - The differential with respect to the cost of investments in the subsidiary over the Company’s portion of net assets is recognized as Goodwill or Capital Reserve, as the case may be.
- b) The Subsidiaries (all incorporated in India) which have been included in this Consolidated Financial Statements along with the Company’s holdings therein are given here under :

Sl No.	Name of the Company	% of holdings	
		As at 31st March 2016	As at 31st March 2015
1	Ayyappa Hydro Power Limited (AHPL)	100	100
2	EDCL Power Projects Limited (PPL)	100	100
3	Eastern RamGanga Valley Hydel Projects Company Private Limited	100	100
4	Sarju Valley Hydel Projects Company Private Limited	100	100
5	Arunachal Hydro Power Limited	100	100
<b>Subsidiaries of Arunachal Hydro Power Limited :</b>			
6	EDCL Seppa Beyong Hydro Electric Private Limited	–	15.09
7	EDCL Seppa Dunkho Hydro Electric Private Limited	–	9.13
8	EDCL Seppa Jung Power Private Limited	–	19.42
9	EDCL Seppa Kawa Power Private Limited	–	19.05
10	EDCL Seppa Lada Hydro Electric Private Limited	–	15.09
11	EDCL Seppa Marjingla Hydro Electric Private Limited	–	8.79
12	EDCL Seppa Nire Hydro Electric Private Limited	–	25
13	EDCL Seppa Pachuk Power Private Limited	–	6.11
14	EDCL Seppa Riang Power Private Limited	–	5.44
15	EDCL Tawang Lower Tsachu Hydro Electric Private Limited	–	0.42
16	EDCL Tawang Power Private Limited	–	0.36
17	EDCL Tawang Upper Tsachu Hydro Electric Private Limited	–	1.52
18	EDCL Arunachal Hydro Project Private Limited	0.99	0.99

##### Note :

- a) Companies mentioned in 6 to 18 above are subsidiaries of Arunachal Hydro Power Limited and eventually Energy Development Company Limited is the ultimate holding Company of these companies. The entire share capital of these companies are held by Energy Development Company Limited and Arunachal Hydro Power Limited together.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

- c) The share of net assets and profit or loss of the company and its subsidiary companies in consolidated net assets and consolidated loss are provided below :

Sl No.	Name of the Company	Net Assets		Share in profit or loss	
		As a % of consolidated net assets	Amount (₹)	As a % of consolidated profit or loss	Amount (₹)
		As at 31st March 2016	As at 31st March 2016	2015-16	2015-16
1	Energy Development Company Limited	57.04%	1,767,564,489	10.69%	16,144,048
2	Ayyappa Hydro Power Limited	(11.04%)	(342,061,692)	(82.68%)	(124,906,883)
3	EDCL Power Projects Limited	1.01%	31,436,373	(20.49%)	(30,957,795)
4	Eastern RamGanga Valley Hydel Projects Company Private Limited	0.54%	16,799,468	(0.43%)	(646,193)
5	Sarju Valley Hydel Projects Company Private Limited	0.36%	11,019,261	(0.20%)	(304,935)
6	Arunachal Hydro Power Limited	52.09%	1,614,145,015	(6.89%)	(10,408,917)
	<b>Total</b>		<b>3,098,902,914</b>		<b>(151,080,675)</b>

### 1.2 Basis of preparation of financial statements

The accounts have been prepared under the historical cost convention and in accordance with the provisions of the Companies Act, 2013 and accounting standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. Accounting policies unless specifically stated to be otherwise, are consistent and are in consonance with generally accepted accounting principles.

### 1.3 Use of Estimates

The preparation of financial Statements require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the Balance Sheet date and the reported amounts of income and expenses during the year. Difference between the actual results and the estimates are recognised in the year in which the results become known/ materialise.

### 1.4 Fixed Assets

Fixed assets are stated at cost which comprise its purchase price and any attributable cost of bringing the assets to its working condition for its intended use. In case of construction/erection of fixed assets, cost comprise those costs that relate directly to the specific asset and those that are attributable to the construction/erection activities in general and can be allocated to the specific assets. Cost includes interest and pre-operative expenses.

### 1.5 Expenditure during Construction Period

Expenditure related to and incurred during implementation of capital project is included under Capital Work-in-progress and the same is allocated to the respective Fixed Assets on completion of its construction / erection net of revenue incidental/ attributable to the construction of project. Interest on borrowing costs related to qualifying asset is worked out on the basis of actual utilization of funds out of project specific loans and / or other borrowings to the extent identifiable with the qualifying asset and are capitalized with the cost of qualifying assets.

### 1.6 Depreciation and Amortisation

Depreciation on all assets, other than the generating plant and machinery, building and roads, hydraulic works, transmission lines, transformers & cable network has been provided on written down value method at the rates and in the manner specified in Schedule II to the Companies Act, 2013. In respect of assets of generating plant and machinery, building and



roads, hydraulic works, transmission lines, transformers & cable network depreciation has been provided on straight line method over useful life of 30 years as per the implementation agreement with the authorities. Erection and maintenance tools are amortised over a period of five years on pro -rata basis. Intangible fixed assets are amortised at the rate of 40% on written down value method. Leasehold land is amortised over the period of lease on straight line method.

### **1.7 Investments**

Long-term investments are valued at cost. Current investments are valued at lower of cost and fair value as on the date of the Balance Sheet. In respect of long term investments, the Company provides for diminution in the value of investments, other than temporary in nature.

### **1.8 Revenue Recognition**

- a) Revenue in respect of sale of electricity generated is accounted for on delivery to the grid.
- b) Revenue in respect of Contract Division & Trading Division from goods/services is recognized on delivery of the goods/ rendering of services. Revenue against construction/consultancy contracts is recognized progressively on the basis of Percentage of Completion method. Stage of completion of contracts in progress is determined by reference to the physical proportion of the contract work completed and billed.

### **1.9 Inventories**

Inventories are valued at cost and estimated net realisable value whichever is lower. Cost of inventory comprising stores, spares and consumables are determined, applying weighted average method. Values of spares related to the machinery are charged out as consumption, over the effective life of the plant and machinery to which they relate.

Cost in respect of work in progress represents cost of materials remaining uncertified/incomplete under the construction/consultancy contracts undertaken by the company.

### **1.10 Impairment**

Fixed Assets are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of fixed assets is determined. An impairment loss is recognised, whenever the carrying amounts of assets exceeds recoverable amount. The recoverable amount is the greater of assets net selling price or its value in use. In assessing the value in use, the estimated future cash flows from the use of assets are discounted to their present value at appropriate rate. An impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets.

### **1.11 Employee Benefits**

Employees benefits are accrued in the year services are rendered by the employees.

Contribution to defined contribution schemes such as Provident Fund etc. are recognized as and when incurred.

Long term employee benefits under defined benefit scheme such as contribution to gratuity, leave etc. are determined at close of the year at present value of the amount payable using actuarial valuation techniques.

Actuarial gains and losses are recognised in the year when they arise.

### **1.12 Taxation**

Provision for tax is made for current and deferred taxes. Current tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing differences, which are capable of reversal in subsequent years are recognised using tax rates and tax laws, which have been enacted or substantively enacted. Deferred tax assets other than in respect of carried forward losses or unabsorbed depreciation are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized.

Entitlement credit in respect of Minimum Alternate Tax is recognised only if there is convincing evidence of realisation of the same.



### **1.13 Borrowing Costs**

Borrowing costs that are attributable to the acquisition / construction/erection of fixed assets are capitalized as part of the assets. Other borrowing costs are recognised as expenses in the year in which they are incurred.

### **1.14 Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not provided for and are disclosed by way of notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

### **1.15 Goodwill**

Goodwill arising out of acquisition of equity stake in subsidiary is amortized in equal amount over a period of five years from the subsequent year of acquisition.

### **1.16 Grants and Subsidies from Government :**

Grants from Government relating to Fixed Assets are shown as a deduction from the gross value of Fixed Assets and those in the nature of Project Capital Subsidy, are credited to Capital Reserve.

### **1.17 Leases**

Lease rental for operating leases are recognised as an expense/income on straight- line basis over the lease term as per terms of the agreement on an accrual basis.



Particulars	Amount in ₹	
	As at 31st March 2016	As at 31st March 2015
<b>NOTE 2</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
50,000,000 (35,000,000) Equity shares of ₹ 10/- each	<b>50,00,00,000</b>	35,00,00,000
	<b>50,00,00,000</b>	35,00,00,000
<b>Issued, Subscribed and Paid-up</b>		
47,500,000 (27,500,000) Equity shares of ₹ 10/- each fully paid up	<b>47,50,00,000</b>	27,50,00,000
	<b>47,50,00,000</b>	27,50,00,000

Reconciliation of the number of equity shares outstanding	No. of Shares	No. of Shares
At the beginning	<b>2,75,00,000</b>	2,75,00,000
Add : Issued during the year [Refer Note (b) below]	<b>2,00,00,000</b>	-
At the end	<b>4,75,00,000</b>	2,75,00,000

Shareholders holding more than 5% of equity shares	Nos.of Shares (%)	Nos.of Shares (%)
Sterlite Merchants LLP	<b>1,35,62,084 (28.5%)</b>	1,35,62,084 (49.3%)
Sarvottam Caps Private Limited	<b>1,18,00,000 (24.8%)</b>	-
Amar Singh	<b>14,58,453 (3.1 %)</b>	14,58,453 (5.3%)
Rottex Mercantile Private Limited	<b>1,76,616 (0.3 %)</b>	38,87,424 (14.1%)
Gatisheel Traders LLP	<b>11,83,658 (2.5 %)</b>	37,25,459 (13.5%)

**Rights, Preferences and Restrictions attached to each classes of shares including restrictions on the distribution of dividends and the repayment of capital.**

- The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity is entitled to one vote per share. The dividend, if any proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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 in proportion to the number of equity shares held by them.
- During the year, the company has issued and allotted 2,00,00,000 fully paid equity shares of ₹ 10/- each at a premium of ₹ 12/- each aggregating to ₹ 44,00,00,000/- by way of private placement. Requirements specified under section 42 of the Companies Act 2013 with respect to such issue has been complied with and the proceeds from the issue has been utilised for the purposes for which they were raised.
- The Board of Directors has recommended payment of dividend @ 5% (₹ 0.50) per equity share on the paid-up share capital of the company for the financial year 2015-2016 subject to approval of members at the ensuing Annual General Meeting.



Particulars	Amount in ₹	
	As at 31st March 2016	As at 31st March 2015
<b>NOTE 3</b>		
<b>RESERVES AND SURPLUS</b>		
Capital Reserve on Amalgamation	11,65,345	11,65,345
<b>Capital Reserve</b>		
Opening Balance	148,000,000	124,000,000
Add: For the year (*)	-	24,000,000
Balance at the end of the year	148,000,000	148,000,000
<b>Capital Reserve on Consolidation</b>		
Opening Balance	7,454,693	7,454,693
Add : For the year	186,745,263	-
Closing Balance	194,199,956	7,454,693
<b>Securities Premium</b>		
Opening Balance	350,000,000	350,000,000
Add : Received on shares issued during the year [Refer Note 2(b)]	240,000,000	-
Closing Balance	590,000,000	350,000,000
General Reserve	2,288,636	2,288,636
<b>Surplus in Statement of Profit and Loss</b>		
Opening Balance	262,914,593	423,225,039
Less : Adjustment for depreciation (net of deferred tax) due to schedule II of the Co's Act 2013	-	(4,325,243)
Add : Adjustment on consolidation	-	(51,136)
Add : Profit/(Loss) for the year transferred from Statement of Profit and Loss	(151,080,675)	(139,384,891)
Less : Appropriations		
Proposed Dividend on Equity shares [ Dividend per share ₹ 0.50/- (Previous year ₹ 0.50 /-)]	23,750,000	13,750,000
Tax on Dividend	4,834,941	2,799,176
Balance at the end of the year	83,248,977	262,914,593
<b>Total</b>	<b>1,018,902,914</b>	<b>771,823,267</b>

(\*) During the previous year, one of the subsidiary has received a subsidy of ₹ 2,40,00,000/- from the Government as financial support for setting up of Ullankal power plant and no repayment is expected in respect thereof and hence, the same has been treated as Capital Reserve as per AS-12 "Government Grant".

#### NOTE 4 LONG-TERM BORROWINGS

<b>(a) Secured</b>		
- Term Loan from Indian Renewable Energy Development Agency Ltd. (IREDA) [Refer Note 4(i)(a) & (b) below]	838,999,878	854,999,878
<b>(b) Unsecured (Refer Note 4(ii) below)</b>		
<b>Loan from Related Parties</b>		
From Bodies Corporate (*)	120,000,000	275,000,000
<b>Loan from Others</b>		
From Bodies Corporate	222,500,000	180,000,000
	<b>1,181,499,878</b>	<b>1,309,999,878</b>

(\*) Private company in which director is a director.



Particulars	Amount in ₹	
	As at 31st March 2016	As at 31st March 2015
<b>Terms of Repayment</b>		
<b>4.(i) Secured</b>		
a) Secured by all the immovable and movable assets/properties, both present and future, wherever situated, pertaining to the 15 MW Karikayam SHP of the company and charge on the entire receivables of the 6 MW Harangi - II SHP of the holding company. The holding company has pledged 3,00,00,000 equity shares and 2,20,00,000 preference shares of the company and has given corporate guarantee in respect of the aforesaid loan.		
b) As on the balance sheet date, the company has defaulted in repayment of principal amount for the following installments:		
<b>Repayment Date</b>		
31st December 2015	<b>23,750,000</b>	–
31st March 2016	<b>23,750,000</b>	–
However, the above due date for requirement has been revised subsequent to the year end as given in (c) below :		
c) The loan of ₹ 95 crores [Outstanding Balance as on 31st March, 2016 ₹ 90,24,99,878 /- (Including ₹ 6,35,00,000/- under other current liabilities as current maturities of long term debt)] is repayable in 12 years beginning with installment of ₹ 2,41,00,000/- with effect from 30th September, 2016 and thereafter equal quarterly instalments of ₹ 1,97,00,000 w.e.f 31st December, 2016. Interest rate as on 31st March 2016 is 13.65%.		
Maturity Profile of the principal amount		
2015-16	–	47,500,000
2016-17	<b>63,500,000</b>	95,000,000
2017-18	<b>78,800,000</b>	95,000,000
2018-19	<b>78,800,000</b>	95,000,000
2019-20	<b>78,800,000</b>	95,000,000
2020-21	<b>78,800,000</b>	95,000,000
2021-22	<b>78,800,000</b>	95,000,000
2022-23	<b>78,800,000</b>	95,000,000
2023-24	<b>78,800,000</b>	95,000,000
2024-25	<b>78,800,000</b>	94,999,878
2025-26	<b>78,800,000</b>	–
2026-27	<b>78,800,000</b>	–
2027-28	<b>50,999,878</b>	–
<b>Total</b>	<b>90,24,99,878</b>	90,24,99,878

**4.(ii) Unsecured**

These loans are repayable upto the financial year 2018-19. Rate of Interest, wherever applicable, is 12%.

**NOTE 5**

**LONG TERM PROVISIONS**

**Provision for Employee Benefits**

Provision for Leave Encashment	<b>4,223,000</b>	3,918,000
Provision for Gratuity	<b>1,558,000</b>	2,661,000
	<b>5,781,000</b>	6,579,000

**NOTE 6**

**SHORT-TERM BORROWINGS**

**(Secured)**

**(Repayable on Demand)**

Cash Credit from Bank	<b>63,155,932</b>	46,407,442
	<b>63,155,932</b>	46,407,442



Particulars	Amount in ₹	
	As at 31st March 2016	As at 31st March 2015
(Secured by hypothecation of entire stocks and other movables of the company including all movable Plant and Machinery, Furniture and Fixtures, Vehicles, Computers and other accessories etc. stored or to be stored, at the premises / godowns of the company's contract division and also all present and future book debts, outstanding monies, receivables, claims, bills etc. and equitable mortgage of immovable properties at 9MW Harangi Hydro Electric Project)		

## NOTE 7

### TRADE PAYABLES

Payables for goods and services

- Dues to Micro and Small Enterprises	-	-
- Dues to Others	257,529,841	87,750,137
	<u>257,529,841</u>	<u>87,750,137</u>

- a) The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under the Act has not been given.
- b) Payables for goods and services includes acceptances amounting to ₹ 10,00,75,310 /- (Previous year ₹ NIL/-)

## NOTE 8

### OTHER CURRENT LIABILITIES

Payable towards purchase of Investments (Refer Note 31)	198,681,369	-
Advance against sale of Investments	100,000,000	-
Current maturities of long-term debt: TERM Loan from IREDA [Refer Note 4(i)(a) & (c)]	63,500,000	47,500,000
Interest accrued and due on borrowings		
- Related Parties (*)	23,626,078	43,610,217
- Others	7,891,395	5,914,819
Interest accrued and due on others	12,332,447	8,905,948
	<u>43,849,920</u>	<u>58,430,984</u>
Capital Vendors	7,547,830	21,506,780
Unpaid Dividends (**)	720,663	752,761
Statutory Payables	21,450,361	12,643,490
Advance from customers	46,990,885	26,990,635
Other Payables	164,797	176,942
	<u>482,905,825</u>	<u>168,001,592</u>

(\*) Private company where director is a director

(\*\*) As at the year end there are no amounts due for payment to the investor education and protection fund u/s 205C of the Companies Act 2013.

## NOTE 9

### SHORT TERM PROVISIONS

#### Provision for Employee benefits

Provision for Leave Encashment	835,000	863,000
Provision for Gratuity	-	416,000

#### Others

Provision for Proposed Dividend	23,750,000	13,750,000
Provision for Dividend Distribution Tax	4,834,941	2,799,176
	<u>29,419,941</u>	<u>17,828,176</u>





**NOTE 10**

**FIXED ASSETS**

Amount in ₹

Name of the Assets	Gross Block			Depreciation/ Amortization			Impairment		Net Block	
	Cost as at 31.03.2015	Additions	Deduction	Cost as at 31.03.2016	During the year		Up to 31.03.2016	Upto 31.03.2016	As at 31.03.2016	As at 31.03.2015
					In statement of Profit and Loss	In Surplus balance of Profit and Loss				
<b>(A) Tangible Assets</b>										
<b>Freehold Land</b>	73,217,053	-	-	73,217,053	-	-	-	-	73,217,053	-
Leasehold Land (a & b)	-	-	-	-	-	-	-	-	-	-
Buildings and Roads	473,012,888	210,721	-	473,223,609	26,565,812	-	93,834,805	10,246,711	369,142,093	395,497,184
Plant & Equipment (g)	1,010,415,274	5,038,297	-	1,015,453,571	31,584,240	-	314,494,313	16,042,859	694,916,399	711,462,342
Hydraulic Works	894,385,311	-	-	894,385,311	27,229,804	-	188,162,237	20,447,032	685,776,042	713,005,846
Transmission Lines, Transformers, Cable Network etc. (c)	105,602,233	-	-	105,602,233	2,929,225	-	41,070,245	1,263,398	63,268,590	66,197,816
Office Equipment	9,439,156	682,032	-	10,121,188	8,497,969	550,043	9,048,012	-	1,073,177	941,188
Furniture and Fixtures	16,596,061	1,599,602	-	18,195,663	1,437,153	-	13,675,147	-	4,520,517	4,358,067
Motor Vehicle	39,106,278	61,700	3,442,707	35,795,271	2,874,503	-	30,518,220	-	5,207,051	9,349,277
Windmill (d)	184,767,000	-	-	184,767,000	66,471,309	7,910,986	74,382,295	-	110,384,705	118,295,691
<b>Total (A)</b>	<b>2,806,541,254</b>	<b>7,592,352</b>	<b>3,442,707</b>	<b>2,810,690,899</b>	<b>101,081,766</b>	<b>-</b>	<b>2,113,284</b>	<b>48,000,000</b>	<b>1,997,505,629</b>	<b>2,092,324,463</b>
<b>(B) Intangible Assets</b>										
Computer Software	3,083,632	52,500	-	3,136,132	2,383,348	175,960	2,559,308	-	576,824	700,284
Goodwill	141,448	-	-	141,448	141,448	-	141,448	-	-	-
Unclassified Land & Site Development (R&R) (e)	90,679,500	-	-	90,679,500	13,572,623	9,067,950	22,640,573	-	68,038,927	77,106,877
<b>Total (B)</b>	<b>93,904,580</b>	<b>52,500</b>	<b>-</b>	<b>93,957,080</b>	<b>16,097,419</b>	<b>9,243,910</b>	<b>25,341,329</b>	<b>-</b>	<b>68,615,751</b>	<b>77,807,161</b>
<b>Total (A+B)</b>	<b>2,900,445,834</b>	<b>7,644,852</b>	<b>3,442,707</b>	<b>2,904,647,979</b>	<b>682,314,211</b>	<b>110,325,677</b>	<b>2,113,284</b>	<b>48,000,000</b>	<b>2,066,121,380</b>	<b>2,170,131,624</b>
<b>Previous Year</b>	<b>2,911,588,287</b>	<b>7,548,738</b>	<b>18,691,191</b>	<b>2,900,445,834</b>	<b>559,993,900</b>	<b>6,404,951</b>	<b>682,314,213</b>	<b>48,000,000</b>	<b>2,170,131,624</b>	<b>2,303,594,386</b>

**Note :** (a) 7.21 acres of Land has been taken on lease for 40 years w.e.f.14th July, 1999 at an annual lease rent of ₹ 72,100/-.

(b) 1.2 acre of land has been taken on lease for 30 years w.e.f. 30th August, 2010 at an annual lease rent of ₹ 1,20,000/-.

(c) Transmission Lines, Transformers, Cable network etc. include Power Evacuating facilities put up in relation to the Hydro Electric Generating Station, which has been handed over to the Electricity Board for transmission of Electricity and maintenance thereof.

(d) Gross Block of Windmill includes Leasehold Land of ₹ 3,600,000/-, (Previous Year - ₹ 3,600,000/-)

(e) Unclassified land and site development comprises of resettlement and rehabilitation compensations (R&R) for use and submergence of adjacent areas and this has been amortised proportionately over the period of 10 years

(f) Recoverable amount of fixed assets of one of the subsidiaries was estimated as at the year ended 31st March, 2014 and impairment loss of ₹ 48,000,000/- was recognised in the said year as impairment loss for the carrying value of the fixed assets. In absence of any indication for significant variation in the amount of impairment so recognised in the earlier years, no further adjustment in this respect has been considered necessary.

(g) Includes Plant and Equipments given under operating leases [Refer Note 32 (b)] :

Gross block ₹ 50,19,097/- (Previous Year ₹ NIL/-), Accumulated Depreciation ₹ 273,410/- (Previous Year ₹ NIL/-), Net Block ₹ 47,45,687/- (Previous Year ₹ NIL/-)



Particulars	Amount in ₹	
	As at 31st March 2016	As at 31st March 2015
<b>NOTE 11</b>		
<b>NON CURRENT INVESTMENTS</b>		
<b>(Long Term) (At cost, unless otherwise stated) (Other than trade)</b>		
<b>Investment in Equity Shares (Unquoted)</b>		
EDCL Infrastructure Limited		
[NIL (Previous Year 170,000) Equity Shares of ₹10/- each fully paid up]	-	17,00,000
[Maximum amount during the year ₹17,00,000/- (Previous Year ₹17,00,000/-)]		
<b>Investment in PMS (Unquoted)</b>		
Sai Rayalaseema Paper Mills Limited 18,810 (18,810) Equity Shares of ₹10/- each fully paid up	228,542	228,542
[Maximum amount during the year ₹228,542/- (Previous Year ₹228,542/-)]		
	<b>228,542</b>	<b>1,928,542</b>
<b>Aggregate amount of unquoted investments</b>	<b>228,542</b>	<b>1,928,542</b>
<b>NOTE 12</b>		
<b>DEFERRED TAX ASSETS (NET)</b>		
Deferred Tax Assets (Net) (a)	2,537,234	1,283,541
	<b>2,537,234</b>	<b>1,283,541</b>
<b>(*) BREAK UP</b>		
<b>Deferred Tax Assets</b>		
Expenses allowable on payment basis	3,355,685	3,947,069
Provision for bad & doubtful debts	395,641	395,641
Unabsorbed depreciation difference	23,959	789,861
<b>Deferred Tax Liabilities</b>		
Depreciation Difference	(1,238,051)	(3,849,030)
	<b>2,537,234</b>	<b>1,283,541</b>
a) For certain subsidiaries, in absense of virtual certainty, deferred tax assets with respect to unabsorbed losses and unabsorbed depreciation have not been recognised except to the extent of deferred tax liability, if any.		
<b>NOTE 13</b>		
<b>LONG TERM LOANS AND ADVANCES</b>		
<b>(Unsecured, considered good)</b>		
Capital Advances	450,580	2,588,423
Security Deposits/Retention money with customers	13,390,124	10,504,938
Other Security Deposits	4,105,719	4,234,128
Advance Income Tax & Fringe Benefit Taxes (net of provisions)	55,568,214	46,654,247
MAT Credit Entitlement	38,015,860	39,715,860
Other Advances	331,800	452,000
	<b>111,862,297</b>	<b>104,149,596</b>



Particulars	Amount in ₹	
	As at 31st March 2016	As at 31st March 2015
<b>NOTE 14</b>		
<b>OTHER NON CURRENT ASSETS</b>		
Other bank balances		
– on Margin Money Accounts [Refer Note 17 (a)] (*) (with more than 12 months maturity)	172,500	95,000
	<u>172,500</u>	<u>95,000</u>
(*) Security deposit with authorities		
<b>NOTE 15</b>		
<b>INVENTORIES</b>		
<b>(At Lower of Cost and Fair Value)</b>		
<b>(As taken, valued and certified by the management)</b>		
Contract work-in-progress	9,457,791	20,971,969
Goods in transit (*)	1,488,886	325,388
Stores, Spares and Consumables	12,893,991	13,890,635
	<u>23,840,668</u>	<u>35,187,992</u>
<b>(*) Under Broad Heads</b>		
Steel	14,88,886	–
Bearing and Spares	–	3,25,388
	<u>14,88,886</u>	<u>3,25,388</u>
<b>NOTE 16</b>		
<b>TRADE RECEIVABLES</b>		
<b>(Unsecured, considered good )</b>		
Outstanding for a period of more than six months	53,778,225	49,846,712
Other Debts (*)	288,496,931	51,274,535
	<u>342,275,156</u>	<u>101,121,247</u>
<b>(Unsecured, considered doubtful )</b>		
Outstanding for a period of more than six months	1,280,391	1,280,391
Less :Provision for bad & doubtful debt	1,280,391	1,280,391
	<u>–</u>	<u>–</u>
	<u>342,275,156</u>	<u>101,121,247</u>
–Trade receivables in respect of sale of power from generation by 6MW Harangi-II SHP are subject to a charge in favour of lenders of one of the subsidiaries.		
<b>NOTE 17</b>		
<b>CASH AND BANK BALANCES</b>		
<b>Cash and cash equivalents</b>		
– Balance with Banks on Current Accounts	49,904,006	40,536,384
– Cash on hand	1,213,472	1,671,784
	<u>51,117,478</u>	<u>42,208,168</u>
<b>Other bank balances</b>		
– on Unpaid Dividend Account	720,663	752,761
– on Margin Money Accounts (a) (with less than 12 months maturity)	39,230,000	28,730,000
	<u>39,950,663</u>	<u>2,94,82,761</u>
	<u>91,068,141</u>	<u>71,690,929</u>

(a) Margin money are deposited with banks against bank guarantees and Letter of Credit issued.



Particulars	Amount in ₹	
	As at 31st March 2016	As at 31st March 2015
<b>NOTE 18</b>		
<b>SHORT TERM LOANS AND ADVANCES</b>		
<b>(Unsecured, considered good)</b>		
Advance to suppliers	19,579,622	20,746,937
Prepaid expenses	4,519,552	4,078,208
Balance with Government authorities	2,800,000	2,800,000
Security Deposit	2,723,016	50,000
Other Advances (*)	4,261,487	4,199,497
	<u>33,883,677</u>	<u>31,874,642</u>

(\*) Includes ₹ 75,643 /- (Previous Year ₹ NIL/- ) recoverable from other related parties (Refer Note 31)

**NOTE 19**

**OTHER CURRENT ASSETS**  
**(Unsecured, considered good)**

Particulars	Year ended 31st March 2016	Year ended 31st March 2015
Interest Receivable	5,414,719	4,051,242
	<u>5,414,719</u>	<u>4,051,242</u>

Particulars	Amount in ₹	
	Year ended 31st March 2016	Year ended 31st March 2015
<b>NOTE 20</b>		
<b>REVENUE FROM OPERATION</b>		
Sale of Products		
- Hydro Power [Refer (b) below]	231,617,267	279,080,345
- Wind Power	17,761,423	19,791,017
- Construction Contracts	77,978,956	70,475,592
- Traded Goods (*)	576,445,001	10,190,207
	<u>903,802,646</u>	<u>379,537,161</u>
Sale of Services (**)	601,244,094	2,303,380
Less : Service Tax	10,539,803	253,380
	<u>590,704,291</u>	<u>2,050,000</u>
	<b>1,494,506,937</b>	<b>381,587,161</b>
(a) Total number of the units generated and sold (In million units)		
- Hydro power	66.38 m.u.	80.15 m.u.
- Wind power	5.22 m.u.	5.82 m.u.
(b) In respect one of the subsidiary, during the previous year, the power purchase agreement (PPA) with the Kerala State Electricity Board (KSEB) has been signed as approved by Kerala State Electricity Regulatory Commission (KSERC). However, the tariff has been provisionally approved @ ₹ 4.16 per unit subject to determination of cost of projects and Capacity Utilisation Factor (CUF). Necessary adjustments, if any, arising out of variation in tariff shall be carried out in subsequent period.		
(*) <b>Under Broad Heads</b>		
Hydraulic Hoist System with structure	-	1,01,90,207
Solar Photovoltaic Module	57,64,45,001	-
	<u>57,64,45,001</u>	<u>1,01,90,207</u>
(**) <b>Under Broad Heads</b>		
Civil Work	59,07,04,291	-
Commissioning Income	-	20,50,000
	<u>59,07,04,291</u>	<u>20,50,000</u>



Particulars	Amount in ₹	
	Year ended 31st March 2016	Year ended 31st March 2015
<b>NOTE 21</b>		
<b>OTHER INCOME</b>		
Profit on Sale of Fixed Assets	55,654	21,472,655
Interest Income	6,845,534	52,853,088
Insurance Claim	129,000	1,691,293
Rental Income on Plant & Machinery	150,000	-
Miscellaneous Income	1,005	4,811
Liability no longer required written back	42,236,051	2,182,762
	<u>49,417,244</u>	<u>78,204,609</u>
Less : Transferred to Capital Work in Progress	42,198,205	1,137
	<u>7,219,039</u>	<u>78,203,472</u>
<b>NOTE 22</b>		
<b>COST OF MATERIALS CONSUMED (*) (**)</b>		
Cost of Material Consumed	38,090,227	50,212,655
	<u>38,090,227</u>	<u>50,212,655</u>
<b>(*) Under Broad Heads</b>		
Steel	16,208,906	28,912,708
Cement	3,548,559	5,287,048
Aggregate	7,076,360	9,007,052
Concrete	6,286,200	4,345,515
Others	4,970,202	2,660,332
	<u>38,090,227</u>	<u>50,212,655</u>
(**) The entire consumption is out of indigenious supplies		
<b>PURCHASE OF STOCK-IN-TRADE (*)</b>		
Purchase of Stock-In-Trade	550,396,687	2,295,000
	<u>550,396,687</u>	<u>2,295,000</u>
<b>(*) Under Broad Heads</b>		
Hydraulic Hoist System with Structrue	-	2,295,000
Solar Photovolatic Module	550,396,687	-
	<u>550,396,687</u>	<u>2,295,000</u>
<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
Opening stock of Contract Work-in-Progress	20,971,969	18,675,854
Less :Closing stock of Contract Work-in-Progress	9,457,791	20,971,969
	<u>11,514,178</u>	<u>(2,296,115)</u>



Particulars	Amount in ₹	
	Year ended 31st March 2016	Year ended 31st March 2015
<b>NOTE 23</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries & Wages	51,797,772	53,766,511
Contribution to Provident and Other Funds	1,728,409	3,026,861
Staff Welfare Expenses	5,125,519	5,371,437
	<b>58,651,700</b>	<b>62,164,809</b>

**EMPLOYEES BENEFITS:**

The disclosures required under Accounting Standard 15 “Employee Benefits” notified in the Companies (Accounting Standards) Rules 2006 (AS-15), are given below :

**(i) Defined Contribution Scheme**

Contribution to Defined Contribution Plan, recognized for the year are as under:

Employer’s Contribution to Provident Fund ₹ 243,378/- (Previous year ₹ 192,093/-)

Employer’s Contribution to Pension Fund ₹ 552,053/- (Previous year ₹ 436,016/-)

**(ii) Defined Benefit Scheme**

The employee’s gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for Leave Encashment is recognized in the same manner as gratuity.

(₹ in lacs)					
	Particulars	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
	Expenses Recognized in the Statement of Profit & Loss	2015-2016	2015-2016	2014-2015	2014-2015
1	Current Service Cost	13.52	9.15	15.76	12.28
2	Interest Cost	7.62	3.65	6.58	3.51
3	Expected return on plan assets	(7.02)	-	(5.65)	-
4	Actuarial Losses / (Gains)	(5.48)	(8.03)	5.75	(4.24)
	<b>Total Expenses</b>	<b>8.64</b>	<b>4.77</b>	<b>22.44</b>	<b>11.55</b>
	<b>Change in the obligation during the year</b>				
1	<b>Present value of Defined Benefit Obligation at the beginning of the year</b>	<b>97.54</b>	<b>47.81</b>	72.88	39.59
2	Current Service Cost	13.52	9.15	15.76	12.28
3	Interest Cost	7.62	3.65	6.58	3.51
4	Acquisition Cost/(Credit)	(5.38)	0.01	0.01	-
5	Benefit Paid	-	(2.01)	(3.43)	(3.33)
6	<b>Actuarial (Gains) / Losses</b>	<b>(5.09)</b>	<b>(8.04)</b>	5.74	(4.24)
7	<b>Present value of Defined Benefit Obligation at the end of the year</b>	<b>108.21</b>	<b>50.57</b>	97.54	47.81
	<b>Change in the Assets during the year ended March 31, 2016</b>				
1	<b>Plan Assets at the beginning of the year</b>	<b>66.77</b>	-	64.51	-
2	Contribution by Employer	-	-	0.07	-
3	Acquisition Adjustment	(4.59)	-	(0.05)	-
4	Expected return on plan assets	7.02	-	5.65	-



(₹ in lacs)

	Particulars	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
5	Actual Company Contributions	23.05	-	0.03	-
6	Benefit Paid	-	-	(3.43)	-
7	Actuarial Gains/(Losses)	0.39	-	(0.01)	-
	<b>Plan Assets at the end of the year</b>	<b>92.64</b>	-	66.77	-
<b>Reconciliation of Net Asset/(Liability) recognised in the Balance Sheet during the year ended March 31, 2016</b>					
1	<b>Net Asset / (Liability) at beginning of the year</b>	<b>(30.77)</b>	<b>(47.81)</b>	(8.37)	(39.59)
2	Acquisition	0.79	-	(0.06)	-
3	Employer Expenses	(8.64)	(4.77)	(22.44)	(11.55)
4	Employer Contributions	23.05	2.01	0.10	3.33
5	<b>Net Asset / (Liability) at the end of the year</b>	<b>(15.57)</b>	<b>(50.57)</b>	(30.77)	(47.81)
<b>Actuarial Assumptions</b>					
1	Discount Rate	7.90%	7.90%	7.80%	7.80%
2	Expected Rate of Return on Plan Assets	9.00%	Not Applicable	9.00%	Not Applicable
3	Rate of Salary Increases	10.00%	10.00%	10.00%	10.00%

(iii) Disclosure in terms of Para 120(n) of AS 15

(₹ in lacs)

Particulars	Gratuity (Funded)				
	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
Present value of defined benefit obligations	(108.21)	(97.54)	(72.88)	(70.40)	(56.60)
Fair value of plan assets	92.64	66.77	64.51	54.95	46.83
Surplus/(Deficit)	(15.57)	(30.77)	(8.37)	(15.45)	(9.77)
Experience adjustment on plan liabilities (loss)/gain	3.48	5.48	6.03	3.95	4.09
Experience adjustment on plan assets (loss)/gain	0.39	(0.01)	(0.34)	(0.16)	(0.22)
Actuarial Gain / (Loss) due to change in assumptions	1.61	(11.22)	-	-	-

(iv) Details of Plan assets

Other assets including under scheme of insurance	Gratuity (Funded)	
	2015-2016	2014-2015
	100%	100%
Actual return on plan assets	7.41	5.64

Notes :

- Assumptions related to future salary increases, attrition, interest rate for discount and overall expected rate of return on Assets have been considered based on relevant economic factors such as inflation, market growth and other factors applicable to the period over which the obligation is expected to be settled.
- Acquisition adjustment represents amount in respect of certain employees transferred into / transferred from the group without affecting the term of employment.
- The expected contribution to the fund by the group during the year 2016-17 is yet to be determined.



Particulars	Amount in ₹	
	Year ended 31st March 2016	Year ended 31st March 2015
<b>NOTE 24</b>		
<b>FINANCE COSTS</b>		
Interest Expenses		
– Cash Credit	9,240,825	6,855,575
– Term Loan	123,594,673	92,746,638
– On Other Borrowings	56,421,367	258,656,124
– On Others	3,491,633	3,587,623
	<b>192,748,498</b>	361,845,960
Other Borrowing Costs	4,264,224	6,497,355
	<b>197,012,722</b>	368,343,315

**NOTE 25**  
**OTHER EXPENSES**

Payment to Auditors (excluding Service tax):		
– As Auditors	730,000	670,000
– For Taxation matters	210,000	410,000
– Other Services	240,000	242,500
Cost of Power Purchased	2,436,265	2,556,266
Stores and Spares consumed (*)	2,738,712	3,976,858
Discount & Rebate	4,518,178	5,008,331
Rent [Refer Note 32 (a)]	10,861,394	18,003,303
Repairs & Maintenance :		
– Plant & Machinery	18,305,065	12,081,218
– Others	4,842,015	4,488,365
Rates & Taxes	21,887,780	32,542,694
Travelling & Conveyance Expenses	10,839,667	11,547,645
Insurance	2,836,032	2,727,218
Legal & Professional charges	43,676,086	46,939,225
Security Services	2,789,404	2,853,488
Project Development Expenses	193,930	223,752
Telephone, Fax, Postal etc.	2,614,692	2,644,352
Bad Debts & Irrecoverable balance written off (Previous Year ₹24,241,891/-)	1,245,237	
Less : Provision for Doubtful Debts Written Back (Previous Year ₹24,204,059/-)	–	37,832
Provision for doubtful debt	–	1,280,391
Fixed Asset Scrapped	39,172	–
Preoperative Expenses written off	5,398,518	–
Miscellaneous Expenses (**)	11,399,968	8,083,111
	<b>14,78,02,114</b>	15,63,16,549

(\*) Value of consumption of stores and spare parts :

(i) The entire consumption is out of indigenous supplies.

(ii) Consumption as above includes ₹648,173/- (Previous year ₹648,173/-) on account of amortisation of spares.

(iii) Stores and Spare parts included in inventory are largely consumed as replacements and hence their consumption may not be comparable on a year on year basis.

(\*\*) Includes Net (Gain) / Loss on foreign currency transactions of ₹748,027 /- ( Previous Year : ₹(-) 12,06,741/-)





Particulars	Amount in ₹	
	As at 31st March 2016	As at 31st March 2015
<b>NOTE 26</b>		
<b>CONTINGENT LIABILITIES AND COMMITMENTS</b>		
<b>(To the extent not provided for)</b>		
<b>Contingent Liabilities</b>		
a) Claims against the company not acknowledged as debts		
i) Income Tax matters under disputes and pending in appeal	<b>36,696,131</b>	119,430,590
ii) Sales Tax matters under disputes and pending in appeal	<b>14,433,700</b>	23,919,314
The Company's pending litigation comprise of proceedings with income tax and sales tax authorities. The company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The company does not expect the outcome of these proceedings to have material impact on its financial position. Future cash outflows if any in respect of (i) and (ii) above are dependent upon the outcome of the decision/judgements.		
b) Bank guarantees given	<b>87,927,677</b>	114,247,677
c) Arrears of dividend on Cumulative Redeemable Preference Shares	-	100,500,000
<b>Commitments</b>		
a) Estimated amount of contracts remaining to be executed on capital account (net of advances)	<b>55,136,888</b>	254,192,521

**NOTE 27**  
**CAPITAL WORK IN PROGRESS**

Capital Work in Progress	<u>2,441,791,017</u>	<u>2,391,875,137</u>
	<b>2,441,791,017</b>	<b>2,391,875,137</b>
a) Various wholly owned subsidiaries of the company on completion of prefeasibility report have been granted permission for setting up of certain hydel power plants, having aggregate capacity of 660 MW approximately (hereinafter collectively referred to as "undertakings") by the Government of Arunachal Pradesh and Uttarakhand. Project survey, geological investigation and formulation of Detailed Project Report (DPR) and other allied works are under progress. Pending approval of DPR and determination of viability thereof, administrative and other expenses including finance cost incurred by these subsidiaries aggregating to ₹ 23,005.90 lacs as on 31st March 2016 (₹ 23,164.73 lacs as on 31st March 2015) are being carried forward as pre operative expenses under Capital Work In Progress in the financial statements of these subsidiaries. Adjustments in this respect or allocation thereof to the project cost etc. will be carried out on determination of implementation status of the project and impact in this respect as such is presently not ascertainable.		
b) Capital work-in-progress includes :		
i) machinery in stock, inventory of construction / erection materials etc.		
(ii) pre-operative expenditure incurred during implementation of project in terms of (a) above.		
(iii) pre-operative expenditure incurred during expansion of an existing power plant of one of the subsidiaries.		



Particulars	Amount in ₹	
	As at 31st March, 2016	As at 31st March, 2015
<b>Balance brought forward</b>	<b>2,307,289,498</b>	2,124,830,011
Salaries and Wages	<b>15,407,873</b>	15,108,931
Rent	<b>2,194,654</b>	10,809,098
Rates and Taxes	<b>1,632,076</b>	5,355,498
Insurance	-	31,658
Legal and Professional charges	<b>11,965,580</b>	36,953,030
Travelling and Conveyance expenses	<b>4,490,034</b>	5,626,775
Interest on Term Loan	<b>6,268,743</b>	104,419,444
Other Borrowing Cost	<b>847,264</b>	988,751
Project Development Expenses	<b>193,930</b>	238,552
Miscellaneous expenses	<b>1,664,024</b>	2,928,887
<b>Total</b>	<b>2,351,953,676</b>	2,307,290,635
Less: Liability no longer required written back	<b>42,198,205</b>	1,137
Less: Pre Operative Expenses written off	<b>5,398,518</b>	-
<b>Balance Carried forward</b>	<b>2,304,356,953</b>	2,307,289,498

## NOTE 28

### CONSTRUCTION CONTRACTS DISCLOSURES

a)	Particulars	2015-16 (₹)	2014-15 (₹)
i)	Contract revenue recognised as revenue in the period	<b>77,978,956</b>	70,475,592
ii)	Contract costs incurred upto the reporting date	<b>477,949,408</b>	434,407,465
iii)	Advances received	<b>26,990,635</b>	26,990,635
iv)	Retention money with customers	<b>13,390,124</b>	10,504,938
v)	Gross amount due from customers for contract work	<b>91,613,941</b>	77,716,865

b) In case of long term contracts in operation, the foreseeable losses if any are recognised based on the management's estimation of percentage of completion and cost involved thereagainst.

## NOTE 29 SEGMENT REPORTING

Segments have been identified in line with the Accounting Standards AS-17 taking into account the organization structure as well as the differencing risk and return. The Company's business segment comprises of (1) generation and sale of electricity division and (2) construction development, implementation, operation & maintenance of projects and consultancies (Contract Division) (3) trading. These have been identified by the type of their respective sales and services rendered.

During the year, the company has carried out trading activities related to power equipments and the same having different risks and returns other than the existing activities, has been considered as a separate business segment. Further, the transaction under the said trading activities has been undertaken in the current year only and therefore, figures for the previous year are not applicable.

Particulars	Amount in ₹							
	Sale of Electricity		Contract Division		Trading		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>Revenue :</b>								
External sales(*)	249,378,690	298,871,362	668,683,247	82,715,799	576,445,001	-	1,494,506,937	381,587,161
<b>Result :</b>								
Segments	54,931,849	140,031,206	17,047,285	(16,185,362)	25,728,813	-	97,707,947	123,845,844
Less-Interest and Finance Charges							189,896,715	262,935,125
Less : Other common expenses (net)							53,787,206	(4,856,725)
Total Profit Before Tax							(145,975,974)	(134,232,556)
Provisions For Tax							5,104,690	5,152,335
Profit After Tax							(151,080,664)	(139,384,891)
Segments Assets	4,556,007,875	4,596,874,201	208,925,912	152,774,296	176,445,001	-	4,941,378,788	4,749,648,497
Unallocable Corporate Assets							177,816,543	163,719,812
<b>TOTAL</b>							5,119,195,331	4,913,368,309
Segments Liabilities	1,280,350,726	1,465,460,665	168,576,132	78,747,162	129,044,037	-	1,577,970,895	1,544,207,827
Unallocable Corporate Liabilities							442,321,522	92,337,214
<b>TOTAL</b>							2,020,292,417	1,636,545,041
Particulars	Amount in ₹							
	Sale of Electricity		Contract Division		Trading		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Capital expenditure for the segment	903,320	4,982,984	-	2,282,943	-	-	903,320	7,265,927
Unallocable Corporate Capital Expenditure							6,741,532	282,811
<b>Total Capital Expenditure</b>							7,644,852	7,548,738
Depreciation and amortisation for the segment	103,338,403	105,419,935	3,264,924	5,530,134	-	-	106,603,327	110,950,069
Unallocable Depreciation and amortisation							3,722,350	7,645,437
<b>Total depreciation and amortisation</b>							110,325,677	118,595,506
Non cash expenditure, other than depreciation and amortisation for the segment	1,026,526	1,965,339	50,610	400	-	-	1,077,136	1,965,739
Unallocable non cash expenditure, other than depreciation and amortisation							6,253,964	657
<b>Total non cash expenditure, other than depreciation and amortisation</b>							7,331,100	1,966,396

(a) Revenue and expenses have been identified to segment on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relates to enterprise as a whole and not allocable to segment on a reasonable basis have been included under the head other common expenses.

(b) As the company operates entirely in India no secondary segment has been identified for the above purpose.



### NOTE 30

#### (A) PAYMENT IN FOREIGN CURRENCY :

Particulars	2015-16 (₹)	2014-15 (₹)
Travelling & Conveyance Expenses	579,682	909,626
Legal & Professional Charges	5,131,959	-

#### (B) UNHEDGED FOREIGN CURRENCY EXPOSURE OF THE COMPANY AS AT THE YEAR END

Particulars	Amount in foreign currency	
	2015-16	2014-15
Payables		
-Imports		
EURO	80,784	80,784
USD	16,660	16,660

### NOTE 31

#### RELATED PARTY DISCLOSURES PURSUANT TO ACCOUNTING STANDARD - 18

<b>(a) Key Management Personnel and their relative</b>	
Sanjiv Saraf (Executive Director)	
Indira Saraf (Wife of the Executive Director)	
<b>(b) Individuals having significant influence directly or indirectly (Promoter and their relatives)</b>	
Amar Singh (Non Executive Chairman )	
Pankaja Kumari Singh (Wife of the Non Executive Chairman)	
<b>(c) Enterprises over which individuals mentioned in (b) above exercises significant influence</b>	
(i) Startrack Vinimay Private Limited	
(ii) Sarvottam Caps Private Limited	

The aggregate amount of transactions with the related parties as mentioned in (a) above is as below :

Particular	2015-16 (₹)	2014-15 (₹)
Transactions during the year		
i) <b>Remuneration :</b>		
- Sanjiv Saraf	4,820,000	4,820,000
ii) <b>Rent Paid :</b>		
- Indira Saraf	1,054,200	958,320

The aggregate amount of transactions with the related parties as mentioned in (b) above is as below :

Particular	2015-16 (₹)	2014-15 (₹)
Transactions during the year		
i) <b>Rent Paid :</b>		
- Amar Singh	700,000	1,200,000
- Pankaja Kumari Singh	420,000	720,000



Particular		2015-16 (₹)	2014-15 (₹)
ii)	<b>Board Meeting Fees :</b>		
	– Amar Singh	161,500	88,000
	– Pankaja Kumari Singh	76,500	28,000
iii)	<b>Commi ee Meeting Fees :</b>		
	– Amar Singh	–	30,000
	– Pankaja Kumari Singh	40,000	40,000
iv)	<b>Consideration for sale of car</b>		
	– Pankaja Kumari Singh (*)	1,345,905	–
	(*) Includes Profit on sale of Car amounting to ₹ 55,654 /-		
<b>Balances as at the year end :</b>			
i)	<b>Trade Payable :</b>		
	– Amar Singh	–	4,500
	– Pankaja Kumari Singh	–	5,400
<b>The aggregate amount of transactions with the related parties as mentioned in (c) above is as given below :</b>			
<b>Transaction during the year :</b>			
i)	<b>Unsecured Loan received</b>		
	– Startrack Vinimay Private Limited	45,000,000	262,500,000
	– Sarvottam Caps Private Limited	120,000,000	562,500,000
ii)	<b>Unsecured Loan repaid</b>		
	– Startrack Vinimay Private Limited	–	1,232,700,000
	– Sarvottam Caps Private Limited	300,000,000	1,036,000,000
iii)	<b>Interest Expenses</b>		
	– Startrack Vinimay Private Limited	902,466	59,532,529
	– Sarvottam Caps Private Limited	24,230,137	64,550,662
iv)	<b>Interest payable written back</b>		
	– Startrack Vinimay Private Limited	23,542,934	–
	– Sarvottam Caps Private Limited	18,629,997	–
v)	<b>Purchase of Investments in Subsidiaries</b>		
	– Startrack Vinimay Private Limited	345,933,368	–
	– Sarvottam Caps Private Limited	92,321,369	–
vi)	<b>Proceed from issue of Equity Shares</b>		
	– Startrack Vinimay Private Limited	40,150,000	–
	– Sarvottam Caps Private Limited	259,600,000	–



Particular		2015-16 (₹)	2014-15 (₹)
vii)	<b>Expenses incurred by the company on behalf of the party</b>		
	– Startrack Vinimay Private Limited	50,113	–
	– Sarvottam Caps Private Limited	25,530	–

Balances as at the year end :			
i)	<b>Unsecured Loans</b>		
	– Startrack Vinimay Private Limited	45,000,000	–
	– Sarvottam Caps Private Limited	75,000,000	255,000,000

ii)	<b>Interest accrued and due (Payable)</b>		
	– Startrack Vinimay Private Limited	1,776,051	24,542,273
	– Sarvottam Caps Private Limited	21,850,027	18,809,010

iii)	<b>Payable towards purchase of Investments</b>		
	– Startrack Vinimay Private Limited	198,681,369	–

iv)	<b>Other Advance (Reimbursable Expenses)</b>		
	– Startrack Vinimay Private Limited	50,113	–
	– Sarvottam Caps Private Limited	25,530	–

**Notes :**

- i) In respect of above parties, there is no provision for doubtful debts as on 31st March,2016 and no amount has been written off or written back during the year in respect of debts due from/to them except to the extent disclosed above.
- ii) The above Related Party information is as identified by the Management and relied upon by the auditors.

**NOTE 32**

**OPERATING LEASES**

**(a) As a lessee**

The group has taken several premises under cancellable operating leases. The lease term is upto 5 years and have the option of renewal on expiry of the lease period based on mutual agreement of both the parties. Certain lease arrangements have been terminated during the year based upon mutual agreement of both the parties. Rental expenses towards cancellable operating lease charged to statement of profit and loss amounts to ₹ 81,44,900 /- (Previous year ₹ 1,52,51,820/-). The aggregate lease rentals are included as "Rent" in Note 25 of the financial statement.

The Company has taken certain machineries under cancellable operating leases. The lease term has an option of renewal on expiry of the lease period based on the mutual agreement of both the parties. Rental expenses towards such cancellable operating lease charged to statement of profit and loss amounts to ₹ 7,20,000/- (Previous Year ₹ 3,96,000/-) and has been disclosed as "Rent" in Note 25 of the financial statement.

**(b) As a lessor**

The group has given certain plant & equipments under cancellable operating leases. The lease term has an option of renewal on expiry of the lease period based on the mutual agreement of both the parties.



**NOTE 33**  
**EARNING PER SHARE (EPS)**

Particulars	2015-16 (₹)	2014-15 (₹)
<b>Basic and Diluted Earnings per share has been computed as under:</b>		
Profit/(Loss) after tax for the year	<b>(151,080,675)</b>	(139,384,891)
Less : Preference Dividend on Cumulative Redeemable Preference shares	-	33,500,000
Profit/(Loss) for the year attributable to equity shareholders	<b>(151,080,675)</b>	(172,884,891)
Weighted Average Number of Equity Shares issued (Nos.)	<b>34,767,760</b>	27,500,000
Basic & Diluted Earnings per share (Face Value ₹10/- per share, fully paid up)	<b>(4.35)</b>	(6.29)

**NOTE 34**  
**COMPARATIVES**

The previous year's figures have been regrouped and rearranged wherever considered necessary .

As per our Report of even date  
For **Lodha & Co.**  
Chartered Accountants  
Firm's ICAI Registration No. 301051E

**H K Verma**  
Partner  
Membership No. 055104  
Place : Kolkata  
Dated : 30th May, 2016

**For and on behalf of the Board of Directors**

Sd/- **Amar Singh**, *Non Executive Chairman*  
Sd/- **Sanjiv Saraf**, *Executive Director*  
Sd/- **Chanakya Arvind Dhanda**, *Director*  
Sd/- **Sanjay Kumar Gupta**, *Director*  
Sd/- **Vijay Kumar**, *Director*  
Sd/- **Amit Damani**, *Chief Financial Officer*  
Sd/- **Vishal Binnani**, *Company Secretary*



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	31.03.2016		31.03.2015	
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
<b>A) Cash Flow From Operating Activities :</b>				
Profit/ (Loss) before taxation		(145,975,985)		(134,232,556)
<b>Adjustments for :</b>				
Depreciation and amortisation expenses	110,325,677		118,595,505	
Amortisation of Stores, Spares & Tools	648,173		648,173	
Interest & Finance Charges	190,743,979		263,923,871	
(Profit)/Loss on Sale of Fixed Assets(Net)	(55,654)		(21,472,655)	
Interest Income	(6,845,534)		(52,853,088)	
Fixed Assets Scrapped	39,172		-	
Pre operative Expenses written Off	5,398,518		-	
Provision for bad and doubtful debt	-		1,280,391	
Bad debts and advances written off	1,245,237		24,241,891	
Provision for doubtful debts written back	-		(24,204,059)	
Liability no longer required written back	(37,846)	301,461,722	(2,182,762)	307,977,267
<b>Operating Profit before Working Capital Changes</b>		<b>155,485,737</b>		<b>173,744,711</b>
<b>Adjustments for :</b>				
(Increase)/Decrease in Inventory	10,699,151		(2,847,530)	
(Increase)/Decrease in Trade and Other receivables	(245,344,758)		81,967,999	
Increase/(Decrease) in Trade and Other payables	197,363,702	(37,281,905)	(12,813,700)	66,306,769
<b>Cash generated from operations</b>		<b>118,203,832</b>		<b>240,051,480</b>
Direct Taxes paid (Net of refund)		(13,572,351)		(7,336,512)
<b>Net Cash Flow from Operating Activities</b>		<b>104,631,481</b>		<b>232,714,968</b>
<b>B) Cash Flow from Investing Activities :</b>				
Purchase of Fixed Assets and Capital Work in Progress	(123,563,994)		(248,731,243)	
Sale of Fixed Assets	7,931,333		37,483,698	
Purchase of Investments	(239,573,368)		-	
Advance received against sale of Investments	100,000,000		-	
Deposit / redemption of Margin Money and other bank balances	(10,545,402)		21,196,235	
Interest Received	5,482,058	(260,269,373)	54,538,341	(135,512,969)
<b>Net Cash Flow from Investing Activities</b>		<b>(260,269,373)</b>		<b>(135,512,969)</b>
<b>C) Cash Flow from Financing Activities :</b>				
Proceeds from / (repayments) of borrowings	(95,751,510)		(1,574,507,958)	
Proceeds from Issue of Preference Shares	-		1,895,000,000	
Proceeds from Issue of Equity Shares	440,000,000		-	
Subsidy received from Government	-		24,000,000	
Interest & Finance Charges	(163,152,112)		(405,872,950)	
Dividend Paid	(13,750,000)		(13,750,000)	
Dividend Distribution Tax Paid	(2,799,176)	164,547,202	(2,336,813)	(77,467,721)
<b>Net Cash flow from Financing Activities</b>		<b>164,547,202</b>		<b>(77,467,721)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>8,909,310</b>		<b>19,734,278</b>
<b>Cash and Cash equivalents at the beginning of the year</b>		<b>42,208,168</b>		<b>22,473,890</b>
<b>Cash and Cash equivalents at the end of the year (Note 17)</b>		<b>51,117,478</b>		<b>42,208,168</b>

### Notes :

- Cash Flow Statement is prepared by the indirect method as set out in Accounting Standard - 3 on Cash Flow Statement
- Cash and Cash Equivalents presented in the statement consists of cash on hand and balances with banks on current account as on the balance sheet date.
- Previous year's figures have been re-grouped/rearranged wherever considered necessary.

As per our Report of even date  
For **Lodha & Co.**  
Chartered Accountants  
Firm's ICAI Registration No. 301051E

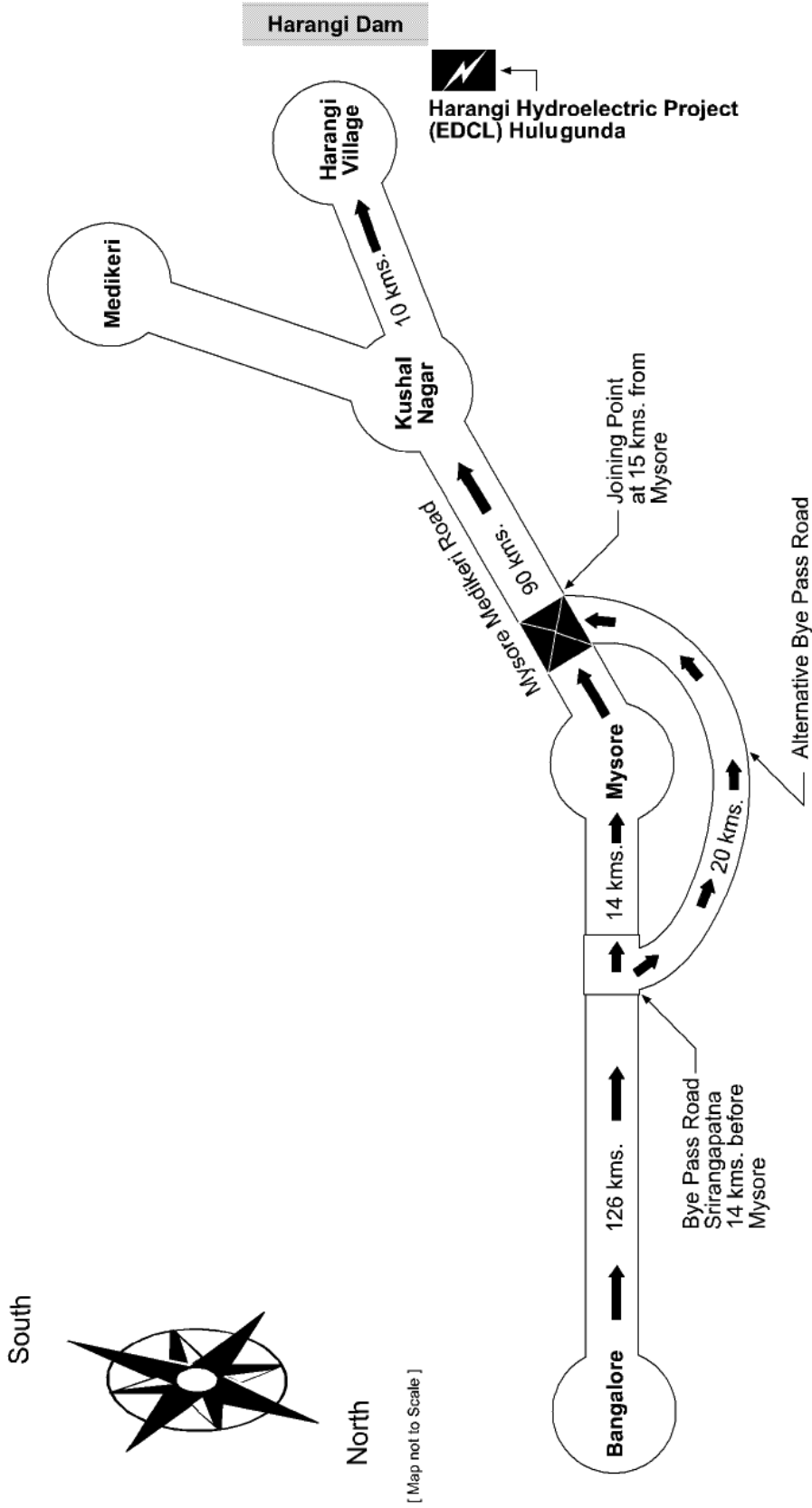
**H K Verma**  
Partner  
Membership No. 055104  
Place : Kolkata  
Dated : 30th May, 2016

### For and on behalf of the Board of Directors

Sd/- **Amar Singh**, Non Executive Chairman  
Sd/- **Sanjiv Saraf**, Executive Director  
Sd/- **Chanakya Arvind Dhanda**, Director  
Sd/- **Sanjay Kumar Gupta**, Director  
Sd/- **V oy Kumar**, Director  
Sd/- **Amit Damani**, Chief Financial Officer  
Sd/- **V ayshree Binnani**, Company Secretary



# ROUTE MAP TO THE VENUE OF THE EXTRA ORDINARY GENERAL MEETING



## ROUTE MAP TO EDCL PLANT SITE AT HARANGI HARANGI HYDROELECTRIC PROJECT

Hulugunda Via. Kushal Nagar  
Dist. : Kodagu, Karnataka - 571 233



**ENERGY DEVELOPMENT COMPANY LIMITED**

CIN : L85110KA1995PLC017003

Regd. Office : Harangi Hydroelectric Project, Village – Hulugunda, Taluka – Somawarpet, District – Kodagu, Karnataka – 571 233

Phone : (08276) 277040, Fax : (08276) 277012

E-mail : edclhhep@gmail.com, Website : www.edclgroup.com

**PROXY FORM**

**(From No. MGT -11)**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**Name of the Member(s) :**

**Registered Address :**

**E-mail Id :**

**Folio No. / Client ID :**

**DP ID**

I / We, being the member(s) of ..... shares of abovementioned Company hereby appoint :

- (1) Name ..... Address .....  
E-mail ID ..... Signature ..... or failing him / her;
- (2) Name ..... Address .....  
E-mail ID ..... Signature ..... or failing him / her;
- (3) Name ..... Address .....  
E-mail ID ..... Signature .....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 21st Annual General Meeting of the Company, to be held on Thursday, the 29th day of September, 2016 at 1:30 P. M. at Harangi Hydro Electric Project, Village – Hulugunda, Taluka – Somawarpet, District – Kodagu, Karnataka – 571 233 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution Number	Description	OPTIONAL	
		FOR	AGAINST
<b>Ordinary Business</b>			
1.	Adoption of Audited standalone and consolidated Financial Statements together with Directors' Report and Auditors' Report thereon for the year ended on 31st March, 2016.		
2.	To declare Dividend for the financial year ended on 31st March, 2016.		
3.	Appointment of Mr. Sanjiv Saraf (DIN : 00506650) as Director, who retires by rotation and being eligible, offers himself for re-appointment.		
4.	Ratification of appointment of M/s. Lodha & Co., Chartered Accountants (Firm Registration No. : 301051E) as Auditors of the Company for the financial year 2016-17.		
<b>Special Business</b>			
5.	Appointment of Mr. Chanakya Arvind Dhanda (DIN : 02709047) as a Non-executive Director of the Company.		
6.	Ratification of remuneration of M/s. N. Radha Krishnan & Co., Cost Accountants as Cost Auditors of the Company for the financial year 2016-17.		
7.	Approval of Material Related Party Transactions.		

Signed this ..... day of September, 2016.

Signature of Shareholder(s) .....

Signature of Proxy holders(s) .....

**A x  
Re.1/-  
Revenue  
Stamp**

**Note :** This form of proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





**ENERGY DEVELOPMENT COMPANY LIMITED**

CIN : L85110KA1995PLC017003

Regd. Office : Harangi Hydroelectric Project, Village – Hulugunda, Taluka – Somawarpet, District – Kodagu, Karnataka – 571 233

Phone : (08276) 277040, Fax : (08276) 277012

E-mail : edclhhep@gmail.com, Website : www.edclgroup.com

**ATTENDANCE SLIP**

**PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.**

Joint Shareholders may obtain additional slip on request.

Name and Address of the Shareholder : .....

.....

.....

.....

Folio No. : .....

DP ID : .....

Client ID : .....

No. of Shares : .....

I hereby record my presence at the **21st Annual General Meeting** of the Company, to be held on Thursday, the 29th day of September, 2016 at 01:30 P.M. at its Registered Office at Harangy Hydro Electric Project, Village – Hulugunda, Taluka – Somawarpet, District – Kodagu, Karnataka – 571 233.

.....

Signature of the Shareholder / Proxy\*

\*Strike out whichever is not applicable.













**Energy Development Company Limited**  
'EDCL House', 1A Elgin Road, Kolkata - 700 020