

INDEPENDENT AUDITORS' REPORT**To the Members of Ayyappa Hydro Power Limited****Report on the Financial Statements**

We have audited the accompanying financial statements of **Ayyappa Hydro Power Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, 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 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 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2015, its losses and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("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 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 financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act.
- f) 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. The Company does not have any pending litigations as at the year end which would impact its financial position.



- ii. The Company does not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses;
- iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Kolkata
Date: 28th May, 2015



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

H.K. Verma
Partner
Membership No: 055104

Ayyappa Hydro Power Limited
Annexure 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.
- ii) (a) The inventory has been physically verified during the year by the management at reasonable intervals.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventories and discrepancies noticed on the physical verification of inventory, as explained, were not material as compared to the book records.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured and unsecured to any companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of Clause 3 (iii) of the Order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and sale of goods. During the course of our audit, we have not observed any continuing failure to correct weaknesses in the internal control system.
- 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) The maintenance of cost records and accounts have not been prescribed by the Central Government under section 148(1) of the Act.
- vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Income Tax, Service Tax, Professional Tax and other statutory dues applicable to it. 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. Other statutory dues like Provident Fund, Investor Education & Protection Fund, Employee's State Insurance, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Value Added Tax, Cess, etc. are not applicable to the company during the year.



(b) According to the information and explanations given to us and read with para (a) there are no dues that have not been deposited with the appropriate authority on account of any disputes.

(c) According to the information and explanations given to us, there are no amounts due to be transferred to Investor Education and Protection Fund.

viii) The Company has accumulated losses as at the end of the financial year, which is not less than fifty per cent of its net worth. The Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

ix) The Company has not defaulted in repayment of dues to banks and financial institutions during the year except as given below:

| Nature of Due | Principal default | | Interest default | |
|-----------------|-------------------|--------------------------|------------------|--------------------------|
| | Amount due (Rs.) | Default From | Amount due (Rs.) | Default From |
| Term Loan-Banks | 1,25,00,000 | 31.03.2014 to 25.06.2014 | 75,16,177 | 31.01.2014 to 29.04.14 |
| | | | 67,70,368 | 28.02.2014 to 29.05.14 |
| | | | 68,35,943 | 31.03.2014 to 25.06.2014 |
| | 1,50,00,000 | 30.06.2014 to 25.09.2014 | 71,27,856 | 30.04.2014 to 28.08.2014 |
| | | | 73,53,538 | 30.05.2014 to 06.09.2014 |
| | | | 70,57,190 | 30.06.2014 to 06.09.2014 |
| | | | 71,50,812 | 31.07.2014 to 06.09.2014 |
| | | | 72,69,726 | 31.08.2014 to 06.09.2014 |

There are no defaults existing as at the Balance Sheet date. The company has no dues to debenture holders.

x) According to the information and explanations given to us the Company has not given any guarantee for loans taken by others from banks or financial institutions and as such the provisions of clause 3 (x) of the Order is not applicable to the Company.

xi) According to the information and explanations given to us, term loans have been utilised for the purposes for which it has been obtained.



- xii) 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.

Place: Kolkata
Date: 28th May, 2015



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

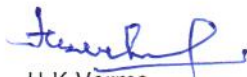
H.K.Verma
Partner
Membership No: 055104

AYYAPPA HYDRO POWER LIMITED
Balance Sheet as at 31st March, 2015

Amount in ₹

| Particulars | Note No. | As at 31st March 2015 | As at 31st March 2014 |
|---|----------|-----------------------|-----------------------|
| <u>EQUITY AND LIABILITIES</u> | | | |
| Shareholders' Funds | | | |
| Share Capital | 2 | 52,00,00,000 | 52,00,00,000 |
| Reserves and Surplus | 3 | (21,71,54,809) | (10,42,05,977) |
| | | 30,28,45,191 | 41,57,94,023 |
| Non-Current Liabilities | | | |
| Long-term borrowings | 4 | 1,11,36,99,879 | 96,50,00,100 |
| Long term provisions | 5 | 13,86,000 | 2,65,000 |
| | | 1,11,50,85,879 | 96,52,65,100 |
| Current Liabilities | | | |
| Trade payables | 6 | 28,29,786 | 21,70,274 |
| Other current liabilities | 7 | 7,64,52,648 | 14,93,96,193 |
| Short-term provisions | 8 | 17,000 | 55,000 |
| | | 7,92,99,434 | 15,16,21,467 |
| Total | | 1,49,72,30,504 | 1,53,26,80,590 |
| <u>ASSETS</u> | | | |
| Non-current assets | | | |
| Fixed assets | | | |
| - Tangible assets | 9 | 1,32,16,78,883 | 1,38,45,13,374 |
| - Intangible assets | 9 | 7,71,06,877 | 8,57,32,275 |
| - Capital work-in-progress | 23 | 7,54,02,437 | - |
| | | 1,47,41,88,197 | 1,47,02,45,649 |
| Long term loans and advances | 10 | 31,27,369 | 74,01,944 |
| Deferred tax Assets (Net) | 11 | - | 51,38,863 |
| | | 1,47,73,15,566 | 1,48,27,86,456 |
| Current assets | | | |
| Inventories | 12 | 5,69,153 | - |
| Trade receivables | 13 | 85,20,920 | 3,59,46,023 |
| Cash and bank balances | 14 | 54,35,721 | 85,36,693 |
| Short-term loans and advances | 15 | 53,89,143 | 53,87,715 |
| Other current assets | 16 | - | 23,703 |
| | | 1,99,14,937 | 4,98,94,134 |
| Total | | 1,49,72,30,504 | 1,53,26,80,590 |
| Significant Accounting Policies | 1 | | |
| The accompanying notes(1-28) 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
M No. 55104

Place : Kolkata
Dated : 28th May, 2015




For and on behalf of the Board of
Directors





Directors


P. Goswami
Chief Financial Officer


Sunoo Bahari
Company Secretary

AYYAPPA HYDRO POWER LIMITED
Statement of Profit and Loss for the year ended 31st March, 2015

| | | Amount in ₹ | |
|---|---------|----------------------------|----------------------------|
| Particulars | Note No | Year ended 31st March 2015 | Year ended 31st March 2014 |
| Revenue: | | | |
| Revenue from operations | 17 | 11,31,48,672 | 6,19,84,468 |
| Other Income | 18 | 1,85,98,732 | 57,684 |
| Total Revenue | | 13,17,47,404 | 6,20,42,152 |
| Expenses: | | | |
| Employee benefits expense | 19 | 1,31,50,681 | 36,20,437 |
| Finance costs | 20 | 15,05,24,960 | 13,72,47,405 |
| Depreciation and amortization expense | 9 | 6,44,49,147 | 3,54,41,011 |
| Impairment losses | 9 | - | 4,80,00,000 |
| Other expenses | 21 | 1,38,53,884 | 3,86,59,583 |
| | | 24,19,78,672 | 26,29,68,436 |
| Less : Expenditure transferred to Pre-Operative Expenses | 23 | 24,21,300 | 9,29,59,837 |
| Total Expenses | | 23,95,57,372 | 17,00,08,599 |
| Profit/(Loss) before tax for the year | | (10,78,09,969) | (10,79,66,447) |
| Tax Expense: | | | |
| - Deferred tax charge / (credit) | | 51,38,863 | (51,38,863) |
| Total Tax Expense | | 51,38,863 | (51,38,863) |
| Profit/(Loss) after tax for the year | | (11,29,48,832) | (10,28,27,584) |
| Earnings per equity share of ₹ 10 each fully paid-up | | | |
| - Basic & Diluted | 26 | (4.50) | (4.63) |
| Significant Accounting Policies | 1 | | |
| The accompanying notes(1-28) 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

H K Verma
Partner
M No. 55104

Place : Kolkata
Dated : 28th May, 2015



For and on behalf of the Board of
Directors

[Signature]

[Signature]

Directors

Sunoo Bahari
Company Secretary

P. Ganesan
Chief Financial Officer

AYYAPPA HYDRO POWER LIMITED

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 provision 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 net of revenue incidental/attribution 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.

1.5 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 ammortised 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

1.6 Revenue Recognition

Sales of electricity generated are accounted for on delivery to the grid.



1.7 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.

1.8 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.

1.9 Employee Benefits

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

1.10 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.

1.11 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.

1.12 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.

1.13 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.



AYYAPPA HYDRO POWER LIMITED

| Particulars | As at 31st March 2015 ₹ | As at 31st March 2014 ₹ |
|---|-------------------------------|-------------------------------|
| Note 2 | | |
| SHARE CAPITAL | | |
| Authorised | | |
| 30,000,000 (30,000,000) Equity shares of ₹ 10/- each | 30,00,00,000 | 30,00,00,000 |
| 25,000,000 (25,000,000) 10% Cumulative Redeemable Preference Shares of ₹ 10/- each | 25,00,00,000 | 25,00,00,000 |
| | 55,00,00,000 | 55,00,00,000 |
| Issued, Subscribed & Paid-up | | |
| 30,000,000 (30,000,000) Equity shares of ₹ 10/- each fully paid up | 30,00,00,000 | 30,00,00,000 |
| | 30,00,00,000 | 30,00,00,000 |
| 22,000,000 (22,000,000) 10% Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up (Redeemable within 20 years of allotment i.e.30.10.2013) | 22,00,00,000 | 22,00,00,000 |
| | 22,00,00,000 | 22,00,00,000 |
| Total | 52,00,00,000 | 52,00,00,000 |

Reconciliation of outstanding number of Equity shares

| | | |
|------------------------|--------------------|--------------------|
| Opening | 3,00,00,000 | 2,00,00,000 |
| Issued during the year | - | 1,00,00,000 |
| Closing | 3,00,00,000 | 3,00,00,000 |

Reconciliation of outstanding number of Preference shares

| | | |
|------------------------|--------------------|--------------------|
| Opening | 2,20,00,000 | - |
| Issued during the year | - | 2,20,00,000 |
| Closing | 2,20,00,000 | 2,20,00,000 |

Shareholders holding more than 5% shares :-

a) Entire equity shares and preference shares are held by the holding company, Energy Development Company Limited.

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

a) 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.

b) 10% Redeemable Preference Share would carry 10% Fixed Dividend on cumulative basis on outstanding unredeemed portion of the amount. In the event of liquidation of the Company before redemption of the said preference shares, the holders of these shares will have priority over equity shares in the payment of dividend and repayment of capital. 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.



AYYAPPA HYDRO POWER LIMITED

| Particulars | As at 31st March 2015 ₹ | As at 31st March 2014 ₹ |
|-------------|-------------------------------|-------------------------------|
|-------------|-------------------------------|-------------------------------|

Note 3

RESERVE AND SURPLUS

Surplus/(Deficit) in Statement of Profit & Loss

| | | |
|--|-----------------------|-----------------------|
| Opening Balance | (10,42,05,977) | (13,78,393) |
| Add : Profit/(Loss) for the year transferred from Statement of Profit & Loss | (11,29,48,832) | (10,28,27,584) |
| Closing Balance at the end of the year | <u>(21,71,54,809)</u> | <u>(10,42,05,977)</u> |

Note 4

LONG TERM BORROWINGS

(a) Secured

| | | |
|--|--------------|--------------|
| Term Loan From Punjab National Bank (Refer Note 4(i)(c) below) | - | 49,00,00,000 |
| Term Loan From Indian Renewable Energy Development Agency Ltd (IREDA) [Refer Note 4(i)(a) & (b) below] | 85,49,99,878 | - |

(b) Unsecured (Refer Note 4(ii) below)

Loan from related parties

| | | |
|--|--------------|--------------|
| Loan from Holding Company (Refer Note 24) | 37,00,001 | 2,04,00,100 |
| Other Related Parties (*) | 25,50,00,000 | 40,46,00,000 |

Loan from others

| | | |
|-----------------------|-----------------------|---------------------|
| From Bodies Corporate | - | 5,00,00,000 |
| | <u>1,11,36,99,879</u> | <u>96,50,00,100</u> |

(*) Private Companies in which a director is a director.

Terms

4 (i) Secured

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 loan of Rs. 95 crores (Outstanding Balance as on 31.3.15 Rs. 90,24,99,878) is repayable in 10 years in equal quarterly instalments of Rs. 2,37,50,000 w.e.f 31st December, 2015. 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. Interest rate as on 31.03.15 is 13.65%.

b) Maturity Profile of the principal amount

| | | |
|---------|-------------|-------------|
| 2012-13 | - | 3,00,00,000 |
| 2013-14 | - | 5,00,00,000 |
| 2014-15 | - | 6,00,00,000 |
| 2015-16 | 4,75,00,000 | 7,12,00,000 |
| 2016-17 | 9,50,00,000 | 7,52,00,000 |
| 2017-18 | 9,50,00,000 | 7,52,00,000 |
| 2018-19 | 9,50,00,000 | 8,52,00,000 |
| 2019-20 | 9,50,00,000 | 9,00,00,000 |
| 2020-21 | 9,50,00,000 | 9,00,00,000 |
| 2021-22 | 9,50,00,000 | 32,00,000 |
| 2022-23 | 9,50,00,000 | - |
| 2023-24 | 9,50,00,000 | - |
| 2024-25 | 9,49,99,878 | - |

c) During the year the Company has made pre payment of the Term Loan from Punjab National Bank and availed fresh term loan from IREDA.

4 (ii) Unsecured

These loans are repayable in the financial year 2016-17. Rate of Interest is 12%.



AYYAPPA HYDRO POWER LIMITED

| Particulars | As at 31st March 2015 ₹ | As at 31st March 2014 ₹ |
|-------------|-------------------------------|-------------------------------|
|-------------|-------------------------------|-------------------------------|

Note 5

LONG TERM PROVISIONS

Provision for Employee benefits

| | | |
|--------------------------------|------------------|-----------------|
| Provision for leave encashment | 8,57,000 | 64,000 |
| Provision for Gratuity | 5,29,000 | 2,01,000 |
| | 13,86,000 | 2,65,000 |

Note 6

TRADE PAYABLES

| | | |
|--------------------------|------------------|------------------|
| For goods & services (*) | 28,29,786 | 21,70,274 |
| | 28,29,786 | 21,70,274 |

(*) Includes ₹ 11,59,175.- (Previous year ₹ 11,01,128.-) payable to holding company (Refer Note 24)

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.

Note 7

OTHER CURRENT LIABILITIES

Current maturities of long-term debt:

| | | |
|--|-------------|-------------|
| - Term Loan From Punjab National Bank [Refer Note 4(i)(c)] | - | 7,25,00,000 |
| - Term Loan From IREDA [Refer Note 4(i)] | 4,75,00,000 | |

Interest accrued and due on borrowings:

| | | |
|--|--------------------|---------------------|
| - Term Loan From Punjab National Bank [Refer Note 4(i)(c)] | - | 2,11,22,488 |
| - Holding Company (Refer Note 24) | 17,24,308 | 63,605 |
| - Other Related Parties (*) | 42,904 | 3,89,11,985 |
| - Others | - | 26,92,603 |
| Capital Vendors | 2,15,06,780 | 1,13,95,753 |
| Statutory Payables | 56,78,656 | 27,09,759 |
| | 7,64,52,648 | 14,93,96,193 |

(*) Private Companies in which a director is a director.

Note 8

SHORT TERM PROVISIONS

Provision for Employee benefits

| | | |
|--------------------------------|---------------|---------------|
| Provision for leave encashment | 17,000 | 15,000 |
| Provision for Gratuity | - | 40,000 |
| | 17,000 | 55,000 |



Note 9

FIXED ASSETS.

AYYAPPA HYDRO POWER LIMITED

Amount in ₹

| Name of the Assets | GROSS BLOCK | | | DEPRECIATION / AMORTISATION | | IMPAIRMENT | NET BLOCK | | |
|---|-----------------------|------------------------|------------------------|-----------------------------|--------------------|--------------------|--------------------|-----------------------|-----------------------|
| | Cost as at 31.03.2014 | Additions / Adjustment | Deletion / Adjustments | Cost as at 31.03.2015 | As at 31.03.2014 | | During the year | Up to 31.03.2015 | As at 31.03.2015 |
| (A) Tangible Assets | | | | | | | | | |
| Freehold Land | 7,56,10,476 | 1,19,400 | 90,01,528 | 6,67,28,348 | - | - | - | 6,67,28,348 | 7,56,10,476 |
| Buildings and Roads | 29,60,29,014 | - | - | 29,60,29,014 | 49,29,222 | 2,02,37,527 | 1,02,46,711 | 26,06,15,554 | 28,08,53,081 |
| Plant & Equipment | 46,34,80,603 | 14,01,386 | - | 46,48,81,989 | 1,10,28,437 | 1,47,95,036 | 1,60,42,859 | 42,30,15,657 | 43,64,09,306 |
| Hydraulic Works | 59,07,17,810 | - | - | 59,07,17,810 | 1,39,91,111 | 1,88,56,062 | 2,04,47,032 | 53,74,23,605 | 55,62,79,667 |
| Transmission Lines, Transformers, Cable Network, etc [Note a] | 3,64,99,738 | - | - | 3,64,99,738 | 8,64,494 | 11,65,093 | 12,63,397 | 3,32,06,754 | 3,43,71,847 |
| Office Equipment | 1,48,450 | 35,000 | - | 1,83,450 | 9,412 | 81,852 | - | 92,186 | 1,39,038 |
| Furniture and Fixtures | 3,19,424 | - | - | 3,19,424 | 23,922 | 77,541 | - | 2,17,961 | 2,95,502 |
| Motor Vehicle | 6,36,645 | - | - | 6,36,645 | 82,188 | 1,75,638 | - | 3,78,819 | 5,54,457 |
| Total (A) | 1,46,34,42,160 | 15,55,786 | 90,01,528 | 1,45,59,96,418 | 3,09,28,786 | 5,53,88,749 | 4,80,00,000 | 1,32,16,78,883 | 1,38,45,13,374 |
| (B) Intangible Assets | | | | | | | | | |
| Unclassified Land & Site Development (R&R) [Note b] | 9,02,44,500 | 4,35,000 | - | 9,06,79,500 | 45,12,225 | 90,60,398 | 1,35,72,623 | 7,71,06,877 | 8,57,32,275 |
| Total (B) | 9,02,44,500 | 4,35,000 | - | 9,06,79,500 | 45,12,225 | 90,60,398 | 1,35,72,623 | 7,71,06,877 | 8,57,32,275 |
| Total (A+B) | 1,55,36,86,660 | 19,90,786 | 90,01,528 | 1,54,66,75,918 | 3,54,41,011 | 6,44,49,147 | 4,80,00,000 | 1,39,87,85,760 | 1,47,02,45,649 |
| Previous Year | - | 1,55,36,86,660 | - | 1,55,36,86,660 | - | 3,54,41,011 | 4,80,00,000 | 1,47,02,45,649 | - |

Note:

a) 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.

b) Unclassified land and site development comprises of resettlement and rehabilitation compensations (R&R) for use and submergence of adjacent areas and this will be amortised proportionately over the period of 10 years.

c) Recoverable amount of fixed assets of the Company 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 recognized in the earlier years, no further adjustment in this respect has been considered necessary.

(d) Depreciation on fixed assets has been computed based on the useful life of assets, as per Schedule II of the Companies Act, 2013, made effective from 1st April, 2014 or life assessed, whichever is lower. Accordingly, net book value of the fixed assets existing as at that date has been depreciated over the remaining useful life of the assets computed as aforesaid. Consequently, charge on account of depreciation for the year ended 31st March, 2015 is lower by ₹ 66,30,588/-.



AYYAPPA HYDRO POWER LIMITED

| Particulars | As at | As at |
|-------------|-----------------|-----------------|
| | 31st March 2015 | 31st March 2014 |
| | ₹ | ₹ |

Note 10

LONG TERM LOANS AND ADVANCES

(Unsecured, considered good)

| | | |
|---|------------------|------------------|
| Capital Advances | 25,88,423 | 72,26,760 |
| Security Deposits | 76,700 | 76,700 |
| Advance Income Tax & Fringe Benefit Taxes (net of provisions) | 2,31,246 | 98,484 |
| Other Advances [Refer Note 15(b)] | 2,31,000 | - |
| | 31,27,369 | 74,01,944 |

Note 11

DEFERRED TAX ASSETS (NET)

Deferred Tax Assets

| | | |
|-------------------------------------|-----------|-----------|
| Expenses allowable on payment basis | 4,33,527 | 1,03,824 |
| Unabsorbed depreciation difference | 7,89,861 | 96,09,297 |
| | 12,23,388 | 97,13,121 |

Deferred Tax Liabilities

| | | |
|-------------------------|-------------|------------------|
| Depreciation Difference | (12,23,388) | (45,74,258) |
| | - | 51,38,863 |

a) Deferred Tax Assets on account of unabsorbed depreciation has been recognised to the extent of deferred tax liability on account of depreciation differential as at the year end and/or losses to be set off in the subsequent years. In absence of virtual certainty, deferred tax assets with respect to remaining amount of unabsorbed losses and unabsorbed depreciation have not been recognised.

Note 12

INVENTORIES

(At Lower of Cost and Market Value)

(As taken, valued and certified by the management)

| | | |
|--------------------------------|-----------------|---|
| Stores, Spares and Consumables | 5,69,153 | - |
| | 5,69,153 | - |

Note 13

TRADE RECEIVABLES

(Unsecured, considered good)

| | | |
|--|------------------|--------------------|
| Debts outstanding for a period of less than six months | 85,20,920 | 3,59,46,023 |
| | 85,20,920 | 3,59,46,023 |

Note 14

CASH AND BANK BALANCES

Cash and cash equivalents

| | | |
|--|-----------|-----------|
| - Balance with Banks on Current Accounts | 46,48,170 | 71,66,751 |
| - Cash on hand | 7,87,551 | 10,04,975 |
| | 54,35,721 | 81,71,726 |

Other bank balances

| | | |
|---|---|----------|
| - Fixed Deposits (*) (with less than 12 months maturity) | - | 3,64,967 |
|---|---|----------|

| | | |
|--|------------------|------------------|
| | 54,35,721 | 85,36,693 |
|--|------------------|------------------|

(*) Deposited with Kerala State Electricity Board

Note 15

SHORT TERM LOANS AND ADVANCES

(Unsecured, considered good)

| | | |
|-------------------------|------------------|------------------|
| Advance to suppliers | 42,50,325 | 45,30,477 |
| Security Deposits | 35,000 | 3,24,862 |
| Other Advances (*) (**) | 11,03,818 | 5,32,376 |
| | 53,89,143 | 53,87,715 |

(*) Includes ₹ 430,000/- (Previous year ₹ Nil/-) receivable from holding company (Refer Note 24)

(**) (b) [Other Advances includes ₹1,80,000/- (Previous Year ₹ NIL) under short term loans and advance and ₹ 2,31,000/- (Previous Year ₹ NIL) under long term loans and advances in respect of loan to employees and Maximum outstanding ₹ 411,000/- (Previous Year ₹ Nil/-)]

Note 16

OTHER CURRENT ASSETS

(Unsecured, considered good)

| | | |
|---------------------|---|---------------|
| Interest Receivable | - | 23,703 |
| | - | 23,703 |



AYYAPPA HYDRO POWER LIMITED

| Particulars | Year ended 31st March 2015 ₹ | Year ended 31st March 2014 ₹ |
|-------------|------------------------------------|------------------------------------|
|-------------|------------------------------------|------------------------------------|

Note 17

REVENUE FROM OPERATIONS

Sale of Products

- Hydro power

| | |
|---------------------|--------------------|
| 11,31,48,672 | 6,19,84,468 |
| 11,31,48,672 | 6,19,84,468 |

a) Total number of the units generated and sold (In million units)
- Hydro power

27.20 m.u. **13.12 m.u.**

(b) During the 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.

Note 18

OTHER INCOME

Interest Income on deposits

Liability no longer required written back

Profit on Sale of land

| | |
|--------------------|---------------|
| 5,16,750 | 53,132 |
| 83,510 | 4,552 |
| 1,79,98,472 | - |
| 1,85,98,732 | 57,684 |



AYYAPPA HYDRO POWER LIMITED

| Particulars | Year ended | Year ended |
|-------------|-----------------|-----------------|
| | 31st March 2015 | 31st March 2014 |

Note 19

EMPLOYEE BENEFITS EXPENSES

| | | |
|---|--------------------|------------------|
| Salaries & Wages | 1,13,53,658 | 24,67,563 |
| Contribution to Provident & other Funds | 6,16,501 | - |
| Staff welfare expenses | 11,80,522 | 11,52,874 |
| | 1,31,50,681 | 36,20,437 |

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 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 (Non-Funded) | Leave Encashment (Non-Funded) |
|---|-------------------|-------------------------------|-----------------------|-------------------------------|
| | 31.03.2015 | 31.03.2015 | 31.03.2014 | 31.03.2014 |
| Expenses Recognized in the Statement of Profit & Loss | | | | |
| 1 Current Service Cost | 0.62 | 0.57 | 0.62 | 0.63 |
| 2 Interest Cost | 0.22 | 0.07 | 0.15 | 0.03 |
| 3 Expected return on plan assets | - | - | - | - |
| 4 Actuarial Losses / (Gains) | 5.10 | 3.05 | (0.17) | (0.19) |
| Total Expenses | 5.94 | 3.69 | 0.60 | 0.47 |
| Change in the obligation during the year | | | | |
| 1 Present value of Defined Benefit Obligation at the beginning of the year | 2.41 | 0.79 | 1.81 | 0.32 |
| 2 Current Service Cost | 0.62 | 0.57 | 0.62 | 0.63 |
| 3 Interest Cost | 0.22 | 0.07 | 0.15 | 0.03 |
| 4 Benefit Paid | - | (0.04) | - | - |
| 5 Acquisition Cost/(Credit) | 8.39 | 4.30 | - | - |
| 6 Actuarial (Gains) / Losses | 5.10 | 3.05 | (0.17) | (0.19) |
| 7 Present value of Defined Benefit Obligation at the end of the year | 16.74 | 8.74 | 2.41 | 0.79 |
| Change in Assets during the year ended March 31, 2015 | | | | |
| 1 Plan Assets at the beginning of the year | - | - | - | - |
| 2 Acquisition Adjustments | 11.43 | - | - | - |
| 3 Contribution by Employer | - | - | - | - |
| 4 Expected return on plan assets | - | - | - | - |
| 5 Actual Company Contributions | 0.02 | - | - | - |
| 6 Benefit Paid | - | - | - | - |
| 7 Actuarial Gains / (Losses) | - | - | - | - |
| Plan Assets at the end of the year | 11.45 | - | - | - |
| Reconciliation of Net Asset / (Liability) recognised in the Balance Sheet during the year ended March 31, 2015 | | | | |
| 1 Net Asset / (Liability) at beginning of the year | (2.41) | (0.79) | (1.81) | (0.32) |
| 2 Acquisition | 3.04 | (4.30) | - | - |
| 3 Employer Expenses | (5.94) | (3.69) | (0.60) | (0.47) |
| 4 Employer Contributions | 0.02 | 0.04 | - | - |
| 5 Net Asset / (Liability) at the end of the year | (5.29) | (8.74) | (2.41) | (0.79) |
| Actuarial Assumptions | | | | |
| 1 Discount Rate | 7.80% | 7.80% | 8.20% | 8.20% |
| 2 Expected Rate of Return on Plan Assets | 9.00% | Not Applicable | Not Applicable | Not Applicable |
| 3 Rate of Salary increases | 10.00% | 10.00% | 10.00% | 10.00% |

(₹ in lacs)

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

| Particulars | Gratuity (Funded) | Gratuity (Non-Funded) | |
|---|-------------------|-----------------------|-----------|
| | 2014-2015 | 2013-2014 | 2012-2013 |
| Present value of defined benefit obligations | (16.74) | (2.41) | (1.81) |
| Fair value of plan assets | 11.45 | - | - |
| Surplus/(Deficit) | (5.29) | (2.41) | (1.81) |
| Experience adjustment on plan liabilities (loss)/gain | (2.59) | (0.32) | (1.24) |
| Experience adjustment on plan assets (loss)/gain | - | - | - |
| Actuarial Gain/(Loss) due to change on assumptions | (2.51) | 0.49 | - |



Notes :

(a) 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.

(b) During the year, certain employees have been transferred from the holding company without affecting their terms of employment and accordingly figures for the current year are not comparable with corresponding figures of the previous year.

AYYAPPA HYDRO POWER LIMITED

| Particulars | As at 31st March 2015 ₹ | As at 31st March 2014 ₹ |
|-------------|-------------------------------|-------------------------------|
|-------------|-------------------------------|-------------------------------|

NOTE 23

CAPITAL WORK-IN-PROGRESS

Capital Work-in-progress

| | | |
|--|-------------|---|
| | 7,54,02,437 | - |
| | 7,54,02,437 | - |

The Company has undertaken expansion of its existing power plant during the year and accordingly Capital Work In Progress includes :-

(i) machinery in stock, inventory of construction / erection materials etc. which have not been commissioned.

(ii) Pre-operative expenses incurred during the period as given below:

| | | Amount In ₹ |
|--|------------------|---------------------|
| Brought forward from Previous year | - | 37,85,43,722 |
| Salaries & Wages | - | 17,16,994 |
| Rent | - | 17,95,724 |
| Rates & Taxes | - | 22,15,443 |
| Insurance | - | 1,97,906 |
| Legal & Professional Charges | - | 75,68,736 |
| Travelling & Conveyance Exp | - | 24,16,365 |
| Interest Charges | 24,21,300 | 6,71,80,238 |
| Service Charges paid to holding company | - | 60,00,000 |
| Miscellaneous Expenses | - | 38,68,431 |
| | 24,21,300 | 47,15,03,559 |
| Less: Sale of electricity Nil units (Previous Year 4.07 million units) | - | 95,14,674 |
| Less: Allocated to Fixed Assets | - | 46,19,88,885 |
| Balance carried forward | 24,21,300 | - |



AYYAPPA HYDRO POWER LIMITED

Note 24

RELATED PARTY DISCLOSURES PURSUANT TO ACCOUNTING STANDARD - 18

| Relationship | Name of the Parties |
|--|---|
| a) Holding Company | Energy Development Company Limited |
| b) Key Manegerial Personnel (KMP) & their relatives | Mr. Ajay Kumar Chowdhary (KMP) |
| | Mrs. Shakuntala Chowdhary (Relative of KMP) |
| c) Individuals having significant influence directly or indirectly (Promoter and their relatives) | Mr. Amar Singh |
| | Mrs. Pankaja Kumari Singh |
| d) Enterprises over which individuals mentioned in (c) above exercises significant influence | Startrack Vinimay Private Limited |
| | Sarvottam Caps Private Limited |

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

| Particulars | 2014-2015 (₹) | 2013-2014 (₹) |
|---|---------------|---------------|
| Transactions during the year: | | |
| i) Unsecured Loan received | 103,724,767 | 255,383,850 |
| ii)Unsecured Loan repaid | 120,424,866 | 430,442,000 |
| iii) Proceeds from issue of Equity shares | - | 100,000,000 |
| iv) Proceeds from issue of Preference shares | - | 220,000,000 |
| v) Services Charges (preoperative expenses) | - | 6,000,000 |
| vi) Operation & Maintenance cost | - | 6,000,000 |
| vii) Interest Expenses | 1,915,898 | 70,672 |
| viii) Expenses incurred by the party on behalf of the company | 5,998,620 | 172,170 |
| ix) Expenses Reimbursed to the party | 5,145,445 | 172,170 |
| x) Net Assets / Liabilities for Employee Retirement Benefits transferred by the party : | | |
| Net Assets transferred (Gratuity) | 306,000 | - |
| Net Liabilities transferred (Leave Encashment) | 430,000 | - |
| Payable as at the year end : | | |
| i) Unsecured Loans | 3,700,001 | 20,400,100 |
| ii) Other Receivables | 430,000 | - |
| iii) Interest accrued and due (Payable) | 1,724,308 | 63,605 |
| iv) Sundry Creditors | 1,159,175 | 1,101,128 |

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

| Particulars | 2014-2015 (₹) | 2013-2014 (₹) |
|--------------------------------------|---------------|---------------|
| Transactions during the year: | | |
| <u>Remuneration</u> | | |
| - Mr. Ajay Kumar Chowdhary | 915,000 | - |
| <u>Rent Paid</u> | | |
| - Mrs. Shakuntala Chowdhary | 312,000 | - |



AYYAPPA HYDRO POWER LIMITED

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

| Particulars | 2014-2015 (₹) | 2013-2014 (₹) |
|--|---------------|---------------|
| Transactions during the year: | | |
| i) Unsecured Loan received | | |
| - Startrack Vinimay Private Limited | - | 28,100,000 |
| - Sarvottam Caps Private Limited | 240,000,000 | 180,000,000 |
| ii)Unsecured Loan repaid | | |
| - Startrack Vinimay Private Limited | 174,600,000 | 34,000,000 |
| - Sarvottam Caps Private Limited | 215,000,000 | - |
| iii) Interest Expenses | | |
| - Startrack Vinimay Private Limited | 13,487,540 | 21,169,348 |
| - Sarvottam Caps Private Limited | 29,063,013 | 22,066,192 |
| Payable as at the year end : | | |
| i) Unsecured Loans | | |
| - Startrack Vinimay Private Limited | - | 174,600,000 |
| - Sarvottam Caps Private Limited | 255,000,000 | 230,000,000 |
| ii) Interest accrued and due (Payable) | | |
| - Startrack Vinimay Private Limited | - | 19,052,413 |
| - Sarvottam Caps Private Limited | 42,904 | 19,859,572 |

Notes:

(i) In respect of above parties, there is no provision for doubtful debts as on 31st March 2015 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.



AYYAPPA HYDRO POWER LIMITED

Note 25

OPERATING LEASES :

The company has taken several premises under cancellable operating leases. The lease term is upto 3 year and have the option of renewal on expiry of the lease period based on mutual agreement of both the parties. Rental expenses towards cancellable operating lease charged to statement of profit and loss amounts to ₹ 11,60,000 (Previous year ₹ 19,50,000) and has been disclosed as "Rent" in Note 21 of the financial statement.

Note 26

EARNING PER SHARE (EPS) :

| Particulars | 2014-15 (₹) | 2013-14 (₹) |
|--|----------------|----------------|
| Basic and Diluted Earnings per share has been computed as under: | | |
| Profit/(Loss) after tax for the year | (11,29,48,832) | (10,28,27,584) |
| Less : Preference Dividend on 10% Cumulative Redeemable Preference Shares | 2,20,00,000 | 92,21,918 |
| Profit/(Loss) for the year attributable to the equity shareholders | (13,49,48,832) | (11,20,49,502) |
| Weighted Average Number of Equity Shares issued (Nos.) | 3,00,00,000 | 2,41,91,781 |
| Basic and Diluted Earnings per Share (Face Value ₹ 10/- per share,fully paid up) | (4.50) | (4.63) |

Note 27

SEGMENT REPORTING

The company is engaged primarily in the business of "generation of electricity" and all other activities are incidental thereto. Further, the company operates entirely in the domestic market where its operations are governed by the same set of risks and returns. Accordingly the separate primary and secondary segment reporting disclosure as envisaged in Accounting Standards (AS-17) on Segment Reporting is not applicable to the company.

Note 28

COMPARATIVES

Previous year's figures have been re-grouped/rearranged wherever considered necessary .
The first phase of 15 MW hydel power plant at Karrikayam, Kerala was commissioned on 01.10.2013 and accordingly previous year's figures are not strictly comparable

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

H K Verma

H K Verma
Partner
M No. 55104



Place : Kolkata
Dated : 28th May, 2015

For and on behalf of the Board of
Directors

[Signature]

[Signature]

Directors

P. Ganesan
Chief Financial Officer

Sunoo Bahar

Company Secretary

AYYAPPA HYDRO POWER LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015

| PARTICULARS | FOR THE YEAR ENDED 31.03.2015 | | FOR THE YEAR ENDED 31.03.2014 | |
|---|-------------------------------|----------------------|-------------------------------|-----------------------|
| | AMOUNT (₹) | AMOUNT (₹) | AMOUNT (₹) | AMOUNT (₹) |
| A) Cash Flow From Operating Activities: | | | | |
| Profit/ (Loss) before taxation | | (10,78,09,969) | | (10,79,66,447) |
| Adjustments for : | | | | |
| Depreciation and amortization expense | 6,44,49,147 | | 3,54,41,011 | |
| Impairment losses | - | | 4,80,00,000 | |
| Interest & Finance Charges | 14,81,03,660 | | 7,00,67,167 | |
| Profit/(Loss) on Sale of Fixed Assets | (1,79,98,472) | | - | |
| Interest Income | (5,16,750) | | (53,132) | |
| Liability no longer required written back | (83,510) | 19,39,54,076 | (4,552) | 15,34,50,494 |
| Operating Profit before Working Capital Changes | | 8,61,44,107 | | 4,54,84,047 |
| Adjustments for : | | | | |
| Increase/ (Decrease) in Inventory | (5,69,153) | | - | |
| (Increase)/Decrease in Trade and Other receivables | 3,18,31,012 | | (4,21,64,877) | |
| Increase/(Decrease) in Trade and Other payables | 1,49,05,946 | 4,61,67,805 | (4,39,81,765) | (8,61,46,642) |
| Cash generated from operations | | 13,23,11,912 | | (4,06,62,595) |
| Direct Taxes paid (Net of refund) | | (1,32,762) | | (5,392) |
| Net Cash Flow from Operating Activities | | 13,21,79,150 | | (4,06,67,987) |
| B) Cash Flow from Investing Activities | | | | |
| Purchase of Fixed Assets | | (19,90,786) | | (18,59,40,892) |
| Sale of Fixed Assets | | 2,70,00,000 | | - |
| Capital Work In Progress | | (7,54,02,437) | | - |
| Fixed deposits | | 3,64,967 | | (27,387) |
| Interest Received | | 5,40,452 | | 32,779 |
| Net Cash Flow from Investing Activities | | (4,94,87,803) | | (18,59,35,500) |
| C) Cash Flow from Financing Activities | | | | |
| Proceeds from / (repayments) of borrowings | | 12,36,99,779 | | (4,36,55,072) |
| Interest Paid | | (20,91,27,129) | | (5,24,63,812) |
| Proceeds from allotment of equity shares | | - | | 10,00,00,000 |
| Proceeds from allotment of preference shares | | - | | 22,00,00,000 |
| Net Cash flow from Financing Activities | | (8,54,27,351) | | 22,38,81,116 |
| Net Increase/(Decrease) in Cash & Cash Equivalents | | (27,36,004) | | (27,22,371) |
| Cash and Cash equivalents at the beginning of the year | | 81,71,726 | | 1,08,94,097 |
| Cash and Cash equivalents at the end of the year | | 54,35,721 | | 81,71,726 |
| Significant Accounting Policies | 1 | | | |

The accompanying notes(1-28) form an integral part of financial statements.

Notes:

- 1) Cash Flow Statement is prepared by the indirect method as set out in Accounting Standard - 3 on Cash Flow Statement
- 2) 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

H K Verma
Partner
M No. 55104

Place : Kolkata
Dated : 28th May, 2015



For and on Behalf of Board of Directors

M. Pradeep

M. Pradeep

Directors

Sunoo Baran

Company Secretary

P. Gaswami

Chief Financial Officer