

**INDEPENDENT AUDITORS' REPORT****To the Members of EDCL Power Projects Limited****Report on the Financial Statements**

We have audited the accompanying financial statements of **EDCL Power Projects 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 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 ("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 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 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 31<sup>st</sup> March, 2016, 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, 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 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. 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: 28<sup>th</sup> May, 2016



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

H.K.Verma  
Partner  
Membership No.: 055104



**EDCL Power Projects Limited**  
**"Annexure - A" 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 except in respect of a land amounting to ₹ 62,80,405 acquired in earlier years for which title deeds are yet to be registered 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 with in the books of account.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured and unsecured, to any company, firms, limited liability partnership 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) According to the information and explanations given to us, the Company has not given any loan or guarantee or provided any security in connection with loan during the year. Accordingly, the provision of Clause 3(iv) of the Order is not applicable to the Company.
- 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 Company is not required to maintain cost records prescribed by the Central Government under Section 148(1) of the Act. Accordingly, the provisions of Clause 3(vi) of the Order are not applicable to the Company.
- 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 of Service Tax, Tax Deducted at Source, Professional Tax and Provident Fund. 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 Employee's State Insurance, Income Tax, Sales 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 disputes.



- viii) The Company has no amounts due to financial institutions, bank, 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, no managerial remuneration has been paid or provided during the year and accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- 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 not made any preferential allotment or private placement of shares or fully or partly convertible debentures and accordingly, the provision of Clause 3(xiv) of the Order is not applicable to the Company.
- 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  
Date: 28<sup>th</sup> May, 2016



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

*H.K. Verma*

H.K.Verma  
Partner  
Membership No.: 055104



**EDCL Power Projects Limited**  
**“Annexure – B” 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 **EDCL Power Projects 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  
Date: 28<sup>th</sup> May, 2016



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

*H.K. Verma*

H.K. Verma  
Partner  
Membership No.: 055104



**EDCL POWER PROJECTS LIMITED**  
**Balance Sheet as at 31st March, 2016**

Particulars	Note No.	As at 31st March 2016 (₹)	As at 31st March 2015 (₹)
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' Funds</b>			
Share Capital	2	14,75,00,000	14,75,00,000
Reserves and Surplus	3	(7,61,15,385)	(4,51,57,590)
		7,13,84,615	10,23,42,410
<b>Non Current Liabilities</b>			
Long Term Borrowings	4	21,65,25,000	20,18,50,000
Long Term Provision	5	8,29,000	9,74,000
		21,73,54,000	20,28,24,000
<b>Current Liabilities</b>			
Trade Payables	6	-	-
- Dues to Micro and Small Enterprises		-	-
- Dues to Others		22,37,221	8,49,374
Other Current Liabilities	7	78,25,329	88,58,593
Short Term Provision	8	2,000	2,000
		1,00,64,550	97,09,967
<b>Total</b>		<b>29,88,03,165</b>	<b>31,48,76,377</b>
<b><u>ASSETS</u></b>			
<b>Non Current Assets</b>			
Fixed Assets			
- Tangible Assets	9	27,79,39,578	29,00,89,190
Non Current investments	10	-	17,00,000
Long Term Loans and Advances	11	3,73,784	21,04,461
Deferred Tax Assets (net)	12	62,20,060	65,69,527
		28,45,33,422	30,04,63,178
<b>Current Assets</b>			
Inventories	13	81,83,899	87,05,116
Trade Receivables	14	24,79,292	40,76,136
Cash and Cash Equivalents	15	9,71,653	2,44,097
Short Term Loans and Advances	16	26,21,586	13,81,861
Other Current Assets	17	13,313	5,989
		1,42,69,743	1,44,13,199
<b>Total</b>		<b>29,88,03,165</b>	<b>31,48,76,377</b>
Significant Accounting Policies	1		
The accompanying notes (1-27) 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

For and on behalf of the Board of Directors

*H K Verma*

H K Verma  
Partner  
Membership No. 055104



Place : New Delhi  
Dated : 28th May, 2016

*MS*

*Pankajakumari Singh*

*S. Vishwan*

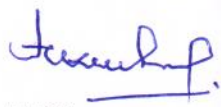


**EDCL POWER PROJECTS LIMITED**  
**Statement of Profit and Loss for the year ended 31st March, 2016**

Particulars	Note No.	Year ended 31st March 2016 (₹)	Year ended 31st March 2015 (₹)
<b>REVENUE :</b>			
Revenue from operations	18	4,46,54,123	5,08,11,291
Other Income	19	4,03,429	1,55,429
<b>Total Revenue</b>		<b>4,50,57,552</b>	<b>5,09,66,720</b>
<b>EXPENSES :</b>			
Employee Benefit Expenses	20	79,31,110	72,05,536
Finance costs	21	2,93,85,203	4,17,50,518
Depreciation and Amortization Expense	9	1,21,30,328	1,21,98,476
Other Expenses	22	2,62,60,855	1,18,54,495
<b>Total Expenses</b>		<b>7,57,07,496</b>	<b>7,30,09,025</b>
<b>Profit/(Loss) before tax</b>		<b>(3,06,49,944)</b>	<b>(2,20,42,305)</b>
<b>Tax Expense:</b>			
- Tax relating to earlier years		(41,616)	1,160
- Deferred tax charge / (credit)		3,49,467	(89,232)
		3,07,851	(88,072)
<b>Profit/(Loss) after tax for the year</b>		<b>(3,09,57,795)</b>	<b>(2,19,54,233)</b>
Earnings per equity share of ₹ 10 each fully paid up	25		
- Basic & Diluted		(8.26)	(5.85)
Significant Accounting Policies	1		
The accompanying notes(1-27) 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

For and on behalf of the Board of Directors

  
H K Verma  
Partner  
Membership No. 055104



Place : New Delhi  
Dated : 28th May, 2016

  
Pankaj Kumar Singh  


**EDCL POWER PROJECTS LIMITED**  
**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 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/ materializes.

**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 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

**1.5 Investments**

Long-term investments are stated at cost less diminution in the value thereof, other than temporary.

**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 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.





**EDCL POWER PROJECTS LIMITED**  
**Notes to the Financial Statements for the year ended 31st March, 2016**

**1.9 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.

**1.10 Borrowing Cost**

Borrowing costs that are attributable to the acquisition / construction 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.

**1.11 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.

**1.12 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.

**1.13 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.



**EDCL POWER PROJECTS LIMITED**

Particulars	As at 31st March 2016 (₹)	As at 31st March 2015 (₹)
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**NOTE 2**

**SHARE CAPITAL**

**Authorised**

4,000,000 (4,000,000) Equity shares of ₹10/- each	4,00,00,000	4,00,00,000
1,10,00,000 (1,10,00,000) 8% Non Cumulative Redeemable Preference Shares of ₹10/- each	11,00,00,000	11,00,00,000
	<b>15,00,00,000</b>	<b>15,00,00,000</b>

**Issued, Subscribed & Paid-up**

3,750,000 (3,750,000) Equity shares of ₹10/- each fully paid up	3,75,00,000	3,75,00,000
1,10,00,000 (1,10,00,000) 8% Non Cumulative Redeemable Preference Shares of ₹10/- each fully paid up (Redeemable within 20 years of allotment i.e. 11.02.2015)	11,00,00,000	11,00,00,000
	<b>14,75,00,000</b>	<b>14,75,00,000</b>

**Reconciliation of outstanding number of Equity Shares**

Opening Balance	37,50,000	37,50,000
Closing Balance	<b>37,50,000</b>	<b>37,50,000</b>

**Reconciliation of outstanding number of Preference shares**

Opening Balance	1,10,00,000	-
Less : Issued during the year	-	1,10,00,000
Closing Balance	<b>1,10,00,000</b>	<b>1,10,00,000</b>

**Shareholders holding more than 5% of shares**

- a) Entire Equity Shares are held by the holding company Energy Development Company Limited  
b) Entire Preference Shares are held by Startrack Vinimay Private 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) 8% Non Cumulative Redeemable Preference Share would carry 8% Fixed Dividend 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.





**EDCL POWER PROJECTS LIMITED**

Particulars	As at 31st March 2016 (₹)	As at 31st March 2015 (₹)
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**NOTE 3**

**RESERVES AND SURPLUS**

**Capital Reserve**

Opening Balance	2,40,00,000	-
Add: For the year [Refer Note (a) below]	-	2,40,00,000
Closing Balance	<b>2,40,00,000</b>	<b>2,40,00,000</b>

Capital Redemption Reserve	75,00,000	75,00,000
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**Surplus/(Deficit) in Statement of Profit and Loss**

Opening Balance	(7,66,57,590)	(5,27,05,609)
Less : Adjustment of depreciation (net of deferred tax) due to Schedule II of the Companies Act 2013	-	19,97,748
Add : Profit / (Loss) for the year transferred from Statement of Profit & Loss	(3,09,57,795)	(2,19,54,233)
Closing Balance	<b>(10,76,15,385)</b>	<b>(7,66,57,590)</b>

**Total : (7,61,15,385) (4,51,57,590)**

a) During the previous year, the Company has received subsidy 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**

**(Unsecured)**

**Loans from Related Parties**

Loan from Holding Company (Refer Note 23)	1,65,25,000	18,50,000
Loan from Other Related Parties (*)	-	2,00,00,000
	1,65,25,000	2,18,50,000

**Loan from Others**

Loan from Bodies Corporate	20,00,00,000	18,00,00,000
	<b>21,65,25,000</b>	<b>20,18,50,000</b>

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

**Terms of Repayment**

These loans are repayable in the financial year 2017-18. Rate of Interest, wherever applicable is 15%.

**NOTE 5**

**LONG TERM PROVISIONS**

**Provision for Employee benefits**

Provision for Leave Encashment	6,62,000	5,58,000
Provision for Gratuity	1,67,000	4,16,000
	<b>8,29,000</b>	<b>9,74,000</b>



**EDCL POWER PROJECTS LIMITED**

Particulars	As at 31st March 2016 (₹)	As at 31st March 2015 (₹)
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**NOTE 6**

**TRADE PAYABLES**

For goods & services

- Dues to Micro and Small Enterprises
- Dues to Others (\*) (\*\*)

-	-
22,37,221	8,49,374
<b>22,37,221</b>	<b>8,49,374</b>

(\*) Includes ₹ NIL /- (Previous Year ₹ 163,000/-) payable to Holding Company (Refer Note 23)

(\*\*) Includes ₹ 73,000/- (Previous Year ₹ NIL ) payable to Fellow Subsidiaries (Refer Note 23)

(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.

**NOTE 7**

**OTHER CURRENT LIABILITIES**

Interest accrued and due on borrowings :

- Holding Company (Refer Note 23)
- Other Related Parties (\*)
- Others

-	17,86,246
-	5,32,603
61,78,190	56,41,150
61,78,190	79,59,999
16,47,139	8,98,594
<b>78,25,329</b>	<b>88,58,593</b>

Statutory Payables

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

**NOTE 8**

**SHORT TERM PROVISIONS**

**Provision for Employee benefits**

Provision for Leave Encashment

2,000	2,000
<b>2,000</b>	<b>2,000</b>





**EDCL POWER PROJECTS LIMITED**

**NOTE 9  
FIXED ASSETS**

Name of the Assets	GROSS BLOCK (AT COST)				DEPRECIATION/ AMORTISATION				NET BLOCK		
	As at 31.03.2015 (₹)	Additions (₹)	Deductions / Adjustments (₹)	As at 31.03.2016 (₹)	As at 31.03.2015 (₹)	In statement of Profit and Loss (₹)	In Surplus balance of Profit and Loss (₹)	Deletions/ Adjustments (₹)	Up to 31.03.2016 (₹)	As at 31.03.2016 (₹)	As at 31.03.2015 (₹)
<b>(A) Tangible Assets</b>											
Freehold Land	62,80,405	-	-	62,80,405	-	-	-	-	-	62,80,405	62,80,405
Buildings and Roads	6,40,50,633	-	-	6,40,50,633	1,58,75,966	20,39,642	-	1,79,15,608	4,61,35,025	4,81,74,667	
Plant & Equipment	16,00,98,263	-	-	16,00,98,263	4,41,15,698	49,10,525	-	4,90,26,223	11,10,72,040	11,59,82,565	
Hydraulic Works	14,85,57,473	-	-	14,85,57,473	4,06,57,851	45,68,306	-	4,52,26,157	10,33,31,316	10,78,99,622	
Transmission Lines, Transformers, Cable, Network, etc (a)	1,56,36,477	-	-	1,56,36,477	42,40,114	4,82,505	-	47,22,619	1,09,13,858	1,13,96,363	
Office Equipment	14,06,603	19,888	-	14,26,491	13,23,986	43,051	-	13,67,037	59,455	82,618	
Furniture and Fixtures	8,10,047	-	-	8,10,047	6,08,263	58,387	-	6,66,650	1,43,397	2,01,784	
Motor Vehicle	8,30,969	-	4,75,559	3,55,410	7,59,803	27,913	-	3,51,329	4,081	71,166	
<b>Total (A)</b>	<b>39,76,70,870</b>	<b>19,888</b>	<b>4,75,559</b>	<b>39,72,15,199</b>	<b>10,75,81,681</b>	<b>1,21,30,328</b>	<b>-</b>	<b>11,92,75,622</b>	<b>27,79,39,578</b>	<b>29,00,89,190</b>	
<b>(B) Intangible Assets</b>											
Computer Software	12,024	-	-	12,024	12,024	12,024	-	12,024	-	-	
<b>Total (B)</b>	<b>12,024</b>	<b>-</b>	<b>-</b>	<b>12,024</b>	<b>12,024</b>	<b>12,024</b>	<b>-</b>	<b>12,024</b>	<b>-</b>	<b>-</b>	
<b>TOTAL (A+B)</b>	<b>39,76,82,894</b>	<b>19,888</b>	<b>4,75,559</b>	<b>39,72,27,223</b>	<b>10,75,93,705</b>	<b>1,21,30,328</b>	<b>-</b>	<b>11,92,87,646</b>	<b>27,79,39,578</b>	<b>29,00,89,190</b>	
<b>Previous Year</b>	<b>39,76,73,394</b>	<b>9,500</b>	<b>-</b>	<b>39,76,82,894</b>	<b>9,24,38,012</b>	<b>1,21,98,476</b>	<b>29,57,217</b>	<b>10,75,93,705</b>	<b>29,00,89,190</b>		

**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.



**EDCL POWER PROJECTS LIMITED**

Particulars	As at 31st March 2016 (₹)	As at 31st March 2015 (₹)
-------------	------------------------------	------------------------------

**NOTE 10**

**NON CURRENT INVESTMENTS**

**(Other than trade Investments) (At Cost) (Long Term)**

**Investment in Equity Shares(Unquoted)**

EDCL Infrastructure Limited	-	17,00,000
[NIL (Previous Year 170,000) Equity shares of ₹ 10/- each]		
[Maximum amount during the year ₹ 17,00,000 (Previous Year ₹ 17,00,000)]		
	-	<b>17,00,000</b>

**NOTE 11**

**LONG TERM LOANS AND ADVANCES**

**(Unsecured,considered good )**

Security Deposits	93,584	93,584
Advance Income Tax (Net of Provision)	2,80,200	20,10,877
	<b>3,73,784</b>	<b>21,04,461</b>

**NOTE 12**

**DEFERRED TAX ASSETS (NET)**

Deferred Tax Assets (*)	62,20,060	65,69,527
	<b>62,20,060</b>	<b>65,69,527</b>

**(\*) Break Up of Deferred Tax Assets**

Depreciation Difference	55,67,641	58,72,302
Provision for bad & doubtful debts	3,95,641	3,95,641
Expenses allowable on payment basis	2,56,778	3,01,584
	<b>62,20,060</b>	<b>65,69,527</b>

**Note :**

a) In absense of virtual certainty, deferred tax assets with respect to remaining amount of unabsorbed losses and unabsorbed depreciation has not been recognised.

**NOTE 13**

**INVENTORIES**

**(At lower of cost and fair value)**

**(As taken, valued and certified by the management)**

Stores, Spares and Consumables	81,83,899	87,05,116
	<b>81,83,899</b>	<b>87,05,116</b>

**NOTE 14**

**TRADE RECEIVABLES**

**(Unsecured,considered doubtful )**

Outstanding for a period of more than six months	12,80,391	12,80,391
Less : Provision for Bad & Doubtful Debts	12,80,391	12,80,391
	-	-

**(Unsecured,considered good )**

Other Debts outstanding for a period of less than six months	24,79,292	40,76,136
	<b>24,79,292</b>	<b>40,76,136</b>





**EDCL POWER PROJECTS LIMITED**

Particulars	As at 31st March 2016 (₹)	As at 31st March 2015 (₹)
-------------	------------------------------	------------------------------

**NOTE 15**

**CASH AND CASH EQUIVALENTS**

Balance with Banks		
- on Current Accounts	9,48,193	2,14,615
Cash on hand	23,461	29,482
	<b>9,71,653</b>	<b>2,44,097</b>

**NOTE 16**

**SHORT TERM LOANS AND ADVANCES**

**(Unsecured, considered good )**

Prepaid Expenses	6,51,554	7,84,340
Other Advances (*) (**)	19,70,032	5,97,521
	<b>26,21,586</b>	<b>13,81,861</b>

(\*) Includes ₹ NIL /- (Previous Year ₹ 354,000/-) recoverable from Holding Company (Refer Note 23)

(\*\*) Includes ₹ 118,000/- (Previous Year ₹ NIL/-) recoverable from Fellow Subsidiaries (Refer Note 23)

**NOTE 17**

**OTHER CURRENT ASSETS**

**(Unsecured, considered good )**

Interest Receivable	13,313	5,989
	<b>13,313</b>	<b>5,989</b>



**EDCL POWER PROJECTS LIMITED**

Particulars	Year ended 31st March 2016 (₹)	Year ended 31st March 2015 (₹)
-------------	-----------------------------------	-----------------------------------

**NOTE 18**

**REVENUE FROM OPERATIONS**

Sale of Products

- Hydro power (\*)

4,46,54,123	5,08,11,291
<b>4,46,54,123</b>	<b>5,08,11,291</b>

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

- Hydro power

**18.30 m.u.**

**20.82 m.u.**

**NOTE 19**

**OTHER INCOME**

Interest Income

2,58,640

35,785

Insurance Claim

1,29,000

-

Liability no longer required written back

15,789

1,19,644

**4,03,429**

**1,55,429**





**EDCL POWER PROJECTS LIMITED**

Particulars	Year ended 31st March 2016 (₹)	Year ended 31st March 2015 (₹)
-------------	-----------------------------------	-----------------------------------

**NOTE 20**

**EMPLOYEE BENEFIT EXPENSES**

Salaries & Wages	65,18,522	55,90,662
Contribution to Provident and other Funds	4,80,966	8,16,978
Staff Welfare Expenses	9,31,622	7,97,896
	<b>79,31,110</b>	<b>72,05,536</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	₹ 82,362/- (Previous year ₹ 60,495/-)
Employer's Contribution to Pension Fund	₹ 187,075/- (Previous year ₹ 137,250/-)

**(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)
	2015-2016	2014-2015	2015-2016	2014-2015		
<b>Expenses Recognized in the Profit &amp; Loss Account</b>	<b>2015-2016</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>2014-2015</b>	<b>2014-2015</b>	<b>2014-2015</b>
1 Current Service Cost	2.47	2.08	2.08	2.29	2.29	1.93
2 Interest Cost	1.03	0.43	0.43	-	-	-
3 Expected return on plan assets	(1.01)	-	-	-	-	-
4 Actuarial Losses / (Gains)	(0.68)	(1.76)	(1.76)	3.50	3.50	0.13
<b>Total Expenses</b>	<b>1.81</b>	<b>0.75</b>	<b>0.75</b>	<b>5.79</b>	<b>5.79</b>	<b>2.06</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>13.18</b>	<b>5.60</b>	<b>5.60</b>	<b>-</b>	<b>-</b>	<b>-</b>
2 Current Service Cost	2.47	2.08	2.08	2.29	2.29	1.93
3 Interest Cost	1.03	0.43	0.43	-	-	-
4 Benefit Paid	-	(0.10)	(0.10)	-	-	-
5 Acquisition Cost / (Credit)	0.45	0.39	0.39	7.39	7.39	3.54
6 Actuarial (Gains) / Losses	(0.80)	(1.76)	(1.76)	3.50	3.50	0.13
7 <b>Present value of Defined Benefit Obligation at the end of the year</b>	<b>16.33</b>	<b>6.64</b>	<b>6.64</b>	<b>13.18</b>	<b>13.18</b>	<b>5.60</b>
<b>Change in Assets during the year ended March 31, 2016</b>						
1 <b>Plan Assets at the beginning of the year</b>	<b>9.02</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2 Acquisition Adjustment	0.39	-	-	9.00	9.00	-
3 Contribution by Employer	-	-	-	0.02	0.02	-
4 Expected return on plan assets	1.01	-	-	-	-	-
5 Actual Company Contributions	4.37	-	-	-	-	-
6 Benefit Paid	-	-	-	-	-	-
7 Actuarial Gains / (Losses)	(0.12)	-	-	-	-	-
<b>Plan Assets at the end of the year</b>	<b>14.67</b>	<b>-</b>	<b>-</b>	<b>9.02</b>	<b>9.02</b>	<b>-</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>(4.16)</b>	<b>(5.60)</b>	<b>(5.60)</b>	<b>-</b>	<b>-</b>	<b>-</b>
2 Acquisition	(0.06)	(0.39)	(0.39)	1.61	1.61	(3.54)
3 Employer Expenses	(1.81)	(0.75)	(0.75)	(5.79)	(5.79)	(2.06)
4 Employer Contributions	4.37	0.10	0.10	0.02	0.02	-
5 <b>Net Asset / (Liability) at the end of the year</b>	<b>(1.66)</b>	<b>(6.64)</b>	<b>(6.64)</b>	<b>(4.16)</b>	<b>(4.16)</b>	<b>(5.60)</b>
<b>Actuarial Assumptions</b>						
1 Discount Rate	7.90%	7.90%	7.90%	7.80%	7.80%	7.80%
2 Expected Rate of Return on Plan Assets	9.00%	Not Applicable	Not Applicable	9.00%	9.00%	Not Applicable
3 Salary Escalation Rate	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

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

Particulars	(₹ in lacs)	
	Gratuity (Funded)	
	2015-2016	2014-2015
Present value of defined benefit obligations	(16.33)	(13.18)
Fair value of plan assets	14.67	9.02
Surplus/(Deficit)	(1.66)	(4.16)
Experience adjustment on plan liabilities (loss)/gain	0.48	(3.50)
Experience adjustment on plan assets (loss)/gain	(0.12)	-
Actuarial Gain / (Loss) due to change on assumptions	0.32	-

**(iv) Details of Plan assets**

Particulars	Gratuity (Funded)	
	2015-2016	2014-2015
Other assets including under scheme of insurance	100%	100%
Actual return on plan assets	0.89	-

**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) Acquisition adjustment represents amount in respect of certain employees transferred into / transferred from the company without affecting the term of employment.

(c) The expected contribution to the fund by the company during the year 2016-17 is yet to be determined.



**EDCL POWER PROJECTS LIMITED**

Particulars	Year ended 31st March 2016 (₹)	Year ended 31st March 2015 (₹)
<b>NOTE 21</b>		
<b>FINANCE COSTS</b>		
Interest Expenses		
- Holding company (Refer Note 23)	-	19,84,718
- Others	2,93,85,203	3,97,65,800
	<b>2,93,85,203</b>	<b>4,17,50,518</b>

**NOTE 22**

**OTHER EXPENSES**

Payment to Auditors (excluding Service tax):		
- As Auditors	50,000	50,000
- For Taxation matters	25,000	25,000
- For Other Services	-	30,000
Cost of Power Purchased	52,777	70,197
Stores and Spares consumed (Indigenous) (*)	9,62,686	10,27,635
Rent (Refer Note 24 )	7,35,654	81,375
Repairs & Maintenance :		
- Plant & Machinery	82,85,284	15,96,559
- Others	2,19,022	2,76,936
Rates & Taxes	22,74,499	14,62,675
Travelling Expense	2,64,626	2,56,320
Insurance	8,75,874	6,70,595
Legal & Professional charges	1,01,05,166	27,87,460
Security Services	5,41,941	4,99,839
Telephone, Fax, Postal etc.	90,296	96,404
Discount & Rebate	8,92,029	9,04,860
Fixed Assets Scrapped	39,172	-
Provision for Bad & Doubtful debt	-	12,80,391
Miscellaneous Expenses	8,46,829	7,38,249
	<b>2,62,60,855</b>	<b>1,18,54,495</b>

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

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

(ii) Consumption as above includes ₹ 498,199 /- (Previous Year ₹ 498,199/-) 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.





**EDCL POWER PROJECTS LIMITED**

**NOTE 23**

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

Relationship	Name of the Parties
<b>a) Holding Company</b>	Energy Development Company Limited
<b>b) Fellow Subsidiaries</b>	Ayyappa Hydro Power Limited
	Sarju Valley Hydel Projects Company Private Limited
	EDCL Tawang Upper Tsachu Hydro Electric Private Limited
	EDCL Seppa Jung Power Private Limited
	EDCL Seppa Marjingla Hydro Electric Private Limited
<b>c) Individuals having significant influence directly or indirectly ( Promoter and their relatives )</b>	Amar Singh
	Pankaja Kumari Singh ( Director )
<b>d) Enterprises over which individuals mentioned in (c) above exercises significant influence</b>	Startrack Vinimay 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>		
i ) Unsecured Loan received	26,53,75,000	2,34,50,000
ii ) Unsecured Loan repaid	25,07,00,000	4,46,50,000
iii) Interest Expenses	-	19,84,718
iv) Net Provision (Liability - Assets) for Employee Retirement Benefits transferred (to) / from the party :		
- Gratuity	-	(1,63,000)
- Leave Encashment	-	3,54,000
v ) Expenses incurred by the party on behalf of the company	55,12,581	45,79,948
vi) Expenses Reimbursed to the party	55,12,581	45,79,948
<b>Balances as at the year end :</b>		
i) Unsecured Loans	1,65,25,000	18,50,000
ii) Other Advance	-	3,54,000
iii) Interest accrued and due (Payable)	-	17,86,246
iv) Trade Payable	-	1,63,000



**EDCL POWER PROJECTS LIMITED**

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

Particulars	2015-16 (₹)	2014-15 (₹)
<b>Transactions during the year</b>		
i) Expenses incurred by the party on behalf of the company		
- Sarju Valley Hydel Projects Company Private Limited	2,10,000	-
- EDCL Seppa Jung Power Private Limited	1,68,082	-
- EDCL Tawang Upper Tsachu Hydro Electric Private Limited	44,891	-
ii) Expenses Reimbursed to the party		
- Sarju Valley Hydel Projects Company Private Limited	2,10,000	-
- EDCL Seppa Jung Power Private Limited	1,68,082	-
- EDCL Tawang Upper Tsachu Hydro Electric Private Limited	44,891	-
iii) Expenses incurred by the company on behalf of the party		
- Ayyappa Hydro Power Limited.	56,377	-
- EDCL Seppa Marjingla Hydro Electric Private Limited	3,78,482	-
iv) Expenses Reimbursed to the company		
- Ayyappa Hydro Power Limited.	56,377	-
- EDCL Seppa Marjingla Hydro Electric Private Limited	3,78,482	-
v) Net Provision (Liability - Assets) for Employee Retirement Benefits transferred (to) / from the party :		
- Gratuity	6,000	-
- Leave Encashment	39,000	-
<b>Balances as at the year end :</b>		
i) Other Advances	1,18,000	-
ii) Trade Payable	73,000	-

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

Particulars	2015-16 (₹)	2014-15 (₹)
<b>Transactions during the year:</b>		
i) Board Meeting Fees		
- Pankaja Kumari Singh	7,500	2,500

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

Particulars	2015-16 (₹)	2014-15 (₹)
<b>Transactions during the year:</b>		
i ) Unsecured Loan repaid	-	11,01,00,000
ii ) Interest Expenses	-	1,09,81,415
iii) Proceeds from issue of Preference Shares	-	11,00,00,000



**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.



## EDCL POWER PROJECTS LIMITED

### **NOTE 24** **OPERATING LEASES**

The company has taken several premises under cancellable operating leases. The lease term is upto 3 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 ₹ 6,96,000/- (Previous year ₹ 72,000/-). The aggregate lease rentals are included as "Rent" in Note 22 of the financial statement.

### **NOTE 25** **EARNING PER SHARE (EPS)**

Particulars	2015-16 (₹)	2014-15 (₹)
<b>Basic and Diluted Earnings Per Share calculated as under:</b>		
Profit/(Loss) after tax for the year	(3,09,57,795)	(2,19,54,233)
Weighted Average Number of Equity Shares issued (Nos.)	37,50,000	37,50,000
Basic and Diluted Earnings per Share (Face Value ₹ 10/- per share fully paid up)	(8.26)	(5.85)

### **NOTE 26** **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.



**EDCL POWER PROJECTS LIMITED**

**NOTE 27**  
**COMPARATIVES**

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

For and on behalf of the Board of Directors



H K Verma  
Partner  
Membership No. 055104



Place : New Delhi  
Dated : 28th May, 2016



Pankajakumari Singh





**EDCL POWER PROJECTS LIMITED**  
**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		(3,06,49,944)		(2,20,42,305)
<b>Adjustments for :</b>				
Depreciation and amortization expenses	1,21,30,328		1,21,98,476	
Amortisation of Stores, Spares & Tools	4,98,199		4,98,199	
Interest Income	(2,58,640)		(35,785)	
Liability no Longer required written back	(15,789)		(1,19,643)	
Fixed Asset Scrapped	39,172		-	
Provision for Bad & Doubtful Debt	-		12,80,391	
Interest Expenses	2,93,85,203	4,17,78,473	4,17,50,518	5,55,72,156
<b>Operating Profit before Working Capital Changes</b>		1,11,28,529		3,35,29,851
<b>Adjustments for :</b>				
(Increase)/ Decrease in trade and other receivables	20,57,119		4,65,75,717	
(Increase)/ Decrease in inventory	23,017		(39,520)	
(Decrease)/ Increase in trade payables & Other Payables	20,07,181	40,87,317	3,96,489	4,69,32,686
<b>Cash generated from operations</b>		40,87,317		4,69,32,686
Direct Taxes paid (Net of refund)		17,72,293		(4,140)
<b>Net Cash Flow from Operating Activities</b>		<b>1,69,88,139</b>		<b>8,04,58,397</b>
<b>B) Cash flow from investing activities :</b>				
Purchase of fixed assets	(19,888)		(9,500)	
Interest received	2,51,317	2,31,429	29,797	20,297
<b>Net Cash Flow from Investing Activities</b>		<b>2,31,429</b>		<b>20,297</b>
<b>C) Cash flow from financing activities :</b>				
Proceeds from allotment of preference shares	-		11,00,00,000	
Subsidy Received [Refer Note 3(a)]	-		2,40,00,000	
Interest Paid	(3,11,67,012)		(5,32,29,231)	
Proceeds from (Repayment) of Borrowings (Net)	1,46,75,000	(1,64,92,012)	(16,13,00,000)	(8,05,29,231)
<b>Net Cash flow from Financing Activities</b>		<b>(1,64,92,012)</b>		<b>(8,05,29,231)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>7,27,556</b>		<b>(50,538)</b>
<b>Cash and Cash equivalents at the beginning of the year</b>		<b>2,44,097</b>		<b>2,94,635</b>
<b>Cash and Cash equivalents at the end of the year</b>		<b>9,71,653</b>		<b>2,44,097</b>
<b>(Refer Note 15)</b>				
Significant Accounting Policies	1			
The accompanying notes(1-27) form an integral part of financial statements.				

**Note:**

1. The Cash Flow Statement is prepared by the " Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statement.
2. 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

For and on behalf of the Board of Directors

*H K Verma*

H K Verma  
Partner  
Membership No. 055104

Place : New Delhi  
Dated : 28th May, 2016



*Pankajakumari Singh*

*S. Sishnan*