

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, 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: 27th May, 2015



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 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 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 Provident Fund, Income Tax, Service Tax, Professional Tax and other statutory dues applicable to it. According to the information and explanations given to us, there are no undisputed amounts payable in respect of aforesaid dues for a period of more than six months from the date they become payable. Other statutory dues like 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's accumulated losses as at the end of the financial year are not less than fifty per cent of the 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 no amounts due to financial institutions or debenture holders or bank. Accordingly the provisions of clause 3 (ix) of the order are not applicable to the Company.
- 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) The Company has not obtained any term loan and as such the provisions of clause 3 (xi) of the Order is not applicable to the Company.
- 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: 27th May, 2015



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, 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	14,75,00,000	3,75,00,000
Reserves and Surplus	3	(4,51,57,590)	(4,52,05,609)
		10,23,42,410	(77,05,609)
Non-Current Liabilities			
Long-Term Borrowings	4	20,18,50,000	36,31,50,000
Long-Term Provision	5	9,74,000	-
		20,28,24,000	36,31,50,000
Current Liabilities			
Trade payables	6	8,49,374	10,85,194
Other current liabilities	7	88,58,593	2,08,00,640
Short Term Provision	8	2,000	-
		97,09,967	2,18,85,834
Total		31,48,76,377	37,73,30,225
<u>ASSETS</u>			
Non-current assets			
Fixed assets			
- Tangible assets	9	29,00,89,190	30,52,35,266
- Intangible assets	9	-	117
		29,00,89,190	30,52,35,383
Non-current investments	10	17,00,000	17,00,000
Long-term loans and advances	11	21,04,461	20,26,481
Deferred tax assets (net)	12	65,69,527	55,20,826
		30,04,63,177	31,44,82,690
Current assets			
Inventories	13	87,05,116	91,63,795
Trade receivables	14	40,76,136	5,27,51,596
Cash and cash equivalents	15	2,44,097	2,94,635
Short-term loans and advances	16	13,81,861	6,37,509
Other current assets	17	5,990	-
		1,44,13,200	6,28,47,535
Total		31,48,76,377	37,73,30,225
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
FRN No. 301051E

For and on behalf of the Board of Directors

H K Verma

H K Verma
Partner
Membership No. 55104



Pankajakumari Singh

Pankajakumari Singh

Place : Kolkata
Dated : 27th May, 2015

Directors

manish Singh
Company Secretary

EDCL POWER PROJECTS 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	18	5,08,11,291	5,76,58,660
Other Income	19	1,55,429	50,678
Total Revenue		5,09,66,720	5,77,09,338
Expenses:			
Employee Benefit Expenses	20	72,05,536	-
Finance costs	21	4,17,50,518	4,46,53,366
Depreciation and amortization expense	9	1,21,98,476	1,68,82,438
Other expenses	22	1,18,54,495	1,78,95,128
Total Expenses		7,30,09,025	7,94,30,932
Profit/(Loss) before tax		(2,20,42,305)	(2,17,21,594)
Tax expense:			
- Current tax		-	-
- Tax relating to earlier years		1,160	6,607
- Deferred tax charge / (credit)		(89,232)	(3,85,137)
		(88,072)	(3,78,530)
Profit/(Loss) after tax for the year		(2,19,54,233)	(2,13,43,064)
Earnings per equity share of ₹ 10 each fully paid up			
- Basic & Diluted	25	(5.85)	(5.69)
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
FRN No. 301051E

H K Verma

H K Verma
Partner
Membership No. 55104



Place : Kolkata
Dated : 27th May, 2015

For and on behalf of the Board of Directors

Manish Singh

Pankaj Kumar Singh

Directors

manish Singh
Company Secretary

EDCL POWER PROJECTS 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/ 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

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 2015 ₹	As at 31st March 2014 ₹
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 (Nil) 8% Non Cumulative Redeemable Preference Shares of ₹10/- each	11,00,00,000	-
	15,00,00,000	4,00,00,000
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 (Nil) 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	-
	14,75,00,000	3,75,00,000
Reconciliation of outstanding number of Equity Shares		
Opening	37,50,000	37,50,000
Issued during the year	-	-
Closing	37,50,000	37,50,000
Reconciliation of outstanding number of Preference shares		
Opening	-	-
Issued during the year	1,10,00,000	-
Closing	1,10,00,000	-

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 2015 ₹	As at 31st March 2014 ₹
Note 3		
Reserves & Surplus		
Capital Reserve		
Opening Balance	-	-
Add: For the year [Refer Note (a) below]	2,40,00,000	-
Balance at the end of the year	<u>2,40,00,000</u>	-
Capital Redemption Reserve	75,00,000	75,00,000
Surplus/(Deficit) in Statement of Profit and Loss		
Opening Balance	(5,27,05,609)	(3,13,62,545)
Less : Adjustment of depreciation (net of deferred tax) due to Schedule II of the Co's Act 2013 [Refer Note 9(a)]	19,97,748	-
Add: Profit / (Loss) for the year transferred from Statement of Profit & Loss	(2,19,54,233)	(2,13,43,064)
Balance at the year end	<u>(7,66,57,590)</u>	<u>(5,27,05,609)</u>
Total :	<u>(4,51,57,590)</u>	<u>(4,52,05,609)</u>

a) During the 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)

Loan from Other Related Parties (*)

Loan from others

Loan from Bodies Corporate

	18,50,000	2,30,50,000
	<u>2,00,00,000</u>	<u>2,00,00,000</u>
	2,18,50,000	4,30,50,000
	18,00,00,000	32,01,00,000
	<u>20,18,50,000</u>	<u>36,31,50,000</u>

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

Terms of Repayment

These loans are repayable in the financial year 2016-17. Rate of Interest, wherever applicable, ranges between 12% to 15%.

Note 5

Long Term Provisions

Provision for Employee benefits

Provision for leave encashment

Provision for Gratuity

	5,58,000	-
	<u>4,16,000</u>	-
	<u>9,74,000</u>	-



EDCL POWER PROJECTS LIMITED

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

Note 6

Trade Payables

For goods & services

	8,49,374	10,85,194
	8,49,374	10,85,194

a) [Includes ₹163,000/- (Previous year ₹ 825,846/-) payable to holding company (Refer Note 23)]

b) 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	27,57,447
	5,32,603	5,32,603
	56,41,150	1,61,48,662
	79,59,999	1,94,38,712
	8,98,594	13,61,928
	88,58,593	2,08,00,640

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	-



EDCL POWER PROJECTS LIMITED

Note 9
Fixed Assets

Amount in ₹

Name of the Assets	GROSS BLOCK (AT COST)			DEPRECIATION/ AMORTISATION			NET BLOCK		
	As at	Additions	Deductions	As at	During the year	Up to	As at	As at	
	31.03.2014	31.03.2015	31.03.2014	31.03.2014	In statement of Profit and Loss	In Surplus balance of Profit and Loss	31.03.2015	31.03.2015	31.03.2014
(A) Tangible Assets									
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	20,39,642	28,97,955	1,58,75,966	4,81,74,667	5,31,12,264
Plant & Machinery	15,96,07,656	-	-	15,96,07,656	49,09,404	-	4,36,51,573	11,59,56,083	12,08,65,487
Hydraulic Works	14,85,57,473	-	-	14,85,57,473	45,68,306	-	4,06,57,851	10,78,99,622	11,24,67,928
Transmission Lines, Transformers, Cable, Network, etc (*)	1,56,36,477	-	-	1,56,36,477	4,82,505	-	42,40,114	1,13,96,363	1,18,78,868
Tools & Accessories	4,90,607	-	-	4,90,607	1,121	-	4,64,125	26,482	27,603
Office Equipment	13,97,103	9,500	-	14,06,603	69,198	19,835	13,23,986	82,618	1,62,150
Furniture and Fixtures	8,10,047	-	-	8,10,047	82,373	16,739	6,08,263	2,01,784	3,00,895
Motor Vehicle	8,30,969	-	-	8,30,969	45,929	22,571	7,59,803	71,166	1,39,665
Total (A)	39,76,61,370	9,500	-	39,76,70,870	1,21,98,476	29,57,100	10,75,81,681	29,00,89,190	30,52,35,265
(B) Intangible Assets									
Computer Software	12,024	-	-	12,024	-	117	12,024	-	117
Total (B)	12,024	-	-	12,024	-	117	12,024	-	117
TOTAL (A+B)	39,76,73,394	9,500	-	39,76,82,894	1,21,98,476	29,57,217	10,75,93,705	29,00,89,190	30,52,35,383
Previous Year	39,74,00,444	2,72,950	-	39,76,73,394	1,68,82,438	-	9,24,38,012	30,52,35,383	

Note :

(*) 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.

(a) 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 ₹ 47,00,043/- . Further, ₹ 19,97,748/- (net of deferred tax of ₹ 9,59,469/-) being the carrying amount of the assets whose useful life has already expired as on 1st April, 2014 has been adjusted against the retained earnings as on that date.



EDCL POWER PROJECTS LIMITED

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

Note 10

Non-current investments

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

Investment in Equity Shares(Unquoted)

EDCL Infrastructure Ltd.

[170,000 (170,000) Equity shares of Rs.10/- each]

17,00,000	17,00,000
17,00,000	17,00,000

Note 11

Long term loans and advances

(Unsecured,considered good)

Security Deposits

Advance Income Tax (Net of Provision)

93,584	18,584
20,10,877	20,07,897
21,04,461	20,26,481

Note 12

Deferred Tax Assets (Net)

Deferred Tax Assets:

Depreciation Difference

Provision for bad & doubtful debts

Expenses allowable on payment basis

58,72,302	55,20,826
3,95,641	-
3,01,584	-
65,69,527	55,20,826

- Change in Outstanding amount of deferred tax assets of ₹ 10,48,701/- has been made by Credit in Statement of Profit and Loss account by ₹ 89,232/- and Adjustments in Deficit of Profit and loss account under Reserves and Surplus ₹ 9,59,469/- [Refer Note 9(a)]

Note 13

Inventories

(At lower of cost and fair value)

(As taken, valued and certified by the management)

Stores, Spares and Consumables

87,05,116	91,63,795
87,05,116	91,63,795

Note 14

Trade receivables

(Unsecured,considered doubtful)

Outstanding for a period of more than six months

Less : Provision for Bad & Doubtful Debts

12,80,391	4,47,06,728
12,80,391	-
-	4,47,06,728

(Unsecured,considered good)

Other Debts outstanding for a period of less than six months

40,76,136	80,44,868
40,76,136	5,27,51,596

Note 15

Cash and cash equivalents

Balance with Banks

- on Current Accounts

Cash on hand

2,14,615	2,75,251
29,482	19,384
2,44,097	2,94,635

Note 16

Short term loans and advances

(Unsecured,considered good)

Prepaid Expenses

Other advances (*)

7,84,340	4,76,904
5,97,521	1,60,605
13,81,861	6,37,509

(*) Includes ₹354,000/- (Previous year ₹ Nil/-) receivable from holding company (Refer Note 23]

Note 17

Other current assets

(Unsecured,considered good)

Interest Receivable

5,990	-
5,990	-



EDCL POWER PROJECTS LIMITED

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

Note 18

Revenue from Operations

Sale of Products		
- Hydro power	5,08,11,291	5,76,58,660
	<u>5,08,11,291</u>	<u>5,76,58,660</u>

a) Total number of the units generated and sold (In million units)		
- Hydro power	20.82 m.u.	23.63 m.u.

Note 19

Other Income

Interest Income	35,786	50,678
Liability no longer required written back	1,19,643	-
	<u>1,55,429</u>	<u>50,678</u>



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

Note 20

Employee Benefit Expenses

Salaries & Wages	55,90,662	-
Contribution to Provident & other Funds	8,16,978	-
Staff Welfare expenses	7,97,896	-
	72,05,536	-

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	₹ 60,495/- (Previous year ₹ NIL/-)
Employer's Contribution to Pension Fund	₹ 137,250/- (Previous year ₹ NIL/-)

(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)
		31.03.2015	31.03.2015
Expenses Recognized in the Profit & Loss Account			
1	Current Service Cost	2.29	1.93
2	Interest Cost	-	-
3	Expected return on plan assets	-	-
4	Actuarial Losses / (Gains)	3.50	0.13
	Total Expenses	5.79	2.06
Change in the obligation during the year			
1	Present value of Defined Benefit Obligation at the beginning of the year	-	-
2	Current Service Cost	2.29	1.93
3	Interest Cost	-	-
4	Benefit Paid	-	-
5	Acquisition Cost	7.39	3.54
6	Actuarial (Gains) / Losses	3.50	0.13
7	Present value of Defined Benefit Obligation at the end of the year	13.18	5.60
Change in Assets during the year ended March 31, 2015			
1	Plan Assets at the beginning of the year	-	-
2	Acquisition Adjustment	9.00	-
3	Contribution by Employer	0.02	-
4	Expected return on plan assets	-	-
5	Benefit Paid	-	-
6	Actuarial Gains / (Losses)	-	-
	Plan Assets at the end of the year	9.02	-
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	Acquisition	1.61	(3.54)
3	Employer Expenses	(5.79)	(2.06)
4	Employer Contributions	0.02	-
5	Net Asset / (Liability) at the end of the year	(4.16)	(5.60)
Actuarial Assumptions			
1	Discount Rate	7.80%	7.80%
2	Expected Rate of Return on Plan Assets	9.00%	Not Applicable
3	Salary Escalation Rate	10.00%	10.00%

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

Particulars	(₹ in lacs)	
	Gratuity (Funded)	
	2014-2015	
Present value of defined benefit obligations	(13.18)	
Fair value of plan assets	9.02	
Surplus/(Deficit)	(4.16)	
Experience adjustment on plan liabilities (loss)/gain	(3.50)	
Experience adjustment on plan assets (loss)/gain	-	

(iv) Details of Plan assets	31.03.2015
Other assets including under scheme of insurance	100%

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 hence, there are no comparable previous year's figures.



EDCL POWER PROJECTS LIMITED

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

Note 21

Finance Costs

Interest Expenses

- Holding company (Refer Note 23)	19,84,718	30,63,830
- Others	3,97,65,800	4,15,89,536
	4,17,50,518	4,46,53,366

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	5,000
Cost of Power Purchased	70,197	20,491
Operation & Maintenance cost (Refer Note 23)	-	90,00,000
Stores and Spares consumed (Indigenous) (**)	10,27,635	9,31,476
Rent (Refer Note 24)	81,375	83,950
Repairs & Maintenance :		
-Plant & Machinery	15,52,003	9,57,702
-Others	3,21,492	7,89,416
Rates & Taxes	14,62,675	16,27,804
Travelling Expense	2,56,320	3,08,118
Insurance	6,70,595	5,41,479
Legal & Professional charges	27,87,460	5,25,600
Security Services	4,99,839	4,73,721
Telephone,Fax,Postal etc.	96,404	67,198
Discount & Rebate	9,04,860	10,01,959
Irrecoverable Balances written off	-	5,42,422
Miscellaneous Expenses	7,38,249	9,43,792
Provision for Bad & Doubtful debt	12,80,391	-
	1,18,54,495	1,78,95,128

(**) 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 ₹ 516,187/-) 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
a) Holding Company	Energy Development Company Limited
b) Individuals having significant influence directly or indirectly (Promoter and their relatives)	Mr. Amar Singh
	Mrs. Pankaja Kumari Singh (Director)
c) Enterprises over which individuals mentioned in (b) above exercises significant influence	Startrack Vinimay Private Limited

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

Particulars	2014-15 (₹)	2013-14 (₹)
Transactions during the year:		
i) Unsecured Loan received	23,450,000	30,650,000
ii) Unsecured Loan repaid	44,650,000	25,500,000
iii) Operation & Maintenance cost	-	9,000,000
iv) Interest Expenses	1,984,718	3,063,830
v) Expenses incurred by the party on behalf of the company	4,579,948	105,381
vi) Expenses Reimbursed to the party	4,579,948	105,381
vii) Net Assets / Liabilities for Employee Retirement Benefits transferred by the party :		
Net Assets transferred (Gratuity)	163,000	-
Net Liabilities transferred (Leave Encashment)	354,000	-
Balances as at the year end :		
i) Unsecured Loans	1,850,000	23,050,000
ii) Other Receivable	354,000	-
iii) Interest accrued and due (Payable)	1,786,246	2,757,447
iv) Trade Payable	163,000	825,846

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

Particulars	2014-15 (₹)	2013-14 (₹)
Transactions during the year:		
<u>Sitting Fees</u>		
Mrs. Pankaja Kumari Singh	2,500	-

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

Particulars	2014-15 (₹)	2013-14 (₹)
Transactions during the year:		
i) Unsecured Loan received	-	23,000,000
ii) Unsecured Loan repaid	110,100,000	-
iii) Interest Expenses	10,981,415	8,630,137
iv) Proceeds from issue of Preference Shares	110,000,000	-
Payable as at the year end :		
Unsecured Loans	-	110,100,000
Interest accrued and due (Payable)	-	10,223,457

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.



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. Rental expenses towards cancellable operating lease charged to statement of profit and loss amounts to ₹ 72,000 Previous year ₹ 72,000) and has been disclosed as "Rent" in Note 22 of the financial statement.

Note 25

Earnings Per Share (EPS):

Particulars	2014-15 (₹)	2013-14 (₹)
Basic and Diluted Earnings Per Share calculated as under:		
Profit/(Loss) after tax for the year	(2,19,54,233)	(2,13,43,064)
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)	(5.85)	(5.69)

Note 26

Segment Reporting

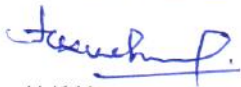
The company is engaged primarily in the business of "generation of electricity" and all other activities are incidental thereto. Further, the company operates entirely in the domestic market where its operations are governed by the same set of risks and returns. Accordingly the separate primary and secondary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

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
FRN No. 301051E



H K Verma
Partner
Membership No. 55104



Place : Kolkata
Dated : 27th May, 2015

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



Directors



manish Singh
Company Secretary

EDCL POWER PROJECTS LIMITED
Cash flow statement for the year ended 31 March 2015

Amount In ₹

Particulars	Year ended 31st March 2015	Year ended 31st March 2014
A) Cash flow from operating activities :		
Profit/(Loss) before tax	(2,20,42,305)	(2,17,21,594)
Adjustments to reconcile net profits to net cash provided by operating activities:		
Depreciation and amortization expenses	1,21,98,476	1,68,82,438
Amortisation of Stores, Spares & Tools	4,98,199	5,16,187
Interest received	(35,786)	(50,678)
Liability no Longer required written back	(1,19,643)	-
Provision for Bad & Doubtful Debt	12,80,391	-
Irrecoverable Balances written off	-	5,42,422
Interest Expenses	4,17,50,518	4,46,53,366
	3,35,29,850	4,08,22,141
Changes in current assets and liabilities		
(Increase)/ Decrease in trade and other receivables	4,65,75,717	(1,09,86,257)
(Increase)/ Decrease in inventory	(39,520)	46,998
(Decrease)/ Increase in trade payables & Other Payables	3,96,489	(61,38,153)
Cash generated from operations	4,69,32,686	(1,70,77,412)
Direct taxes paid(net of refund)	(4,140)	(1,000)
Net cash provided by/(used in) operating activities (A)	8,04,58,397	2,37,43,729
B) Cash flow from investing activities :		
Purchase of fixed assets	(9,500)	(2,72,950)
Interest received	29,797	50,678
Net cash provided by/(used in) investing activities (B)	20,297	(2,22,272)
C) Cash flow from financing activities :		
Proceeds from Issue of Preference Shares	11,00,00,000	-
Subsidy Received [Refer Note 3(a)]	2,40,00,000	-
Interest Paid	(5,32,29,231)	(5,15,04,144)
Proceeds from (Repayment) of Borrowings (Net)	(16,13,00,000)	2,81,50,000
Net cash provided by/(used in) financing activities (C)	(8,05,29,231)	(2,33,54,144)
D) Net increase/(decrease) in cash and cash equivalents (A+B+C)	(50,538)	1,67,313
Cash and cash equivalents		
Beginning of the year	2,94,635	1,27,322
End of the year	2,44,097	2,94,635
The accompanying notes (1-27) form an integral part of financial statements.		

Notes:

- The Cash Flow Statement is prepared by the " Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statement.
- Previous year's figures have been regrouped and rearranged wherever considered necessary.

As per our Report of even date

For **Lodha & Co.**
Chartered Accountants
FRN No. 301051E



H K Verma
H K Verma
Partner
Membership No. 55104

Place : Kolkata
Dated : 27th May, 2015

For and on Behalf of the Board of Directors

Pankaj Kumar Singh
Pankaj Kumar Singh

Directors

Manish Singh
Manish Singh
Company Secretary