

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

We have audited the accompanying financial statements of **EDCL - Tawang Power Private 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 31<sup>st</sup> March, 2015, its losses and its cash flows for the year ended on that date.

### Emphasis of Matter

We draw attention to Note 8 to the financial statements which describes that the Company has been granted permission for setting up a hydel power plant wherein project survey, geological investigation and formulation of Detailed Project Report (DPR) and other allied works are under progress. Pending approval of DPR and determination of viability thereof, administrative and other expenses including finance cost incurred aggregating to Rs. 1,520.98 lacs are being carried forward as pre-operative expenses under Capital Work In Progress. Adjustments in this respect or allocation thereof to the project cost etc. will be carried out on determination of implementation status of the project.

Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 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: 28<sup>th</sup> May, 2015

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

A handwritten signature in blue ink, appearing to read "H.K. Verma".

H.K. Verma  
Partner  
Membership No: 055104

**EDCL - Tawang Power Private Limited**  
**Annexure referred to in our report of even date**

- i) The Company has no fixed assets and accordingly, the provisions of clause 3 (i) of the order are not applicable to the company.
- ii) The Company has no inventory and accordingly, the provisions of clause 3 (ii) of the order are not applicable to the Company.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured and unsecured to any companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of Clause 3 (iii) of the Order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of equipment. During the course of our audit, we have not observed any continuing failure to correct weaknesses in the internal control system. The company has no purchase of inventories or any sale of goods during the year.
- 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) Since the Company has not commenced its operations, the requirement for maintenance of cost records as prescribed by the Central Government under section 148(1) of the Act, is not applicable to the company.
- vii) (a) According to the information and explanations given to us, except with respect to professional tax, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues of tax deducted at source and service tax. There are no undisputed amounts payable in respect of aforesaid dues for a period of more than six months from the date they become payable except Rs. 2,480 in respect of professional tax. Other statutory dues like Provident Fund, Investor Education & Protection Fund, Employee's State Insurance, Sales Tax, Income Tax, Wealth Tax, Customs Duty, Excise Duty, Value Added Tax, Cess, etc. are not applicable to the company during the year.  
 (b) According to the information and explanations given to us and read with para (a) there are no dues that have not been deposited with the appropriate authority on account of any disputes.  
 (c) According to the information and explanations given to us, there are no amounts due to be transferred to Investor Education and Protection Fund.
- viii) The Company has been registered for a period of less than five years. Accordingly the provisions of clause 3 (viii) of the order related to accumulated losses at the end of the year and cash losses in the financial year are not applicable to the Company.



- ix) The Company has no amounts due to financial institutions, 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: 28<sup>th</sup> May, 2015



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

**EDCL TAWANG POWER PRIVATE LIMITED**  
Balance Sheet as at 31st March, 2015

Amount In ₹

Particulars	Note No.	As at 31st March 2015	As at 31st March 2014
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholder's Funds</b>			
Share Capital	2	10,90,00,000	4,02,50,000
Reserves and Surplus	3	4,07,85,085	99,007
		14,97,85,085	4,03,49,007
<b>Non-current Liabilities</b>			
Long-term borrowings	4	9,69,435	8,71,69,435
<b>Current Liabilities</b>			
Short-term borrowings	5	4,00,000	-
Trade payables	6	12,76,014	29,13,791
Other current liabilities	7	46,02,314	45,46,641
		62,78,328	74,60,432
<b>Total</b>		<b>15,70,32,848</b>	<b>13,49,78,874</b>
<b><u>ASSETS</u></b>			
<b>Non-current assets</b>			
Fixed assets			
- Capital work-in-progress	8	15,64,43,498	13,46,55,613
<b>Current assets</b>			
Cash and cash equivalents	9	4,66,089	1,00,000
Short term Loans & Advances	10	1,23,261	2,23,261
		5,89,350	3,23,261
<b>Total</b>		<b>15,70,32,848</b>	<b>13,49,78,874</b>
Significant Accounting Policies	1		
The accompanying notes(1-20) 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  
M No. 55104



*Splink*

*Aman Singh*

Place : Kolkata  
Dated : 28th May, 2015

Directors

**EDCL TAWANG POWER PRIVATE LIMITED**  
**Statement of Profit and Loss for the year ended 31st March, 2015**

Particulars	Note No	Amount In ₹	
		Year ended 31st March 2015	Year ended 31st March 2014
<b>REVENUE :</b>			
Revenue from operations		-	-
Other Income	11	1,133	-
<b>Total Revenue</b>		1,133	-
<b>EXPENSES :</b>			
Employee Benefit Expense	12	47,84,248	11,25,737
Finance Cost	13	1,11,49,629	1,17,08,588
Other expenses	14	64,03,714	1,17,81,660
		2,23,37,591	2,46,15,985
Less : Expenditure transferred to Capital Work-in-Progress		2,17,72,535	2,45,67,804
<b>Total Expenses</b>		5,65,056	48,181
<b>Profit/(Loss) before tax</b>		<b>(5,63,923)</b>	<b>(48,181)</b>
Tax expense:			
- Current tax		-	-
- Deferred tax		-	-
		-	-
<b>Profit/(Loss) after tax for the year</b>		<b>(5,63,923)</b>	<b>(48,181)</b>
Earnings per equity share of ₹ 10 each, fully paid up	17		
- Basic & Diluted		(14.59)	(161.93)
Significant Accounting Policies	1		
The accompanying notes(1-20) form an integral part of financial statements.			

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

*H K Verma*

H K Verma  
Partner  
M No. 55104



Place : Kolkata  
Dated : 28th May, 2015

For and on behalf of the Board of Directors

*Aman Singh*

*Aman Singh*

Directors

## EDCL TAWANG POWER PRIVATE LIMITED

### Note 1

#### **SIGNIFICANT ACCOUNTING POLICIES**

##### **A) Basis of preparation of financial statements**

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

##### **B) 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 recognized in the year in which the results become known/ materialize.

##### **C) Borrowing Cost**

Borrowing cost incurred in relation to the acquisition, construction of qualifying asset are capitalised as part of cost of such assets.

##### **D) Expenditure during construction period**

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

##### **E) Employee Benefits**

Employee benefits are accrued in the year services are rendered by the employees. There are no long term employee benefits.

##### **F) Lease**

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 TAWANG POWER PRIVATE LIMITED**

Particulars	As at 31st March 2015 ₹	As at 31st March 2014 ₹
<b>Note 2</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
7,000,000 (1,000,000) Equity shares of ₹ 10/- each	7,00,00,000	1,00,00,000
400,000 (400,000) 10% Cumulative Redeemable Preference Shares of ₹ 100/- each	4,00,00,000	4,00,00,000
	<b>11,00,00,000</b>	<b>5,00,00,000</b>
<b>Issued, Subscribed &amp; Paid-up</b>		
69,00,000 (25,000) Equity shares of ₹ 10/- each fully paid up	6,90,00,000	2,50,000
	<b>6,90,00,000</b>	<b>2,50,000</b>
400,000 (400,000) 10% Cumulative Redeemable Preference Shares of ₹ 100/- each fully paid up (Redeemable within 20 years of allotment i.e 31.03.2012 )	4,00,00,000	4,00,00,000
	<b>4,00,00,000</b>	<b>4,00,00,000</b>
<b>Total</b>	<b>10,90,00,000</b>	<b>4,02,50,000</b>

**Reconciliation of outstanding number of Equity shares**

Opening	25,000	25,000
Add : Issued during the year	68,75,000	-
Closing	<b>69,00,000</b>	<b>25,000</b>

**Reconciliation of outstanding number of Preference shares**

Opening	4,00,000	4,00,000
Closing	<b>4,00,000</b>	<b>4,00,000</b>

**Shareholders holding more than 5% shares :-**

a) Equity shares:

- Energy Development Company Limited (Ultimate Holding Company)	25,000 (0.36%)	25,000 (100%)
- Arunachal Hydro Power Limited (Holding Company)	68,75,000 (99.64%)	-

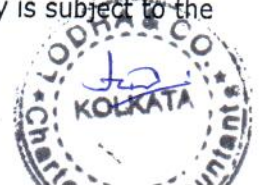
b) Preference Shares :

- Energy Development Company Limited (Ultimate Holding Company)	-	400,000 (100%)
- Arunachal Hydro Power Limited (Holding Company)	400,000 (100%)	-

**Rights, preferences and restrictions attaching to each classes of shares including restriction on the distribution of dividend and the repayment of capital :**

a) The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity is entitled to one vote per share. The dividend, if any proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by them.

b) 10% Redeemable Preference Share would carry 10% Fixed Dividend on cumulative basis on outstanding unredeemed portion of the amount. In the event of liquidation of the Company before redemption of the said preference shares, the holders of these shares will have priority over equity shares in the payment of dividend and repayment of capital. The dividend, if any proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting.



**EDCL TAWANG POWER PRIVATE LIMITED**

PARTICULARS	As at 31st March 2015 ₹	As at 31st March 2014 ₹
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**Note 3**

**RESERVES AND SURPLUS**

**Securities Premium Account**

Opening Balance	6,00,000	6,00,000
Add : Received on shares issued during the year	4,12,50,000	-
Balance at the end of the year	<u>4,18,50,000</u>	<u>6,00,000</u>

**Surplus/(Deficit) in Statement of Profit & Loss**

Opening Balance	(5,00,993)	(4,52,812)
Add : Profit/(Loss) for the year transferred from Statement of Profit & Loss	(5,63,923)	(48,181)
Balance at the end of the year	<u>(10,64,916)</u>	<u>(5,00,993)</u>

<b>Total</b>	<u><u>4,07,85,085</u></u>	<u><u>99,007</u></u>
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**Note 4**

**LONG TERM BORROWINGS**

**(Unsecured)**

**Loans and advances from related parties**

Loan from Ultimate Holding Company (Refer Note 15)	9,69,435	2,17,69,435
Loan from other related parties (*)	-	1,33,00,000

**Loan from others**

Loan from Bodies Corporate	-	5,21,00,000
	<u>9,69,435</u>	<u>8,71,69,435</u>

(\*) Private company in which 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**

**SHORT TERM BORROWINGS**

**(Unsecured)**

**(Repayable on demand)**

**Loan from related parties**

Loan from fellow subsidiaries (Refer Note 15)	4,00,000	-
	<u>4,00,000</u>	<u>-</u>

**Note 6**

**TRADE PAYABLES**

For services (*)	12,76,014	29,13,791
	<u>12,76,014</u>	<u>29,13,791</u>

(\*) [Includes ₹ Nil./- (Previous year ₹2,426,976/-) payable to Ultimate holding company (Refer Note 15)  
Note: The Company does not have any amount payable to vendors covered under the Micro, Small and Medium Enterprises Development Act, 2006.



**EDCL TAWANG POWER PRIVATE LIMITED**

Particulars	As at 31st March 2015 ₹	As at 31st March 2014 ₹
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**Note 7**

**OTHER CURRENT LIABILITIES**

Interest Accrued and due on borrowings

- Ultimate Holding Company (Refer Note 15)	32,28,784	13,42,264
- Others related party (*)	10,00,700	10,00,700
- Others	-	17,34,287
	<u>42,29,484</u>	<u>40,77,251</u>
Book Overdraft	-	81,197
Statutory Payables	3,72,830	3,88,193
	<u><b>46,02,314</b></u>	<u><b>45,46,641</b></u>

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

**NOTE 8**

**CAPITAL WORK-IN-PROGRESS**

Capital Work -in-Progress	15,64,43,498	13,46,55,613
	<u><b>15,64,43,498</b></u>	<u><b>13,46,55,613</b></u>

a) The Company on completion of pre-feasibility report has been granted permission for setting up of 90 MW Hydel power plant by the Government of Arunachal Pradesh. Project survey, geological investigation and formulation of Detailed Project Report (DPR) and other allied works are under progress. Pending approval of DPR and determination of viability thereof, administrative and other expenses including finance cost incurred are being carried forward as pre operative expenses under Capital Work In Progress. Adjustments in this respect or allocation thereof to the project cost etc. will be carried out on determination of implementation status of the project.

b) Capital Work-in-Progress includes Pre-operative expenditure incurred during implementation of project as given below :

<b>Balance brought forward</b>	<b>13,03,25,628</b>	<b>10,57,57,824</b>
Salary & Perquisites	47,58,791	11,25,737
Rent	10,30,841	6,00,000
Rates & Taxes	4,74,770	7,48,191
Legal & Professional Charges	32,72,189	29,14,097
Travelling & Conveyance Expenses	6,65,926	15,98,389
Interest On Unsecured Loans*	1,11,25,175	1,16,76,034
Service Charges (paid to Ultimate holding company) (Refer Note 15)	-	48,00,000
Miscellaneous Expenses	4,05,589	3,18,739
Project Development Expenses	14,800	7,54,063
Other Borrowing Cost	24,454	32,554
<b>Balance carried forward</b>	<b>15,20,98,163</b>	<b>13,03,25,628</b>

(\*) [Includes ₹ 35,87,538./-(Previous year ₹ 1,491, 405/-) paid to Ultimate holding company (Refer Note 15)]

**Note 9**

**CASH AND CASH EQUIVALENTS**

Balance with Banks

- on Current Accounts/(Book overdraft)	4,66,089	-
Cash on hand	-	1,00,000

**4,66,089**                      **1,00,000**

**Note 10**

**SHORT TERM LOANS & ADVANCES**

**(Unsecured, Considered good)**

Advance

1,23,261                      2,23,261

**1,23,261**                      **2,23,261**



**EDCL TAWANG POWER PRIVATE LIMITED**

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

**NOTE 11**

**OTHER INCOME**

Liability no longer required written back	1,133	-
	<b>1,133</b>	<b>-</b>

**NOTE 12**

**EMPLOYEE BENEFIT EXPENSES**

Salary & Wages	44,06,655	11,25,737
Staff Welfare Expenses	3,77,593	-
	<b>47,84,248</b>	<b>11,25,737</b>

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

**NOTE 13**

**FINANCE COST**

Interest Expenses		
- Ultimate Holding Company (Refer Note 15)	35,87,538	14,91,405
- Others	75,37,637	1,01,84,629
	1,11,25,175	1,16,76,034
Other Borrowing Cost	24,454	32,554
	<b>1,11,49,629</b>	<b>1,17,08,588</b>

**NOTE 14**

**OTHER EXPENSES**

Payment to Auditors:		
- As Audit Fees (excluding service tax)	20,000	20,000
Professional Charges	33,31,689	29,14,097
Rates & Taxes	9,42,193	7,67,372
Rent Paid ( Refer Note 16)	10,30,841	6,00,000
Project Development Cost	-	7,54,063
Service Charges (*)	-	48,00,000
Telephone Expenses	2,34,727	2,83,075
Travelling Expenses (**)	6,65,926	15,98,389
Miscellaneous Expenses (***)	1,78,338	44,664
	<b>64,03,714</b>	<b>1,17,81,660</b>

(\*) Includes ₹ Nil/-(Previous year ₹ 48,00,000/-) paid to Ultimate holding company (Refer Note 15)]

(\*\*) Includes payment in foreign currency ₹ 1,47,507/-,(P.Y : ₹ 2,65,923/-)

(\*\*\*) Includes Net Loss from Foreign Exchange Transactions ₹ 17,881/-,(P.Y : ₹ Nil /-)



**EDCL TAWANG POWER PRIVATE LIMITED**

**Note 15**

**Related Party disclosures pursuant to Accounting Standard - 18**

Relationship	Name of the Party
<b>a) Ultimate Holding Company</b>	Energy Development Company Limited (Holding Company upto 13.03.2015)
<b>b) Holding Company</b>	Arunachal Hydro Power Limited ( with effect from 14.03.2015)
<b>c) Fellow Subsidiaries ( through a subsidiary of (b) ]</b>	EDCL Seppa Jung Power Private Limited
<b>d) Individuals having significant influence directly or indirectly ( Promoter and their relatives )</b>	Mr. Amar Singh
	Mrs. Pankaja Kumari Singh
<b>e) Enterprises over which individuals mentioned in (d) 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	2014-15 (₹)	2013-14 (₹)
<b>Transactions during the year:</b>		
i) Unsecured Loan received	2,07,00,000	1,50,19,635
ii) Unsecured Loan repaid	4,15,00,000	25,00,000
iii) Interest Expenses	35,87,538	14,91,405
iv) Service Charges	-	48,00,000
v ) Expenses incurred by the party on behalf of the company	12,83,697	86,225
vi) Expenses Reimbursed to the party	12,83,697	2,45,715
<b>Payable as at the year end :</b>		
i) Unsecured Loans	9,69,435	2,17,69,435
ii) Interest accrued and due (Payable)	32,28,784	13,42,264
iii) Trade Payable	-	24,26,976

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

Particulars	2014-15 (₹)	2013-14 (₹)
<b>Transactions during the year with holding co.</b>		
Proceeds from issue of Equity Shares :		
Face Value of Equity Shares issued	6,87,50,000	-
Premium on Equity shares issued	4,12,50,000	-



**EDCL TAWANG POWER PRIVATE LIMITED**

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

Particulars	2014-15 (₹)	2013-14 (₹)
<b>Transactions during the year:</b>		
Unsecured Loan received	4,00,000	-
<b>Payable as at the year end :</b>		
Unsecured Loans	4,00,000	-

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

Particulars	2014-15 (₹)	2013-14 (₹)
<b>Transactions during the year:</b>		
<u>Sitting Fees</u>		
Mr. Amar Singh	1,000	-
Mrs. Pankaja Kumari Singh	1,000	-
<b>Payable as at the year end :</b>		
<u>Sundry Creditors</u>		
Mr. Amar Singh	900	-
Mrs. Pankaja Kumari Singh	900	-

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

Particulars	2014-15 (₹)	2013-14 (₹)
<b>Transactions during the year:</b>		
i) Unsecured Loan received	15,00,000	63,00,000
ii) Unsecured Loan repaid	1,48,00,000	-
iii) Interest Expenses	-	11,11,890
<b>Payable as at the year end :</b>		
i) Unsecured Loans	-	1,33,00,000
ii) Interest Payable	10,00,700	10,00,700

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



**EDCL TAWANG POWER PRIVATE LIMITED**

**Note 16**

**OPERATING LEASES :**

The company has taken a premise under cancellable operating leases. The lease term is upto 1 year and has 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 ₹ 6,00,000 (Previous year ₹ 6,00,000). The aggregate lease rentals are included as "Rent" in Note 14 of the financial statement.

**Note 17**

**EARNING PER SHARE (EPS) :**

Particulars	2014-15 (₹)	2013-14 (₹)
<b>Basic and Diluted Earnings per share has been computed as under:</b>		
Profit/(Loss) after tax for the year	(5,63,923)	(48,181)
Less : Preference Dividend on 10% Cumulative Redeemable Preference Shares	40,00,000	40,00,000
Profit/(Loss) for the year attributable to the equity shareholders	(45,63,923)	(40,48,181)
Weighted Average Number of Equity Shares issued (Nos.)	3,12,842	25,000
Basic and Diluted Earnings per Share (Face Value ₹ 10/- per share, fully paid up)	(14.59)	(161.93)

**Note 18**

**SEGMENT REPORTING**

The company is engaged primarily in the business setting up of power plant for " generation of electricity " and all other activities are incidental thereto in india. 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 19**

**CONTINGENT LIABILITY**

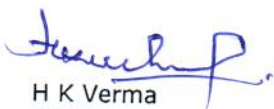
Particulars	2014-15 (₹)	2013-14 (₹)
Arrears of dividend on Cumulative Redeemable Preference shares	1,20,00,000	80,00,000

**Note 20**

**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



H K Verma  
Partner  
M No. 55104

Place : Kolkata  
Dated : 28th May, 2015



For and on behalf of the Board of  
Directors



Amar Singh

Directors

**EDCL TAWANG POWER PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015**

PARTICULARS	31.03.2015		31.03.2014	
	AMOUNT(₹)	AMOUNT(₹)	AMOUNT(₹)	AMOUNT(₹)
<b>A) Cash Flow From Operating Activities:</b>				
Profit/ (Loss) before tax		(5,63,923)		(48,181)
<b>Operating Profit before Working Capital Changes</b>		(5,63,923)		(48,181)
<b>Adjustments for :</b>				
Increase/(Decrease) Trade and Other Receivables	1,00,000		(2,23,261)	
Increase/(Decrease) Trade and Other payables	(15,82,104)	(14,82,104)	35,08,355	32,85,094
<b>Net Cash Flow from Operating Activities</b>		<b>(20,46,027)</b>		<b>32,36,913</b>
<b>B) Cash Flow from Investing Activities</b>				
Capital Work in Progress	(2,17,87,885)	(2,17,87,885)	(2,45,84,154)	(2,45,84,154)
<b>Net Cash Flow from Investing Activities</b>		<b>(2,17,87,885)</b>		<b>(2,45,84,154)</b>
<b>C) Cash Flow from Financing Activities</b>				
Proceeds from Issue of Equity Shares	11,00,00,000			
Proceeds from borrowings received / (repayment)	(8,58,00,000)	2,42,00,000	1,88,19,635	1,88,19,635
<b>Net Cash flow from Financing Activities</b>		<b>2,42,00,000</b>		<b>1,88,19,635</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		<b>3,66,089</b>		<b>(25,27,606)</b>
<b>Cash and Cash equivalents at the beginning of the year</b>		<b>1,00,000</b>		<b>26,27,606</b>
<b>Cash and Cash equivalents at the end of the year (Refer Note 9)</b>		<b>4,66,089</b>		<b>1,00,000</b>
Significant Accounting Policies	1			
The accompanying notes(1-20) form an integral part of financial statements.				

**Notes :-**

- 1) Cash Flow Statement is prepared by the indirect method as set out in Accounting Standard - 3 on Cash Flow Statement
- 2) Previous year's figures have been re-grouped/rearranged wherever considered necessary.

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

*H K Verma*

H K Verma  
Partner  
M No. 55104



Place : Kolkata  
Dated : 28th May, 2015

For and on behalf of the Board of Directors

*Splind.*

*Amar Singh*

Directors