

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of **SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

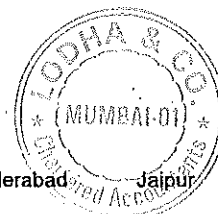
**Management's Responsibility for the Financial Statements**

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 the 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.

**Auditor's 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 auditor's 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 circumstances. 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, 2017 and its loss and cash flows for the year ended on that date.

## Emphasis of Matter

We draw attention to Note no. 10 of the financial statements regarding Rs.111,132,055 as on 31<sup>st</sup> March, 2017 (Rs. 110,842,960 as on 31<sup>st</sup> March, 2016) being carry forward as Capital Work in Progress in respect of hydel power project under implementation by the Company. Adjustments with respect to this being determinable on ascertainment of status of the project, resultant impact in this respect as such are presently not ascertainable.

## 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, 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 purposes 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 31<sup>st</sup> March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017, 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 other matters to be included in the Auditor's Report in accordance with the 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 which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There is no amount required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The Company did not have any holdings or dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. (Refer Note No. 11 to the financial statements)

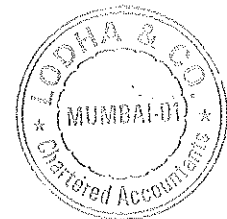
For LODHA & CO.  
Chartered Accountants

Firm Registration No: 301051E

*Baradiya*  
R. P. Baradiya

Partner  
Membership No. 44101

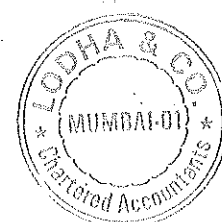
Mumbai  
May 27, 2017



**"ANNEXURE A"****ANNEXURE REFERRED TO IN PARAGRAPH "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT TO THE MEMBERS OF "THE COMPANY" FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

1. The Company has no fixed assets and accordingly, the provisions of clause 3 (i) of the Order are not applicable to the Company.
2. The Company has no inventory and accordingly, the provisions of clause 3 (ii) of the Order are not applicable to the Company.
3. The Company has not granted any loans, secured or unsecured, to companies, firms, and limited liability partnerships 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.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act to the extent applicable, with respect to the loans and investments made, guarantees given and security provided.
5. No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed there under have been accepted by the Company.
6. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 148 of the Act in respect of Company's products/services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company.
7.
  - a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income- tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to the Company with appropriate authorities. No undisputed amounts in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
  - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.



8. 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.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loan during the year. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
11. According to the information and explanations given to us, no managerial remuneration has been paid or provided for during the year and accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, all transactions with the related party are in compliance with Section 177 and 188 of the Act and the details have been disclosed as required by the applicable Accounting Standard in Note 13 to the Financial Statements.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
15. Based on the information and explanations given to us, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.
16. As explained, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For LODHA & CO.  
Chartered Accountants

Firm Registration No: 301051E

*R. P. Baradiya*  
R. P. Baradiya

Partner  
Membership No. 44101

Mumbai  
May 27, 2017



**"ANNEXURE B"****Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of **SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED** ("the Company") as of March 31, 2017 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**

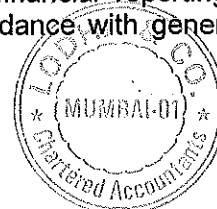
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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 judgement, 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, 2017, 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.

**Mumbai**  
**May 27, 2017**

**For LODHA & CO.**  
Chartered Accountants  
Firm Registration No: 301051E

*R. P. Baradiya*

**R. P. Baradiya**  
Partner  
Membership No. 44101




**SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED**

**Balance Sheet as at 31st March, 2017**


Particulars	Note No.	As at 31st March, 2017 (Rs)	As at 31st March, 2016 (Rs)
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' Funds</b>			
Share Capital	2	1101,00,000	1101,00,000
Reserves and Surplus	3	(18,64,386)	(17,14,859)
		1082,35,614	1083,85,141
<b>Non Current Liabilities</b>			
Long-term borrowings	4	50,000	23,15,000
Long-term Provision	5	-	20,000
		50,000	23,35,000
<b>Current Liabilities</b>			
Short-term borrowings	6	27,12,846	-
Trade Payables	7	-	-
- total outstanding dues of micro and Small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		2,80,927	3,35,760
Other Current Liabilities	8	4,760	20,710
Short term provision	9	20,000	-
		30,18,533	3,56,470
<b>Total</b>		<b>1113,04,147</b>	<b>1110,76,611</b>
<b><u>ASSETS</u></b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment (Fixed Assets)			
- Capital Work-in-progress	10	1111,32,055	1108,42,960
<b>Current Assets</b>			
Cash and cash equivalents	11	1,72,093	2,21,812
Short-term loans and advances	12	-	11,839
		1,72,093	2,33,651
<b>Total</b>		<b>1113,04,147</b>	<b>1110,76,611</b>
Significant Accounting Policies	1		
Notes forming an integral part of the financial statements			

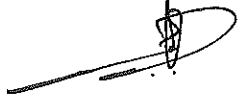
As per our report of even date attached

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

  
R. P. Baradiya  
Partner  
Membership No. : 44101

For and on behalf of the Board of Directors of  
Sarju Valley Hydrel Projects Company Pvt Ltd

  
Subriyo Ranjan Ganguly  
[Director]  
DIN No. 01539081

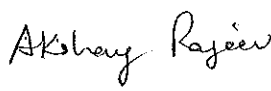
  
Kiran Surve  
[Director]  
DIN No. 7491043

Place : Mumbai  
Dated : 27th May 2017

Place : Delhi  
Dated : 27th May 2017

Place : Mumbai  
Dated : 27th May 2017



  
Akshay Rajeev  
[CFO]  
Place : Delhi  
Date : 27th May 2017

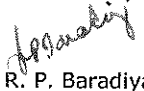


**SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED**  
**Statement of Profit and Loss for the year ended 31st March, 2017**

Particulars	Note No.	Year ended 31st March, 2017 (Rs)	Year ended 31st March, 2016 (Rs)
<b>REVENUE :</b>			
Revenue from operations		-	-
Other Income		-	-
<b>Total Revenue</b>	13	-	-
<b>EXPENSES :</b>			
Employee Benefits expense	14	1,32,084	8,28,588
Finance costs	15	-	3,28,082
Other expenses	16	3,06,538	19,03,105
		4,38,622	30,59,775
Less : Expenditure transferred to capital Work- In-Progress		2,89,095	27,54,840
<b>Total Expenses</b>		<b>1,49,527</b>	<b>3,04,935</b>
<b>loss before tax</b>		<b>(1,49,527)</b>	<b>(3,04,935)</b>
<b>Tax Expense:</b>		-	-
<b>Loss after tax for the year</b>		<b>(1,49,527)</b>	<b>(3,04,935)</b>
Earnings per equity share of Rs 10 each, fully paid up - Basic & Diluted	19	(14.95)	(30.49)
Significant Accounting Policies	1		
Notes forming an integral part of the financial statements			


As per our report of even date attached

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

  
R. P. Baradiya  
Partner  
Membership No. : 44101

Place : Mumbai  
Dated : 27th May 2017

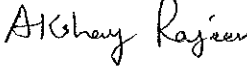
For and on behalf of the Board of Directors of  
Sarju Valley Hydrel Projects Company Pvt Ltd

  
Supriyo Ganguly  
[Director]  
DIN No. 1539081

  
Kiran Surve  
[Director]  
DIN No. 7491043

Place : Delhi  
Dated : 27th May 2017

Place : Mumbai  
Dated : 27th May 2017

  
Akshay Rajeev  
[CFO]  
Place : Delhi  
Dated : 27th May 2017



**SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2017**


PARTICULARS	31.03.2017		31.03.2016	
	AMOUNT(Rs.)	AMOUNT(Rs.)	AMOUNT(Rs.)	AMOUNT(Rs.)
<b>A) Cash Flow From Operating Activities:</b>				
Profit/ (Loss) before tax		(1,49,527)		(3,04,935)
<b>Operating Profit before Working Capital Changes</b>		(1,49,527)		(3,04,935)
<b>Adjustments for :</b>				
Decrease in Trade and Other receivables	11,839		15,277	
Decrease in Trade and Other payables	(70,783)	(58,944)	(12,44,260)	(12,28,983)
<b>Net Cash used in operating Activities</b>		<b>(2,08,471)</b>		<b>(15,33,918)</b>
<b>B) Cash Flow from Investing Activities</b>				
Increase in Capital Work in Progress	(2,89,095)	(2,89,095)	(27,48,668)	(27,48,668)
<b>Net Cash used in Investing Activities</b>		<b>(2,89,095)</b>		<b>(27,48,668)</b>
<b>C) Cash Flow from Financing Activities</b>				
Proceeds from borrowings	4,47,846	4,47,846	21,15,000	21,15,000
<b>Net Cash flow from Financing Activities</b>		<b>4,47,846</b>		<b>21,15,000</b>
<b>Net Decrease in Cash and Cash Equivalents</b>		<b>(49,720)</b>		<b>(21,67,586)</b>
<b>Cash and Cash equivalents at the beginning of the year</b>		<b>2,21,812</b>		<b>23,89,398</b>
<b>Cash and Cash equivalents at the end of the year</b>		<b>1,72,093</b>		<b>2,21,812</b>
Significant Accounting Policies	1			
Notes forming an integral part of the 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.

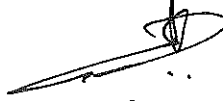
As per our report of even date attached

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

  
R. P. Baradiya  
Partner  
Membership No. : 44101

For and on behalf of the Board of Directors of  
Sarju Valley Hydel Projects Company Pvt Ltd

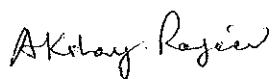
  
Supriyo Ganguly  
[Director]  
DIN No. 1539081

  
Kiran Surve  
[Director]  
DIN No. 7491043

Place : Mumbai  
Dated : 27th May 2017

Place : Delhi  
Dated : 27th May 2017

Place : Mumbai  
Dated : 27th May 2017



Akshay Rajeev  
[CFO]  
Place : Delhi  
Dated : 27th May 2017



**SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED**  
**Notes to the Financial Statements for the year ended 31st March, 2017**

**Company Information**

Sarju Valley Hydel Projects Company Private Limited ("the Company") was incorporated on 19th March 2007. The Company on completion of pre-feasibility report has been granted permission for setting up of 5.50 MW Hydel power plant by the Government of Uttarakhand.

**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**

Employees benefits are accrued in the year services are rendered by the employees. Long term employee benefits under defined benefit scheme such as contribution to gratuity, leave etc. are determined at close of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gains and losses are recognised in the year when they arise.

**F) 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.

**G) 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.

**H) Taxes on Income**

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.

**I) Preliminary Expenses**

Preliminary Expenses are written off in the year in which they are incurred.



**SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED**

Particulars	As at 31st March, 2017 (Rs)	As at 31st March, 2016 (Rs)
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**NOTE 2**

**SHARE CAPITAL**

**Authorised**

10,00,000 (10,00,000) Equity shares of Rs 10 each.	100,00,000	100,00,000
11,00,000 (11,00,000) 10% (0.01%) Non Cumulative Redeemable Preference Share of Rs 100 each	1100,00,000	1100,00,000
	<b>1200,00,000</b>	<b>1200,00,000</b>

**Issued, Subscribed & Paid-up**

10,000 (10,000) Equity shares of Rs 10 each fully paid-up	1,00,000	1,00,000
11,00,000 (11,00,000) 10% (0.01%) Non Cumulative Redeemable Preference Share of Rs 100 each fully paid-up (Redeemable within 20 years of allotment i.e., 12.03.2015)	1100,00,000	1100,00,000
	<b>1101,00,000</b>	<b>1101,00,000</b>

**Reconciliation of outstanding number of Equity shares**

Opening Balance	10,000	10,000
Closing Balance	<b>10,000</b>	<b>10,000</b>

**Reconciliation of outstanding number of Preference shares**

Opening Balance	11,00,000	11,00,000
Add : Issued during the year	-	-
Closing Balance	<b>11,00,000</b>	<b>11,00,000</b>

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

(a) Equity Shares :

Shareholders	2016-17	2015-16
Energy Development Company Limited	51%	100%
Smart Hydel Power Limited	49%	-

(b) Preference Shares :

- Startrack Vinimay Private Limited	-	11,00,000 (100 %)
- Smart Hydel Power Limited	8,36,000 (76%)	-
- Energy Development Company Limited	2,64,000 (24%)	-

**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 Rs 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) The rate of dividend in respect of the above preference shares has been revised from 0.01% to 10% with effect from 1 April, 2016

c) Redeemable preference shares would carry 10% 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.



**SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED**

Particulars	As at 31st March, 2017 (Rs)	As at 31st March, 2016 (Rs)
-------------	--------------------------------	--------------------------------

**NOTE 3**

**RESERVES AND SURPLUS**

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

Opening Balance	(17,14,859)	(14,09,924)
Add : Loss for the year transferred from Statement of Profit & Loss	(1,49,527)	(3,04,935)
Closing Balance	<b>(18,64,386)</b>	<b>(17,14,859)</b>

**NOTE 4**

**LONG TERM BORROWINGS**

**(Unsecured)**

**Loans from Related Parties**

Loan from Holding Company	50,000	23,15,000
	<b>50,000</b>	<b>23,15,000</b>

**Terms of Repayment**

These loans are repayable after financials year 2018-19

**NOTE 5**

**LONG TERM PROVISIONS**

**Provision for Employee benefits**

Provision for Leave Encashment	-	15,000
Provision for Gratuity	-	5,000
	-	<b>20,000</b>

**NOTE 6**

**SHORT TERM BORROWINGS**

**Loans from Related Parties**

Loan from Holding Company	27,06,094	-
Loan From others	6,752	-
	<b>27,12,846</b>	-

**NOTE 7**

**TRADE PAYABLES**

For services

- total outstanding dues of micro and Small enterprises
- total outstanding dues of creditors other than micro enterprises and small enterprises

	2,80,927	3,35,760
	<b>2,80,927</b>	<b>3,35,760</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.

The details of amounts outstanding to Micro, Small, and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

Particulars	March 31, 2017	March 31, 2016
1. Principal amount due and remaining unpaid	-	-
2. Interest due on (1) above and the unpaid interest	-	-
3. Interest paid on all delayed payments under the MSMED Act.	-	-
4. Payment made beyond the appointed day during the year	-	-
5. Interest due and payable for the period of delay other than (3) above	-	-
6. Interest accrued and remaining unpaid	-	-
7. Amount of further interest remaining due and payable in succeeding years	-	-

**NOTE 8**

**OTHER CURRENT LIABILITIES**

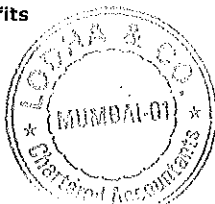
Statutory dues payable	4,760	20,710
	<b>4,760</b>	<b>20,710</b>

**NOTE 9**

**SHORT TERM PROVISIONS**

**Provision for Employee benefits**

Provision for Gratuity	5,000	-
Provision for Leave Encashment	15,000	-
	<b>20,000</b>	-



**SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED**

Particulars	As at 31st March, 2017 (Rs)	As at 31st March, 2016 (Rs)
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**NOTE 10**

**CAPITAL WORK-IN-PROGRESS**

Capital Work-in-Progress	1111,32,055	1108,42,960
	<b>1111,32,055</b>	<b>1108,42,960</b>

a) The Company on completion of pre-feasibility report has been granted permission for setting up of 5.50 MW Hydel power plant on river Sarju near Bageshwar town by the Government of Uttarakhand. DPR stands approved Forest clearance obtained and all other NOCs from various Govt Department is in place. Project survey, geological investigation and formulation of Detailed Project Report (DPR) are approved and other allied works have been carried out. 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 completion of the project.

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

Balance brought forward	1108,42,960	1080,94,292
<b>Add : Transfer from Statement of Profit and Loss</b>		
Salary & Wages	1,29,029	8,28,588
Rent	-	4,20,000
Rates & Taxes	7,683	93,864
Legal & Professional Charges	39,100	4,69,500
Travelling & Conveyance Expenses	88,409	4,93,794
Project Development Expenses	17,480	64,000
Other Borrowing Cost	-	3,28,082
Miscellaneous Expenses	7,394	57,012
<b>Total</b>	<b>1111,32,055</b>	<b>1108,49,132</b>
Less : Liability no longer required written back	-	6,172
<b>Balance carried forward</b>	<b>1111,32,055</b>	<b>1108,42,960</b>

**NOTE 11**

**CASH AND CASH EQUIVALENTS**

Balance with Banks

- In Current Accounts

1,72,093	2,21,812
<b>1,72,093</b>	<b>2,21,812</b>

The details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 as provided in the Table below:-

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	NIL	NIL	NIL
(+) Permitted receipts	NIL	NIL	NIL
(-) Permitted payments	NIL	NIL	NIL
(-) Amount deposited in Banks	NIL	NIL	NIL
Closing cash in hand as on 30.12.2016	NIL	NIL	NIL

**NOTE 12**

**SHORT TERM LOANS AND ADVANCES**

(Unsecured, considered good)

Advance

-	11,839
-	<b>11,839</b>



**SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED**

Particulars	Year ended 31st March, 2017 (Rs)	Year ended 31st March, 2016 (Rs)
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**NOTE 13**

**OTHER INCOME**

Liability no longer required written back	-	6,172
Less : Transferred to Capital Work In Progress	-	6,172
	-	-

**NOTE 14**

**EMPLOYEE BENEFIT EXPENSES**

Salaries & Wages	1,29,029	7,70,267
Contribution to Provident and Other Fund	-	10,262
Staff Welfare Expenses	3,055	48,059
	<b>1,32,084</b>	<b>8,28,588</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 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.

					(Rs. In lacs)	
Particulars		Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non- Funded)	
		2016-17	2016-17	2015-2016	2015-2016	
<b>Expenses Recognized in the Statement of Profit &amp; Loss</b>						
1	Current Service Cost	-	-	0.22	0.19	
2	Interest Cost	-	-	0.05	0.02	
3	Expected return on plan assets	-	-	(0.05)	-	
4	Actuarial Losses / (Gains)	-	-	(0.12)	(0.26)	
	<b>Total Expenses</b>	-	-	<b>0.10</b>	<b>(0.05)</b>	
<b>Change in the obligation during the year</b>						
1	<b>Present value of Defined Benefit Obligation at the beginning of</b>	<b>0.51</b>	<b>0.15</b>	<b>0.61</b>	<b>0.20</b>	
2	Current Service Cost	-	-	0.22	0.19	
3	Interest Cost	-	-	0.05	0.02	
4	Benefit Paid	-	-	-	-	
5	Acquisition Cost/(Credit)	-	-	-	-	
6	Actuarial (Gains) / Losses	-	-	(0.37)	(0.26)	
7	<b>Present value of Defined Benefit Obligation at the end of the year</b>	<b>0.51</b>	<b>0.15</b>	<b>0.51</b>	<b>0.15</b>	
<b>Change in Assets during the year ended March 31, 2017</b>						
1	<b>Plan Assets at the beginning of the year</b>	-	-	<b>0.42</b>	-	
2	Acquisition Adjustments	-	-	-	-	
3	Contribution by Employer	-	-	-	-	
4	Expected return on plan assets	-	-	0.05	-	
5	Actual Company Contributions	-	-	0.24	-	
6	Benefit Paid	-	-	-	-	
7	Actuarial Gains / (Losses)	-	-	(0.25)	-	
	<b>Plan Assets at the end of the year</b>	-	-	<b>0.46</b>	-	
<b>Reconciliation of Net Asset / (Liability) recognised in the Balance Sheet during the year ended March 31, 2017</b>						
1	<b>Net Asset / (Liability) at beginning of the year</b>	<b>(0.05)</b>	<b>(0.20)</b>	<b>(0.19)</b>	<b>(0.20)</b>	
2	Acquisition	-	-	-	-	
3	Employer Expenses	-	-	(0.10)	0.05	
4	Employer Contributions	-	-	0.24	-	
5	<b>Net Asset / (Liability) at the end of the year</b>	<b>(0.05)</b>	<b>(0.20)</b>	<b>(0.05)</b>	<b>(0.15)</b>	
<b>Actuarial Assumptions</b>						
1	Discount Rate	NOT APPLICABLE	NOT APPLICABLE	7.90%	7.90%	
2	Expected Rate of Return on Plan Assets	NOT APPLICABLE	NOT APPLICABLE	9.00%	Not Applicable	
3	Rate of Salary increases	NOT APPLICABLE	NOT APPLICABLE	10.00%	10.00%	

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

			(Rs. In lacs)	
Particulars	Gratuity (Funded)	Gratuity (Funded)		
	2016-17	2015-16		
Present value of defined benefit obligations	NIL	(0.51)		
Fair value of plan assets	NIL	0.46		
Surplus/(Deficit)	NIL	(0.05)		
Experience adjustment on plan liabilities (loss)/gain	NIL	0.35		
Experience adjustment on plan assets (loss)/gain	NIL	(0.25)		
Actuarial Gain/ (Loss) due to change on assumptions	NIL	0.02		
<b>(iii) Details of Plan assets</b>				
	<b>Gratuity</b>	<b>Gratuity</b>		
	<b>2016-17</b>	<b>2016-17</b>		
Other assets including under scheme of insurance	NIL	100%		
Actual return on plan assets	-	(0.20)		

**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 NIL.



**SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED**

Particulars	Year ended 31st March, 2017 (Rs)	Year ended 31st March, 2016 (Rs)
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**NOTE 15**

**FINANCE COST**

Other Borrowing Cost	-	3,28,082
	-	<b>3,28,082</b>

**NOTE 16**

**OTHER EXPENSES**

Payment to Auditors:		
- As Audit Fees (excluding service tax)	20,000	20,000
Rent	-	4,20,000
Professional Charges	68,513	5,32,700
Rates & Taxes	57,704	1,17,897
Project Development Expenses	17,480	64,000
Travelling Expenses	88,409	4,93,794
Telephone, Fax, Postal etc.	3,677	18,780
Miscellaneous Expenses	50,755	2,35,934
	<b>3,06,538</b>	<b>19,03,105</b>





**SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED**

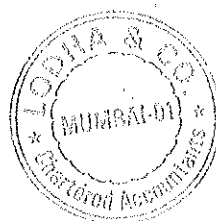
**NOTE 17**

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

Relationship	Name of the Parties
a) a) Ultimate Holding Company/Entity	Energy Development Company Ltd. (upto 3rd February 2017)
	Disruptive Innovators Commercial LLP (w.e.f 4th February 2017)
a.1) Holding company	Smart Hydel Power Limited (w.e.f 4th February 2017)
b) Fellow Subsidiaries	Arunachal Hydro Power Limited
	EDCL Power Projects Limited.
	Eastern Ramganga Valley Hydel Projects Company Private Limited
c) Individuals having significant influence directly or indirectly ( Promoter and their relatives )	Amar Singh (09.08.2016)
	Pankaja Kumari Singh (09.08.2016)
d) Enterprises over which individuals mentioned in (c) above exercises significant influence	Startrack Vinimay Private Limited (09.08.2016)
	Sarvottam Caps Private Limited (09.08.2016)
e) Directors	Amar Singh (upto 09.08.2016) Sanjiv Saraf (w.e.f. 31-01-2011) Supriyo Ganguly (w.e.f. 11-07-2016) Subhash Mahajan (w.e.f. 11-07-2016) Kiran Surve (w.e.f. 11-07-2016) Nishchal Choudhary (w.e.f. 11-07-2016)

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

Particulars	2016 -2017 (Rs)	2015 -2016 (Rs)
<b>Transactions during the year:</b>		
i) Unsecured Loan received	6,40,000	21,15,000
ii) Unsecured Loan repaid	2,48,906	-
iii) Expenses incurred by the party on behalf of the company	-	5,20,397
iv) Expenses Reimbursed to the party	-	5,20,397
<b>Balance as at the year end :</b>		
i) Unsecured Loans	27,06,094	23,15,000



**SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED**

The aggregate amount of transactions with the related parties as mentioned in (a.1) above is as below :

Particulars	2016 -2017 (Rs)	2015 -2016 (Rs)
<b>Transactions during the year:</b>		
i) Unsecured Loan received	50,000	-
<b>Balance as at the year end :</b>		
i) Unsecured Loans	50,000	-

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

Particulars	2016 -2017 (Rs)	2015 -2016 (Rs)
<b>Transactions during the year:</b>		
i) Expenses incurred by the company on behalf of the party		
- EDCL Power Projects Limited	-	2,10,000
- Eastern Ramganga Valley Hydel Projects Company Private Limited	-	8,347
ii) Expenses Reimbursed to the company		
- EDCL Power Projects Limited	-	2,10,000
- Eastern Ramganga Valley Hydel Projects Company Private Limited	-	8,347
iii) Expenses incurred by the party on behalf of the company		
- Eastern Ramganga Valley Hydel Projects Company Private Limited	-	6,585
iv) Expenses Reimbursed to the party		
- Eastern Ramganga Valley Hydel Projects Company Private Limited	-	6,585

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

Particulars	2016 -2017 (Rs)	2015 -2016 (Rs)
<b>Transactions during the year:</b>		
i) Board Meeting Fees		
- Pankaja Kumari Singh	-	1,000
ii) Rent Paid		
- Pankaja Kumari Singh	-	4,20,000
<b>Balance as at the year end :</b>		
i) Trade Payable		
- Pankaja Kumari Singh	-	-



**SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED**

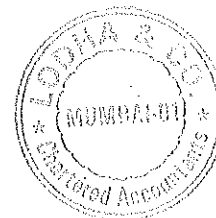
The aggregate amount of transactions with the related parties as mentioned in (d) above is as below :

Particulars	2016 -2017 (Rs)	2015 -2016 (Rs)
<b>Transactions during the year:</b>		
i) Unsecured Loan received		
- Startrack Vinimay Private Limited	-	-
- Sarvottam Caps Private Limited	-	-
ii) Unsecured Loan repaid		
- Startrack Vinimay Private Limited	-	-
- Sarvottam Caps Private Limited	-	-
iii) Interest Expenses		
- Startrack Vinimay Private Limited	-	-
- Sarvottam Caps Private Limited	-	-
iv) Proceeds from issue of Preference shares		
- Startrack Vinimay Private Limited	-	-
<b>Balance as at the year end :</b>		
i) Interest accrued and due (Payable)		
- Startrack Vinimay Private Limited	-	-
- Sarvottam Caps Private Limited	-	-

**Notes :**

i) In respect of above parties, there is no provision for doubtful debts as on 31st March,,2017 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.



**SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED**

**NOTE 18**

**DEFERRED TAXS**

The company is under construction phase and as a matter of prudence, the Company has not recognized deferred tax's.

**NOTE 19**

**CONFIRMATION**

The Accounts of certain assets and liabilities and are however, subject to formal confirmation or reconciliation and consequent adjustments, if any. However, there is no indication of dispute on these accounts. The Management, does not expect any material difference affecting the Current year's Financial Statement on such reconciliation, adjustments.

In the opinion of management , all the assets other than non current investments have a value realizable in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. Provision for depreciation and all known liabilities is adequate and not in excess of what is required.

**NOTE 20**

**Contingent liability**

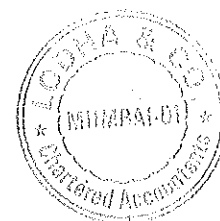
The Company does not have any contingent liability as at 31 March 2017( P.Y.NIL)

There are no pending litigations by and against the company.

**NOTE 21**

**OPERATING LEASE**

The company had taken a premise under cancellable operating leases. The lease arrangement has been terminated during the year based upon mutual agreement of both the parties. Rental expenses towards cancellable operating lease charged CWIP amounts to NIL (Previous year Rs.420,000).



**SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED**

**NOTE 22**

**EARNING PER SHARE (EPS) :**

Particulars	2016-17 (Rs.)	2015-16 (Rs.)
<b>Basic and Diluted Earnings per share has been computed as under:</b>		
Loss after tax for the year	(1,49,527)	(3,04,935)
Weighted Average Number of Equity Shares issued (Nos.)	10,000	10,000
Basic and Diluted Earnings per Share (Face Value Rs. 10/- per share, fully paid up)	(14.95)	(30.49)



SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED

NOTE 23

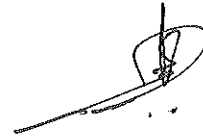
COMPARATIVES

Previous year's figures have been re-grouped/rearranged wherever considered necessary

For and on behalf of the Board of Directors of  
Sarju Valley Hydel Projects Company Pvt Ltd



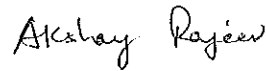
Supriyo Ganguly  
[Director]  
DIN No. 1539081



Kiran Surve  
[Director]  
DIN No. 7491043

Place : Delhi  
Dated : 27th May 2017

Place : Mumbai  
Dated : 27th May 2017



Akshay Rajeev  
[CFO]  
Place : Delhi  
Dated : 27th May 2017

