M/s AYYAPPA HYDRO POWER LIMITED

EDCL HOUSE
1A, ELGIN ROAD,
KOLKATA 700020

AUDITED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

A L P S & CO.
Chartered Accountants
310, Todi Chambers,
2, Lal Bazar street,
Kolkata 700 001.
Phone No: 2230 5621, 4005 1458

ALPS & CO.
CHARTERED ACCOUNTANTS

310, TODI CHAMBERS
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INDEPENDENT AUDITORS' REPORT

The Members of
Ayyappa Hydro Power Limited

Report on the IND AS Financial Statements

We have audited the accompanying IND AS financial statements of **Ayyappa Hydro Power Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as "Ind AS financial statements").

Management's Responsibility for the Ind AS 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 Ind AS financial statements that gives a true and fair view of the state of affairs (financial position), Profit or loss (financial performance including other comprehensive income),cash flows and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements that gives 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 Ind AS 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers

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internal financial control relevant to the Company's preparation of the Ind AS financial statements that gives 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 Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 (financial position) of the Company as at March 31, 2018, its loss and total comprehensive income, its Cash Flows and the changes in equity for the year ended on that date.

Other Matters

The comparative Ind AS financial information of the Company for the corresponding year ended March 31, 2017 and 1st April, 2016 were based on the financial statements audited by the predecessor auditor who expressed unmodified opinion vide their report dated May 29, 2017 and May 30,2016 respectively and reliance has been placed by us on the same for the purpose of this report. Our opinion is not modified in this respect.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, and according to the information and explanations given to us and also on the basis of such checks as we considered appropriate, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143 (3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books

c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act;

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e) On the basis of the written representations received from the directors as on March31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations as at the year end which would impact 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 are required to be transferred to the Investor Education and Protection Fund by the Company.

   iv. The reporting requirement on disclosures relating to specified Bank note is not applicable to the company for the year ended 31st March,2018

For A L P S & Co
Chartered Accountants
Firm's ICAI Registration No.:313132E

ALPS & CO. Kolkata Chartered Accountants

A. K. Khetawat
Partner
Membership No: 052751

Place: New Delhi
Date: 30th May, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

i) a. The Company has maintained proper records showing full particulars, including quantitative details and situations of its fixed assets.

b. Fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies in respect of the assets verified during the year were noticed.

c. According to the information and explanations given to us, the title deeds of immovable property are held in the name of the company except in respect of a land amounting to ₹ 2,96,79,625acquired in earlier years for which title deeds are yet to be registered in the name of the Company.

ii) The inventory has been physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, the frequency of verification is reasonable. As far as ascertained, discrepancies noticed on physical verification of inventory were not material as compared to the book records and these have been properly dealt within the books of account.

iii) According to information and explanations given to us, the Company has not granted any loans, secured and unsecured, to companies listed in the register maintained under Section 189 of the Act. Accordingly, the provisions of Clause 3(iii) of the Order are not applicable to the Company.

iv) According to the information and explanations given to us, the Company has not given any loan or guarantee or provided any security in connection with loan during the year. Accordingly, the provision of Clause 3(iv) of the Order is not applicable to the Company.

v) The Company has not accepted any deposits from the public and accordingly, the provisions of Section 73 to 76 or any other relevant provisions of the Act are not applicable.

vi) The Company is not required to maintain cost records prescribed by the Central Government under Section 148 (1) of the Act. Accordingly, the provisions of Clause 3(iv) of the Order are not applicable to the Company.

vii) a. According to the information and explanations given to us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues of Service Tax, Goods and Service Tax, Tax Deducted at Source, Employee's State Insurance and Professional 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. Other statutory dues like Provident Fund, Sales Tax, Income 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) above there are no dues that have not been deposited with the appropriate authority on account of any disputes.

ALPA & CO. Kolkata Chartered Accountants

viii) According to the information and explanations given to us, as on the balance sheet date, the Company has defaulted in repayment of principal amount to a financial institution, namely, Indian Renewable Energy Development Agency Limited, for the following amounts:

Nature	Due Date	Default Amount (Rs.)
Principal payment	31st March, 2018	1,74,34,500

ix) In our opinion and according to the information and explanations given to us, term loans have been utilised for the purposes for which they were raised. The Company has not raised any amount by way of public offer.

x) During the course of our examination of books of account carried out in accordance with generally accepted auditing practices in India, we have neither come across incidence of any material fraud on or by the Company nor have we been informed of any such cases by the management.

xi) According to the information and explanations given to us, the managerial remuneration paid or provided during the year was in accordance with provisions of Section 197 read with Schedule V to the Act.

xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly, the provision of Clause 3(xii) of the Order is not applicable to the Company.

xiii) According to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xiv) According to the information and explanations given to us and based on our examination of the records, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with the directors and accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xv) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provision of Clause 3(xvi) of the Order is not applicable to the Company.

For A L P S & Co
Chartered Accountants
Firm's ICAI Registration No.:313132E

ALPS & CO. Kolkata Chartered Accountants

A. K. Khetwat
Partner
Membership No: 052751

Place: New Delhi
Date:30th May, 2018

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph (g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Ayyappa Hydro Power Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS 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. 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 Companies Act, 2013.

Auditor's 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

ALPS & CO. Kolkata Chartered Accountants

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2018, 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.

For A L P S & Co
Chartered Accountants
Firm's ICAI Registration No.: 313132E

ALPS & CO. Kolkata Chartered Accountants

A. K. Khetawat
Partner
Membership No: 052751

Place: New Delhi
Date: 30th May, 2018

AYYAPPA HYDRO POWER LIMITED

Balance Sheet as at 31st March, 2018

(Amount in ₹)

Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
ASSETS				
(1) Non Current Assets				
(a) Property, Plant and Equipment	5	1,24,80,76,875	1,21,18,72,821	1,26,71,45,099
(b) Capital Work-in-Progress	6	-	17,22,66,483	14,12,01,199
(c) Other Intangible Assets	7	12,85,52,149	5,89,70,977	6,80,38,927
(d) Financial Assets				
(i) Loans	8	-	-	31,000
(ii) Other Financial Assets	9	77,500	79,200	79,200
(e) Non Current Tax Assets (Net)	10	2,07,798	1,27,855	2,56,274
(f) Other Non Current Assets	11	3,12,000	2,10,000	4,50,580
		1,37,72,26,322	**1,44,35,27,336**	**1,47,72,02,278**
(2) Current Assets				
(a) Inventories	12	7,64,090	8,18,082	8,54,894
(b) Financial Assets				
(i) Trade Receivables	13	1,39,84,672	81,79,634	65,51,418
(ii) Cash & Cash Equivalents	14	4,72,45,896	5,33,580	1,78,64,328
(iii) Loans	15	1,498	31,070	2,20,000
(iv) Other Financial Assets	16	27,31,915	5,07,70,274	29,06,237
(c) Other Current Assets	17	51,20,701	50,94,036	49,16,832
		6,98,48,773	**6,54,26,676**	**3,33,13,709**
TOTAL ASSETS		**1,44,70,75,095**	**1,50,89,54,012**	**1,51,05,15,988**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	18	30,00,00,000	30,00,00,000	30,00,00,000
(b) Other Equity	19	(60,84,43,615)	(46,88,45,023)	(33,44,08,617)
		(30,84,43,615)	**(16,88,45,023)**	**(3,44,08,617)**
LIABILITIES				
(1) Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	20	1,22,72,96,792	1,44,49,92,685	1,37,39,03,361
(b) Provisions	21	3,01,000	3,48,000	6,83,000
(c) Deferred Tax Liabilities (Net)	22	2,23,65,880	37,64,173	1,79,89,283
		1,24,99,63,672	**1,44,91,04,859**	**1,39,25,75,644**
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	23	-	92,44,000	-
(ii) Trade Payables	24	33,05,718	54,41,304	26,11,563
(iii) Other Financial Liabilities	25	50,01,44,373	21,17,12,567	14,69,71,942
(b) Other Current Liabilities	26	21,03,946	22,94,306	27,63,456
(c) Provisions	27	1,000	2,000	2,000
		50,55,55,038	**22,86,94,177**	**15,23,48,961**
TOTAL EQUITY & LIABILITIES		**1,44,70,75,095**	**1,50,89,54,012**	**1,51,05,15,988**

Significant Accounting Policies 3
The accompanying notes (1-42) form an integral part of financial statements.

As per our Report of even date
For A L P S & Co.
Chartered Accountants
Firm's registration No. 313132E

A. K. Khetawat
Partner
Membership No. 052751

Place : New Delhi
Dated : 30th May, 2018

ALPS & CO. Kolkata Chartered Accountants

For and on behalf of the Board of Directors

Vinod Kumar Sharma (Executive Director) (DIN 02879206)

Vijoy Kumar (Director) (DIN 02970626)

Tarun Chaturvedi

Tarun Chaturvedi (Director) (DIN 02309045)

Prabir Goswami (Chief Financial Officer)

P. Goswami

Vijayshree Binnani (Company Secretary)

Vijayshree Binnani

AYYAPPA HYDRO POWER LIMITED

Statement of Profit and Loss for the year ended 31st March, 2018

Particulars	Note No	Year ended 31st March 2018 (₹)	Year ended 31st March 2017 (₹)
REVENUE :			
Revenue from Operations	28	15,44,61,632	9,03,07,360
Other Income	29	12,12,581	5,92,031
Total Income		**15,56,74,213**	**9,08,99,391**
EXPENSES :			
Employee Benefits Expense	30	79,39,839	83,55,909
Finance Costs	31	17,98,71,009	18,40,41,754
Depreciation and Amortization Expense	32	7,40,84,109	6,44,95,848
Other Expenses	33	2,21,35,783	3,36,89,378
		28,40,30,740	29,05,82,889
Less : Expenditure transferred to Pre-Operative Expenses	6	-	7,32,427
Total Expenses		**28,40,30,740**	**28,98,50,462**
Profit/(Loss) before exceptional items and tax		(12,83,56,528)	(19,89,51,070)
Exceptional Items	39	-	4,40,00,000
Profit/(Loss) before tax for the year		**(12,83,56,528)**	**(15,49,51,070)**
Tax Expense:			
- Deferred tax charge / (credit)	34	1,85,23,348	(1,44,20,181)
Total Tax Expense/(credit)		1,85,23,348	(1,44,20,181)
Profit/(Loss) after tax for the year		**(14,68,79,876)**	**(14,05,30,889)**
OTHER COMPREHENSIVE INCOME			
i. Items that will not be reclassified to profit or loss		2,37,000	5,90,000
ii. Income tax relating to items that will not be reclassified to profit or loss		78,359	1,95,072
Other Comprehensive Income for the year (net of tax)		**1,58,641**	**3,94,928**
Total Comprehensive Income/(loss) for the year		**(14,67,21,235)**	**(14,01,35,961)**
Earnings per equity share of ₹ 10 each fully paid-up - Basic & Diluted	37	(4.90)	(4.68)

Significant Accounting Policies **3**

The accompanying notes (1-42) form an integral part of financial statements.

As per our Report of even date
For A L P S & Co.
Chartered Accountants
Firm's registration No. 313132E

A. K. Khetawat
Partner
Membership No. 052751

Place : New Delhi
Dated : 30th May, 2018

ALPS & CO. Kolkata Chartered Accountants

For and on behalf of the Board of Directors

Vinod Kumar Sharma (Executive Director) (DIN 02879206)

Vijoy Kumar (Director) (DIN 02970626)

Tarun Chaturvedi (Director) (DIN 02309045)

Prabir Goswami (Chief Financial Officer)

Vijayshree Binnani (Company Secretary)

AYYAPPA HYDRO POWER LIMITED
Statement of Changes in Equity for the year ended 31st March, 2018

(i) Equity Share Capital

Particulars	Amount in ₹
Balance as at April 1,2016	30,00,00,000
Changes during the year	-
Balance as at March 31,2017	30,00,00,000
Changes during the year	-
Balance as at March 31,2018	**30,00,00,000**

(ii) Other Equity

As at March 31,2018 **(Amount in ₹)**

Particulars	Deemed Equity	Retained Earning	Total
Balance as at March 31, 2017	**8,54,85,350**	**(55,43,30,373)**	**(46,88,45,023)**
Profit/(loss) for the year	-	(14,68,79,876)	(14,68,79,876)
Other Comprehensive Income	-	1,58,641	1,58,641
Addition during the year	71,22,643	-	71,22,643
Total comprehensive income/(loss) for the year	-	(14,67,21,235)	(14,67,21,235)
Adjustments on account of prepayment of loans	(99,784)	99,784	-
Balance as at March 31, 2018	**9,25,08,209**	**(70,09,51,824)**	**(60,84,43,615)**

As at March 31, 2017 **(Amount in ₹)**

Particulars	Deemed Equity	Retained Earning	Total
Balance as at April 1, 2016	**8,09,46,518**	**(41,53,55,134)**	**(33,44,08,617)**
Profit/(loss) for the year	-	(14,05,30,889)	(14,05,30,889)
Other Comprehensive Income	-	3,94,928	3,94,928
Addition during the year	56,99,555	-	56,99,555
Total comprehensive income/(loss) for the year	-	(14,01,35,961)	(14,01,35,961)
Adjustments on account of prepayment of loans	(11,60,723)	11,60,723	-
Balance as at March 31, 2017	**8,54,85,350**	**(55,43,30,373)**	**(46,88,45,023)**

Refer Note 19 for nature and purpose of reserves

Significant Accounting Policies and other accompanying notes (1-42) are in intergral part of the financial statements.

As per our Report of even date
For A L P S & Co.
Chartered Accountants
Firm's registration No. 313132E

A. K. Khetawat
Partner
Membership No. 052751

Place : New Delhi
Dated : 30th May, 2018

ALPS & CO
Kolkata
Chartered Accountants

For and on behalf of the Board of

Vinod Kumar Sharma (Executive Director) (DIN 02879206)

Vijoy Kumar (Director) (DIN 02970626)

Tarun Chaturvedi (Director) (DIN 02309045)

Prabir Goswami (Chief Financial Officer)

Vijayshree Binnani (Company Secretary)

AYYAPPA HYDRO POWER LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

PARTICULARS	31.03.2018		31.03.2017	
	AMOUNT (₹)	AMOUNT (₹)	AMOUNT (₹)	AMOUNT (₹)
A) Cash Flow From Operating Activities:				
Profit/ (Loss) before taxation		(12,83,56,528)		(15,49,51,070)
Adjustments for :				
Depreciation and amortization	7,40,84,109		6,44,95,848	
Exceptional Items	-		(4,40,00,000)	
Interest Income on Financial Instrument	(12,00,778)		(3,94,882)	
Liability no Longer required written back	(11,802)		(1,97,149)	
Fair Value adjustment for prepayment of loan	99,784		11,60,723	
Irrecoverable balance written off	-		10	
Interest & Finance Charges	17,98,71,009	25,28,42,322	18,40,41,754	20,51,06,303
Operating Profit before Working Capital Changes		12,44,85,794		5,01,55,233
Adjustments for :				
(Increase)/ Decrease in trade and other receivables	(57,79,319)		(8,05,665)	
(Increase)/ Decrease in inventory	53,992		36,812	
(Decrease)/ Increase in trade & Other Payables	(23,62,143)	(80,87,470)	22,22,740	14,53,887
Cash generated from operations		11,63,98,324		5,16,09,120
Direct Taxes paid (Net of refund)		79,943		(1,28,418)
Net Cash Flow from Operating Activities		**11,64,78,266**		**5,14,80,702**
B) Cash flow from investing activities :				
Purchase of Property, Plant and Equipment	(36,73,128)		(3,27,42,764)	
(Purchase)/ Sale of Investment	4,43,00,000		(3,00,000)	
Interest received	11,93,140	4,18,20,012	3,87,845	(3,26,54,919)
Net Cash Flow from Investing Activities		**4,18,20,012**		**(3,26,54,919)**
C) Cash flow from financing activities :				
Interest & Finance Charges paid	(16,84,88,732)		(12,10,28,687)	
Proceeds from / (Repayment) of Borrowings	5,69,02,770	(11,15,85,962)	8,48,72,156	(3,61,56,531)
Net Cash flow from Financing Activities		**(11,15,85,962)**		**(3,61,56,531)**
Net Increase/(Decrease) in Cash and Cash Equivalents		**4,67,12,316**		**(1,73,30,748)**
Cash and Cash equivalents at the beginning of the year		**5,33,580**		**1,78,64,328**
Cash and Cash equivalents at the end of the year		**4,72,45,896**		**5,33,580**

The accompanying notes(1-42) form an integral part of financial statements.

Note:

1). The Cash Flow Statement is prepared by the " Indirect Method" as set out in the Indian Accounting Standard-7 on Cash Flow Statement.

2) Cash and cash equivalents as at the Balance Sheet date consists of:

Particulars	As at 31.03.2018	As at 31.03.2017
Cash and cash equivalents (Refer Note 14)		
- Balance with Banks on Current Accounts	52,63,648	5,25,462
- Balance with Banks on Fixed Deposit Accounts	4,19,52,000	-
- Cash on hand	30,248	8,118
Cash and Cash equivalents at the end of the year	**4,72,45,896**	**5,33,580**

3) Change in Company's liabilities arising from financing activities:

Particulars	As at 31.03.2017	Cash flows*	Non-Cash Flows	As at 31.03.2018
Non-current borrowings (Refer Note 20)				
-Preference Shares	22,00,00,000	-	-	22,00,00,000
-Term Loan From Indian Renewable Energy Development Agency Ltd (IREDA)	83,89,99,878	3,32,96,914	-	87,22,96,792
- Loan from Related Parties	36,59,92,807	(23,10,92,590)	-	13,49,00,217
-Loan from Others	2,00,00,000	(2,00,00,000)	-	-
Deemed Equity (Refer Note 19)	8,66,46,072	71,22,643	-	9,37,68,715
Current maturities of long term debt (Refer Note no. 25)				
- Term Loan From IREDA	6,35,00,000	(3,18,62,292)	-	3,16,37,708
- Loan from Holding Company	-	30,86,82,096	-	30,86,82,096
Current borrowings (Refer Note 23)				
- Loan from Related Parties	92,44,000	(92,44,000)		-
Interest accrued but not due on borrowings (Refer Note no. 25)				
- Related Parties	3,55,33,479	(9,37,35,617)	10,83,15,617	5,01,13,479
- Preference Shares	7,52,21,918	-	2,20,00,000	9,72,21,918
- Other Borrowings	2,81,81,779	(7,47,53,115)	4,95,55,392	29,84,056
Total	**1,74,33,19,933**	**(11,15,85,962)**	**17,98,71,009**	**1,81,16,04,981**

*Includes cash flows on account of both principal and interest.

4.Previous year's figures have been regrouped and rearranged wherever considered necessary.

As per our Report of even date
For A L P S & Co.
Chartered Accountants
Firm's registration No. 313132E

A. K. Khetawat
Partner
Membership No. 052751

Place : New Delhi
Dated : 30th May, 2018

ALPS & CO. Kolkata Chartered Accountants

For and on behalf of the Board of Directors

Vinod Kumar Sharma (Executive Director) (DIN 02879206)

Vijoy Kumar (Director) (DIN 02970626)

Tarun Chaturvedi (Director) (DIN 02309045)

Prabir Goswami (Chief Financial Officer)

Vijayshree Binnani (Company Secretary)

AYYAPPA HYDRO POWER LIMITED

Notes to the Financial Statements for the year ended 31st March, 2018

NOTE 1
CORPORATE INFORMATION

Ayyappa Hydro Power Limited ('the company') is a public limited company domiciled and incorporated in India under the provisions of Companies Act. The registered office of the company is at EDCL HOUSE 1A, Elgin Road, Kolkata, West Bengal 700020 and the company is primarily engaged in generation and sale of bulk power to various electricity boards.

NOTE 2
STATEMENT OF COMPLIANCE AND RECENT PRONOUNCEMENTS

2.1Statement of Compliance

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2017 and therefore Ind AS issued, notified and made effective till the financial statements are authorised have been considered for the purpose of preparation of these financial statements.

These are company's first Ind AS Financial Statements and the date of transition to Ind AS as required has been considered to be April 1, 2016. The Financial Statement upto March 31, 2017 were prepared as per the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles (Previous GAAP) and Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 then applicable to the Company. Previous GAAP figures in the financial statements have now been restated in compliance to Ind AS.

In accordance with Ind AS 101- "First Time adoption of Indian Accounting Standards" (Ind AS 101), the company has presented (Note No. 41), a reconciliation of Shareholders' equity as given earlier under Previous GAAP and those considered in these accounts as per Ind AS as at March 31,2017 and April 1,2016 and also the Net Profit as per Previous GAAP and that arrived including Other Comprehensive Income under Ind AS for the year ended March 31,2017. The mandatory exceptions and optional exemptions availed by the Company on First-time adoption have been detailed in Note No. 41 of the financial statement.

2.2 Recent Pronouncements

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has issued the Companies (Indian Accounting Standards) Amendment Rules, 2018 notifying Ind AS 115, "Revenue from Contract with Customers" and Appendix B to Ind AS 21 "Foreign currency transactions and advance consideration" which are applicable with effect from financial periods beginning on or after April 1, 2018.

Ind AS 115 – Revenue from Contract with Customers

The standard requires that an entity should recognise revenue to depict the transfer of promised goods or services to customers for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The effect of this amendment on the financial statements of the Company is being evaluated.

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Ind AS 21 – Appendix B "Foreign currency transactions and advance consideration"

This Appendix applies to a foreign currency transaction (or part of it) when an entity recognises a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration before the entity recognises the related asset, expense or income (or part of it). The effect of this amendment on the financial statement of the Company is being evaluated.

NOTE 3
SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation of financial statements

The Financial Statements have been prepared under the historical cost convention on accrual basis excepting certain financial instruments and net defined benefit assets/ liabilities which are measured in terms of relevant Ind AS at fair value at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

Based on the nature of activities, the operating cycle has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Financial Statements are presented in Indian Rupees which is the Company's functional and presentation currency except otherwise stated.

Measurement of Fair Values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.
Level 3: Inputs for the asset or liability which are not based on observable market data (unobservable inputs).

For Financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximates fair value due to the short maturity of these instruments.

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant observable and unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

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3.2 Property, Plant and Equipment (PPE)

(a) Property, Plant and Equipment 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 property, plant and equipment, 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.

(b) Pre operative 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 PPE on completion of its construction / erection. Interest on borrowing related to qualifying asset is worked out on the basis of 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.

(c) Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs relating to day to day servicing of the item are not recognised in the carrying amount of an item of property, plant and equipment; rather, these costs are recognised in profit or loss as incurred.

3.3 Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortisation.

3.4 Depreciation and Amortisation

Depreciation on assets of generating plant and machinery, building and roads, hydraulic works, transmission lines, transformers & cable network has been provided on straight line method over useful life as per the implementation/other agreement with the authorities. Erection and maintenance tools are amortised over a period of five years on pro -rata basis.

Other assets have been depreciated on written down value method at the rate and in the manner specified in Schedule II to the Companies Act, 2013.

Based on above, the estimated useful lives of various assets have been arrived as follows:

Category	**Useful Life (years)**
Roads	5 years
Electrical Installation	10 years
Plant and Equipments	7.5 years
Computer equipment	3 years
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles	8 years
Assets of generating plant and machinery, building and roads, hydraulic works, transmission lines, transformers & cable network	30 years

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Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

Unclassified land and site development (R&R) expenditure capitalised as Intangible fixed assets are amortised over a period of 10 years.

3.5 Derecognition of Tangible and Intangible Assets

An item of tangible and intangible asset is derecognized upon disposal or when no future economic benefits are expected to arise therefrom. Gain or loss on the disposal or retirement of an item of asset is determined as the difference between the sales proceeds/net realizable value and the carrying amount of the asset, is recognized in the Statement of Profit and Loss.

3.6 Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of property, plant and equipment is determined. An impairment loss is recognised, whenever the carrying amount of assets exceed recoverable amount. The recoverable amount is the greater of assets net selling price or its value in use. In assessing the value in use, the estimated future cash flows from the use of assets are discounted to their present value at appropriate rate. An impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets on a pro-rata basis. Subsequent to recognition of impairment loss/reversal thereof, depreciation is provided on the revised carrying amount of the asset, on a systematic basis, over its remaining useful life.

3.7 Financial Assets and Financial Liabilities

Financial assets and financial liabilities (financial instruments) are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.

The financial instruments are subsequently classified at amortised cost, at Fair Value Through Profit and Loss (FVTPL) or Fair Value Through Other Comprehensive Income (FVTOCI) and such classification depends on the objective and contractual term to which they relate. Classification of financial instruments are determined on initial recognition.

i. Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, are

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considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

ii. Financial Assets and Financial Liabilities measured at amortized cost
Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost. The above financial assets and financial liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) Method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the Financial Assets or Financial Liability to the gross carrying amount of the financial asset or to the amortized cost of the financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

iii. Financial Asset at Fair Value through Other Comprehensive Income
Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein, are recognized directly in Other Comprehensive Income.

iv. For the purpose of Para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

v. Financial Assets and Financial Liabilities at Fair value through profit or loss
Financial Instruments which does not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. Upon initial recognition, attributable transaction costs are recognized in the income statement when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognized in the Statement of Profit and Loss.

3.8 Impairment of financial assets
A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset. The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

3.9 De-recognition of financial instruments
The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designed at FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in profit or loss.

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On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.10 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.

3.11 Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3.12 Borrowing Cost

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale.

3.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

3.14 Revenue Recognition

(a) Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuous management involvement and the amount of revenue can be measured reliably.

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(b) Revenue in respect of sale of electricity generated is accounted for on delivery to the grid in accordance with tariff provided in Power Purchase Agreement (PPA) read with the regulations of State Electricity Regulatory Commission.

3.15 Employee Benefits

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

Contribution to the defined contribution schemes such as Provident Fund etc. are recognized as and when incurred.

Contribution to defined benefit plans consisting of contribution to gratuity are determined at close of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized immediately in the Balance Sheet with a corresponding debit or credit to Retained Earnings through Other Comprehensive Income ("OCI") in the period in which they occur.

Long term employee benefits consisting of Leave Encashment are determined at close of the year at present value of the amount payable using actuarial valuation techniques. The changes in the amount payable including actuarial gain/loss are recognised in the Statement of profit and loss.

3.16 Taxation

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets include Minimum Alternative Tax (MAT) measured in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set of against future income tax liability and such benefit can be measured reliably and it is probable that the future economic benefit associated with same will be realised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised.

3.17 Earnings Per Share

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

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Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

NOTE 4

CRITICAL ACCOUNTING JUDGMENTS, ASSUMPTIONS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

The preparation of the financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates.

Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been summarised below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year have also be summarised here under:

4.1 Depreciation / amortization and impairment on property, plant and equipment /intangible assets.

Property, plant and equipment and intangible assets are depreciated/ amortized on straight-line basis over the estimated useful lives (or lease term if shorter) in accordance with Schedule II of the Companies Act, 2013, taking into account the estimated residual value, wherever applicable. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortization and amount of impairment expense to be recorded during any reporting period. The company reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. In such situation Assets' recoverable amount is estimated which is higher of asset's or cash generating units(CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The reassessment may result in change due to variation in estimates assumption in future period.

4.2 Impairment allowances on Financial Assets

The Company evaluates whether there is any objective evidence that financial asset including loan, trade and other receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience and these factors are subject to variations leading to consequential impact on the amounts considered in the financial statement.

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4.3 Application of "Service concession arrangements" accounting

In assessing the applicability of the service concession arrangement with respect to hydro power plants of the Company, the management has exercised significant judgement considering the ownership of the assets and consideration thereagainst, operational capabilities and ability to sell the power generated to the consumer and determine the rate in this respect, in concluding that the arrangements with the Company as such do not meet the criteria for recognition as service concession arrangements.

4.4 Income taxes

Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. Availability of future taxable profits against which tax losses carried forward can be used also involves management judgement. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

4.5 Defined benefit obligation (DBO)

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

4.6 Provisions and Contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

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AYYAPPA HYDRO POWER LIMITED

Note 5
Property, Plant and Equipment

	Particulars	Freehold Land	Buildings and Roads	Plant & Equipment	Hydraulic Works	Transmission Lines, Transformers & Cables, Networks, etc [Note b]	Office Equipment	Furniture and Fixtures	Motor Vehicle	Total
1	**GROSS CARRYING VALUE**									
	Balance as at 31st March 2017	6,67,28,348	24,05,88,037	40,82,31,216	51,85,67,543	3,20,41,660	94,564	7,90,533	2,58,819	1,26,73,00,720
	Additions/Adjustments	87,69,152	-	76,500	8,54,83,597	-	-	-	-	9,43,29,249
	Deletions/ Adjustments	-	-	-	-	-	-	-	-	-
	Balance as at 31st March 2018	**7,54,97,500**	**24,05,88,037**	**40,83,07,716**	**60,40,51,140**	**3,20,41,660**	**94,564**	**7,90,533**	**2,58,819**	**1,36,16,29,969**
2	**ACCUMULATED DEPRECIATION**									
	Balance as at 31st March 2017	-	2,02,44,550	1,48,40,030	1,88,56,062	11,65,093	41,310	1,98,865	81,987	5,54,27,898
	During the year	-	2,02,44,550	1,48,43,888	2,16,37,100	11,65,093	24,572	1,53,976	56,016	5,81,25,195
	Deletions/ Adjustments	-	-	-	-	-	-	-	-	-
	Balance as at 31st March 2018	-	**4,04,89,101**	**2,96,83,918**	**4,04,93,162**	**23,30,187**	**65,882**	**3,52,841**	**1,38,003**	**11,35,53,093**
3	**NET CARRYING VALUE as at 31st March 2018 (1-2)**	**7,54,97,500**	**20,00,98,936**	**37,86,23,798**	**56,35,57,977**	**2,97,11,474**	**28,682**	**4,37,693**	**1,20,816**	**1,24,80,76,875**

	Particulars	Freehold Land	Buildings and Roads	Plant & Equipment	Hydraulic Works	Transmission Lines, Transformers & Cables, Networks, etc [Note b]	Office Equipment	Furniture and Fixtures	Motor Vehicle	Total
1	**GROSS CARRYING VALUE**									
	Balance as at 1st April 2016 (Deemed Cost)	6,67,28,348	24,05,88,037	40,81,76,095	51,85,67,543	3,20,41,660	55,164	7,29,433	2,58,819	1,26,71,45,099
	Additions/Adjustments	-	-	55,121	-	-	39,400	61,100		1,55,621
	Deductions/ Adjustments	-	-	-	-	-	-	-		-
	Balance as at 31st March 2017	**6,67,28,348**	**24,05,88,037**	**40,82,31,216**	**51,85,67,543**	**3,20,41,660**	**94,564**	**7,90,533**	**2,58,819**	**1,26,73,00,720**
2	**ACCUMULATED DEPRECIATION**									
	Balance as at 1st April 2016	-	-	-	-	-	-	-	-	-
	During the year	-	2,02,44,550	1,48,40,030	1,88,56,062	11,65,093	41,310	1,98,865	81,987	5,54,27,898
	Deletions/ Adjustments	-	-	-	-	-	-	-	-	-
	Balance as at 31st March 2017	-	**2,02,44,550**	**1,48,40,030**	**1,88,56,062**	**11,65,093**	**41,310**	**1,98,865**	**81,987**	**5,54,27,898**
3	**NET CARRYING VALUE as at 31st March 2017 (1-2)**	**6,67,28,348**	**22,03,43,486**	**39,33,91,186**	**49,97,11,480**	**3,08,76,567**	**53,254**	**5,91,669**	**1,76,831**	**1,21,18,72,821**

Notes:

(a) The Company has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transition and hence the net carrying amount has been considered as the gross carrying amount on that date.

(b) 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.

(c) Fixed Asset includes ₹ 1,247,489,684 (as at March 31, 2017: ₹ 1,211,051,067 , as at April 1, 2016: ₹ 1,266,101,683) pertaining to Power Generating plant which in terms of implementation agreement with various authorities will be handed over on completion of effective useful life of the assets in terms of respective agreements.

NOTE 6

CAPITAL WORK-IN-PROGRESS

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 31st March 2016 (₹)
Capital Work-in-progress (*)	-	17,22,66,483	14,12,01,199
	-	**17,22,66,483**	**14,12,01,199**

(*) The Company has undertaken IInd phase of its existing power plant and accordingly Capital Work In Progress includes :-

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

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

Balance Brought forward	**95,66,431**	**88,34,004**	**24,21,300**
Add:			
Rent	-	25,340	32,090
Legal & Professional Charges	-	7,07,087	1,11,871
Interest Charges	-	-	62,68,743
Less:			
Capitalised during the year	95,66,431	-	-
Balance carried forward	-	**95,66,431**	**88,34,004**

The second phase of its existing power plant has been commissioned during the year and pre operative expenses have been allocated proportionately to the cost of tangible fixed assets.

NOTE 7

OTHER INTANGIBLE ASSETS- Unclassified Land & Site Development (R&R)

Particulars	As at 31st March, 2018	As at 31st March, 2017
GROSS CARRYING VALUE		
Opening Balance (Deemed Cost)	6,80,38,927	6,80,38,927
Additions/ Adjustments	8,55,40,086	-
Deductions/ Adjustments	-	-
Closing Balance	**15,35,79,013**	**6,80,38,927**
ACCUMULATED AMORTIZATION		
Opening Balance	90,67,950	-
Ammortisation expense during the year	1,59,58,914	90,67,950
Deletions/ Adjustments	-	-
Closing Balance	**2,50,26,864**	**90,67,950**
NET CARRYING VALUE as at 31st March, 2018 (1 - 2)	**12,85,52,149**	**5,89,70,977**

Notes:

a) The Company has availed the deemed cost exemption in relation to the other intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

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

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NOTE 8

NON CURRENT ASSETS - LOANS

(at amortised cost)

(Unsecured,considered good)

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
Loan to Employees [Refer Note: 15(a)]	-	-	31,000
	-	-	31,000

NOTE 9

OTHER NON CURRENT FINANCIAL ASSETS

(Unsecured,considered good)

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
Security Deposits	-	1,700	1,700
On Margin Money Accounts [Refer note (a) below] (with more than 12 months maturity)	77,500	77,500	77,500
	77,500	**79,200**	**79,200**

(a) Deposited with Authorities

NOTE 10

NON CURRENT TAX ASSETS (NET)

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
Advance Income Tax (Net of Provisions)	2,07,798	1,27,855	2,56,274
	2,07,798	**1,27,855**	**2,56,274**

NOTE 11

OTHER NON CURRENT ASSETS

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
Capital Advances	-	-	4,50,580
Receivable from Gratuity Fund	3,12,000	2,10,000	-
	3,12,000	**2,10,000**	**4,50,580**

NOTE 12

INVENTORIES

(At Lower of Cost and Net Realisable Value)
(As taken, valued and certified by the management)

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
Stores, Spares and Consumables	7,64,090	8,18,082	8,54,894
	7,64,090	**8,18,082**	**8,54,894**

NOTE 13

TRADE RECEIVABLES

(Unsecured,considered good)

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
Debts outstanding for a period of less than six months	1,39,84,672	81,79,634	65,51,418
	1,39,84,672	**81,79,634**	**65,51,418**

Age of Receivable

Particulars	31st March 2018 (₹)	31st March 2017 (₹)	1st April 2016 (₹)
Within Credit period	1,39,84,672	81,79,634	65,51,418
1-180 days past due	-	-	-
181 days- 1 year past due	-	-	-
more than 1 year past due	-	-	-
Total	**1,39,84,672**	**81,79,634**	**65,51,418**

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NOTE 14
CASH AND CASH EQUIVALENTS

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
Balance with Banks on Current Accounts	52,63,648	5,25,462	1,70,72,059
Balance with Banks on Fixed deposit accounts	4,19,52,000	-	-
Cash on hand	30,248	8,118	7,92,269
	4,72,45,896	5,33,580	1,78,64,328

NOTE 15
LOANS
(At Amortised Cost)
(Unsecured,considered good)

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
Loans to Employees [Refer (a) below]	1,498	31,070	2,20,000
	1,498	31,070	2,20,000

(a) It includes ₹1498/- (Previous Year as on 31st March, 2017 ₹ 31,070 /- & as on 1st April, 2016: ₹ 220,000/-) under short term loans and advance and ₹ Nil/- (Previous Year as on 31st March, 2017: ₹ NIL & as on 1st April, 2016: ₹ 31,000/-) under long term loans and advances in respect of loan to employees and Maximum outstanding ₹56,070/- (Previous Year as on 31st March, 2017: ₹ 2,51,000/- & as on 1st April, 2016: ₹ 4,46,000/-)

NOTE 16
OTHER CURRENT FINANCIAL ASSETS
(Unsecured,considered good)

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
Receivable against Sale of Shares (Refer Note 39)	-	4,80,00,000	-
Interest Receivable	19,896	12,258	5,221
Security Deposits	27,12,019	27,58,016	27,08,016
Other Advances [Refer (a) and (b) below]	-	-	1,93,000
	27,31,915	5,07,70,274	29,06,237

(a) Includes ₹NIL/- (Previous Year as on 31st March, 2017:₹ NIL /- & as on 1st April, 2016: ₹ 84,000 /-) recoverable from Holding Company (Refer Note 35)

(b) Includes ₹NIL/- (Previous Year as on 31st March, 2017 ₹ NIL /- & as on 1st April, 2016 ₹ 109,000 /-) recoverable from Fellow Subsidiaries. (Refer note 35)

NOTE 17
OTHER CURRENT ASSETS
(Unsecured,considered good)

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
Advance to suppliers	41,92,475	42,12,512	41,94,475
Prepaid Expenses	6,96,417	7,79,324	6,70,147
Other Advances	2,31,809	1,02,200	52,210
	51,20,701	50,94,036	49,16,832

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Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
NOTE 18			
EQUITY SHARE CAPITAL			
Authorised			
30,000,000 (Previous Year as on 31st March, 2017: 30,000,000 & as on 1st April, 2016: 30,000,000) Equity shares of ₹ 10/- each	30,00,00,000	30,00,00,000	30,00,00,000
25,000,000 10% Cumulative Redeemable Preference shares of Rs. 10 each (As at March 31, 2017 - 25,000,000 and as at April 01, 2016 - 25,000,000)	25,00,00,000	25,00,00,000	25,00,00,000
	55,00,00,000	**55,00,00,000**	**55,00,00,000**
Issued, Subscribed & Paid-up			
3,00,00,000 (Previous Year as on 31st March, 2017: 3,00,00,000 & as on 1st April, 2016: 3,00,00,000) Equity shares of ₹ 10/- each	30,00,00,000	30,00,00,000	30,00,00,000
22,000,000 10% Cumulative Redeemable Preference shares of Rs. 10 each (As at March 31, 2017 - 22,000,000 and as at April 01, 2016 - 22,000,000) (Refer Note (a) below)	-	-	-
	30,00,00,000	**30,00,00,000**	**30,00,00,000**

Reconciliation of the number of equity shares outstanding:

Opening Balance	3,00,00,000	3,00,00,000	3,00,00,000
Closing Balance	**3,00,00,000**	**3,00,00,000**	**3,00,00,000**

(a) As per Ind AS 32, Financial Instruments, Cumulative redeemable preference shares are classified as financial liabilities if principal amount is redeemable. Accordingly, 22,000,000 10% Cumulative redeemable preference shares (Previous year ended 31st March, 2017 and 1st April, 2016 - 22,000,000 preference shares) having face value of Rs. 10 each fully paid up are classified as financial liabilities and thus included in borrowings and 10% interest provided thereof.

Shareholders holding more than 5% shares :-
Entire Equity Shares are held by the holding company Energy Development Company Limited.

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

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.

NOTE 19
OTHER EQUITY

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
a) Deemed Equity	9,25,08,209	8,54,85,350	8,09,46,518
b) Retained Earnings	(70,09,51,824)	(55,43,30,373)	(41,53,55,134)
Total :	**(60,84,43,615)**	**(46,88,45,023)**	**(33,44,08,617)**

Refer Statement of Changes in Equity (SOCE) for movement of changes in reserves

Deemed Equity
It comprises of the difference between the fair value and the transaction value of loan received from holding company.

Retained earnings
Retained earnings generally represents the undistributed profit/ loss amount of accumulated earnings of the company. Any actuarial gains and losses arising on defined benefit obligations have been recognised in retained earnings.

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NOTE 20
NON CURRENT BORROWINGS
(at amortised cost)

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
(a) Preference Shares (Refer Note 18(a) and 20 (I)) (Unsecured)	22,00,00,000	22,00,00,000	22,00,00,000
(b) Secured Loan (Refer Note 20 (II))			
Term Loan From Indian Renewable Energy Development Agency Ltd (IREDA)	87,22,96,792	83,89,99,878	83,89,99,878
(c) Unsecured Loan (Refer Note 20 (III))			
Loan from Related Parties (Refer Note 36)			
Loan from Holding Company	-	24,02,36,807	19,99,03,483
Other Related Parties	13,50,00,000	12,57,56,000	10,50,00,000
Loan from Others			
From Bodies Corporate	-	2,00,00,000	1,00,00,000
	1,22,72,96,792	1,44,49,92,685	1,37,39,03,361

(I) Preference Shares

a) Shareholders holding more than 5% shares :-
Entire Preference Shares are held by the holding company Energy Development Company Limited.

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

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.

c) Reconciliation of outstanding number of Preference shares

Particulars	As at 31st March 2018	As at 31st March 2017
Opening Balance	2,20,00,000	2,20,00,000
Closing Balance	2,20,00,000	2,20,00,000

(II) Secured Loan

Terms of Repayment
(i) Secured

a) Secured by all the immovable and movable assets/properties, both present and future, wherever situated, pertaining to the 15 MW Karikayam SHP of the company and charge on the entire receivables of the 6 MW Harangi - II SHP of the holding company. The holding company has pledged 3,00,00,000 equity shares and 2,20,00,000 preference shares of the company and has given corporate guarantee in respect of the aforesaid loan.

b) As on the balance sheet date, the company has defaulted in repayment of principal amount for the following installments :

Repayment Date	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
31st December 2015	-	-	2,37,50,000
31st March 2016	-	-	2,37,50,000
31st March 2018	1,74,34,500	-	-

However, the above due dates for repayment were revised subsequent to the previous year end. There has been a further revision in due dates for repayment during the year as given in (c) below.

Further, as on the balance sheet date, the company has defaulted in payment of interest amount of ₹ 2,52,61,341 /- payable on 31st March 2017 pertaining to the last quarter of the financial year. However out of the aforesaid amount ₹ 2,12,89,356 /- has been paid subsequent to the year end.

c) The loan of ₹ 95 crores [Outstanding Balance as on 31st March 2018 ₹ 90,39,34,508 /- (Including ₹ 3,16,37,708/- under other current liabilities as current maturities of long term debt)] is repayable in 17 years beginning with installment of ₹ 7,909,427/- with effect from 30th June 18 and thereafter in quarterly installments as per the Schedule given below. Interest rate as on 31st March 2018 is 11.70%.

Maturity Profile of the principal amount :-	31st March 2018 (₹)	31st March 2017 (₹)	1st April 2016 (₹)
2016-17	-	-	6,35,00,000
2017-18	-	6,35,00,000	7,88,00,000
2018-19	3,16,37,708	7,88,00,000	7,88,00,000
2019-20	3,38,97,544	7,88,00,000	7,88,00,000
2020-21	3,61,57,380	7,88,00,000	7,88,00,000
2021-22	4,06,77,052	7,88,00,000	7,88,00,000
2022-23	4,06,77,052	7,88,00,000	7,88,00,000
2023-24	4,74,56,560	7,88,00,000	7,88,00,000
2024-25	5,19,76,232	7,88,00,000	7,88,00,000
2025-26	5,42,36,072	7,88,00,000	7,88,00,000
2026-27	5,42,36,072	7,88,00,000	7,88,00,000
2027-28	5,87,55,744	7,88,00,000	5,09,99,878
2028-29	5,87,55,744	5,09,99,878	-
2029-30	5,87,55,744	-	-
2030-31	6,10,15,580	-	-
2031-32	6,32,75,416	-	-
2032-33	6,32,75,416	-	-
2033-34	7,23,14,760	-	-
2034-35	7,68,34,432	-	-
Total	90,39,34,508	90,24,99,878	90,24,99,878

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(III) Unsecured

Terms of Repayment

These loans are repayable in the financial year 2018-20. Rate of Interest, wherever applicable, is 12%.

NOTE 21
NON CURRENT PROVISIONS

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
Provision for Employee Benefits			
Provision for Leave Encashment	3,01,000	3,48,000	5,15,000
Provision for Gratuity	-	-	1,68,000
	3,01,000	3,48,000	6,83,000

NOTE 22
DEFFERED TAX LIABILITIES/(ASSETS) (NET)

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
Deferred Tax Asset	(67,16,050)	(86,96,427)	(2,11,356)
Deferred Tax Liabilities	2,90,81,930	1,24,60,600	1,82,00,639
	2,23,65,880	37,64,173	1,79,89,283

(*) Break Up

Particulars	As at 31.03.2017	Charge/ (Credit) in Statement of Profit and Loss	Charge/ (Credit) in OCI	As at 31.03.2018
Deferred Tax Liabilities				
Depreciation difference	1,24,60,600	1,66,21,330	-	2,90,81,930
Total	1,24,60,600	1,66,21,330	-	2,90,81,930
Deferred Tax Assets				
Expenses allowable on payment basis under Income Tax Act, 1961	96,434	(60,445)	78,359	78,520
Fair Valuation of Financial Assets	85,99,993	19,62,463		66,37,530
Total	86,96,427	19,02,017	78,359	67,16,050
Net Deferred Tax (Liabilities)/Assets	37,64,173	1,85,23,348	78,359	2,23,65,880

Particulars	As at 01.04.2016	Charge/ (Credit) in Statement of Profit and Loss	Charge/ (Credit) in OCI	As at 31.03.2017
Deferred Tax Liabilities				
Depreciation difference	1,82,00,639	(57,40,039)	-	1,24,60,600
Total	1,82,00,639	(57,40,039)	-	1,24,60,600
Deferred Tax Assets				
Expenses allowable on payment basis under Income Tax Act, 1961	2,11,356	(80,150)	1,95,072	96,434
Fair Valuation of Financial Assets	-	(85,99,993)		85,99,993
Total	2,11,356	(86,80,142)	1,95,072	86,96,427
Net Deferred Tax (Liabilities)/Assets	1,79,89,283	(1,44,20,181)	1,95,072	37,64,173

Note :

Deferred tax assets with respect to remaining amount of unabsorbed losses and unabsorbed depreciation has not been recognised because of uncertainty of availability of sufficient future taxable income then against which such deferred tax asset will be realized.

Unused tax credit for which no deferred tax asset was recognised expire as follows:

Particulars	Amount (₹)
As at 31st March, 2018	45,69,24,192
As at 31st March, 2017	35,50,41,614
As at 1st April, 2016	26,74,81,984

NOTE 23
CURRENT BORROWINGS
(Unsecured)

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
Loan from Related Parties			
Other Related Parties (Note 36)	-	92,44,000	-
	-	92,44,000	-

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NOTE 24
TRADE PAYABLES

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
Payables for goods & services			
- Dues to Micro and Small Enterprises	-	-	-
- Dues to Others [Refer Note (a) & (b) below]	33,05,718	54,41,304	26,11,563
	33,05,718	**54,41,304**	**26,11,563**

(a) Includes ₹9,631/-(Previous Year as on 31st March, 2017: ₹ 9,958 /- & as on 1st April, 2016: ₹ 694,000/-) payable to Holding Company (Refer Note 36)

(b) Includes ₹232,985/- (Previous Year as on 31st March, 2017: ₹ 3,879 /- & as on 1st April, 2016₹ 154,000 /-) payable to Related parties (Refer Note 36)

(c) 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 25
OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
Current maturities of long-term debt:			
- Term Loan From IREDA (Refer Note 20(II))	3,16,37,708	6,35,00,000	6,35,00,000
- Loan from Holding Company (Refer Note 36)	30,86,82,096	-	-
	34,03,19,804	6,35,00,000	6,35,00,000
Interest accrued and due on borrowing			
- Related Parties	5,01,13,479	3,55,33,479	2,18,67,780
- Preference Shares	9,72,21,918	7,52,21,918	5,32,21,918
- Others	29,84,056	2,81,81,779	8,34,411
	15,03,19,453	13,89,37,176	7,59,24,109
Payable towards purchase of Investments	-	37,00,000	-
Capital Vendors	95,05,116	55,75,391	75,47,833
	50,01,44,373	**21,17,12,567**	**14,69,71,942**

NOTE 26
OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
Statutory Payables	21,03,946	22,94,306	27,63,456
	21,03,946	**22,94,306**	**27,63,456**

NOTE 27
CURRENT PROVISIONS

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)	As at 1st April 2016 (₹)
Provision for Employee Benefits			
Provision for Leave Encashment	1,000	2,000	2,000
	1,000	**2,000**	**2,000**

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NOTE 28
REVENUE FROM OPERATIONS

Particulars	Year ended 31st March 2018 (₹)	Year ended 31st March 2017 (₹)
Sale of Products		
- Hydro power [Refer Note (a) below]	15,44,61,632	9,03,07,360
	15,44,61,632	**9,03,07,360**

a) Total number of the units qenerated and sold (In million units)		
- Hydro power	**37.10 m.u.**	**21.71 m.u.**

b) The power purchase agreement (PPA) with the Kerala State Electricity Board (KSEB) was signed as approved by Kerala State Electricity Regulatory Commission (KSERC) in earlier years. However, the tariff has been provisionally approved @ ₹ 4.16 per unit subject to determination of cost of projects and Capacity Utilisation Factor (CUF). Necessary adjustments, if any, arising out of variation in tariff shall be carried out on finalisation of approval thereof.

c) Revenue from sale of power, is accounted for on the basis of billing to Kerela State Electricity Board (KSEB) as per Tariff approved by Kerela State Electricity Regulatory Commission (KSERC) in accordance with the provisions of the Long Term Power Purchase Agreement executed between the company and KSEB.

NOTE 29
OTHER INCOME

Particulars	Year ended 31st March 2018 (₹)	Year ended 31st March 2017 (₹)
Interest Income on Financial assets at ammortised cost	12,00,778	3,94,882
Liability no longer required written back	11,802	1,97,149
	12,12,581	**5,92,031**

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NOTE 30
EMPLOYEE BENEFITS EXPENSES

Particulars	Year ended 31st March 2018 (₹)	Year ended 31st March 2017 (₹)
Salaries & Wages	66,84,501	70,39,044
Contribution to Provident and other Funds	1,35,000	2,12,000
Staff Welfare Expenses	11,20,338	11,04,865
	79,39,839	83,55,909

As per Indian Accounting Standard 19 "Employee Benefits" the disclosure of Employee Benefits as defined in the Standards are given below:

A) 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 obligations is determined based on actuarial valuation using projected unit credit method which recognises each period of services 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 recognised in the same manner as Gratuity.

Particulars	31st March 2018	31st March, 2017	1st April, 2016
i) Change in the fair value of the defined benefit obligation:			
Gratuity (Funded)			
Liability at the beginning of the year	13,76,000	16,44,000	16,74,000
Interest Cost	82,000	1,30,000	1,31,000
Service Cost	1,50,000	2,00,000	3,41,000
Acquisition cost	-	-	(5,25,000)
Actuarial (gain) / loss on obligations	(1,44,000)	(5,98,000)	23,000
Benefits paid	(4,80,000)	-	-
Liability at the end of the year	9,84,000	13,76,000	16,44,000
Leave Encashment (Unfunded)			
Liability at the beginning of the year	3,50,000	5,17,000	8,75,000
Interest Cost	24,000	40,000	67,000
Current Service Cost	90,000	1,73,000	1,77,000
Acquisition Cost	-	-	(5,80,000)
Actuarial (gain) / loss on obligations	(1,26,000)	(3,80,000)	(3,000)
Benefits paid	(36,000)	-	(19,000)
Liability at the end of the year	3,02,000	3,50,000	5,17,000

Particulars	31st March 2018	31st March, 2017	1st April, 2016
ii) Changes in the Fair Value of Plan Asset			
Gratuity (Funded)			
Fair value of Plan Assets at the beginning of the year	15,87,000	14,77,000	11,45,000
Interest Income	97,000	1,17,000	1,04,000
Acquisition Adjustment	-	-	(4,49,000)
Contributions by the Company	-	-	3,88,000
Benefits paid	(4,80,000)	-	-
Actuarial gain / (loss) on Plan Assets	93,000	(7,000)	2,89,000
Fair value of Plan Assets at the end of the year	12,97,000	15,87,000	14,77,000

Particulars	31st March 2018	31st March, 2017	1st April, 2016
iii) Amount Recognized in Balance Sheet			
Gratuity (Funded)			
Liability at the end of the year	9,84,000	13,76,000	16,44,000
Fair value of Plan Assets at the end of the year	12,97,000	15,87,000	14,77,000
Liability/(Assets) recognised in the Balance Sheet	(3,13,000)	(2,11,000)	1,67,000
Leave Encashment (Unfunded)			
Liability at the end of the year	3,02,000	3,50,000	5,17,000
Fair value of Plan Assets at the end of the year	-	-	-
Liability/(Assets) recognised in the Balance Sheet	3,02,000	3,50,000	5,17,000

Particulars	31st March 2018	31st March, 2017
iv) Components of Defined Benefit Cost		
Gratuity (Funded)		
Service Cost	1,50,000	2,00,000
Interest Cost	(15,000)	13,000
Net Actuarial (gain) / loss on remeasurement recognised in OCI	(2,37,000)	(5,90,000)
Total Defined Benefit Cost recognised in Profit and Loss and OCI	(1,02,000)	(3,77,000)
Leave Encashment (Unfunded)		
Current Service Cost	90,000	1,73,000
Interest Cost	24,000	40,000
Interest Income on Plan Asset	-	-
Net Actuarial (gain) / loss on remeasurement recognised in OCI	(1,26,000)	(3,80,000)
Total Defined Benefit Cost recognised in Profit and Loss and OCI	(12,000)	(1,67,000)

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Particulars	31st March 2018	31st March, 2017	1st April, 2016
v) Balance Sheet Reconciliation			
Gratuity (Funded)			
Opening Net Liability	(2,10,000)	1,67,000	5,29,000
Expenses as above	(1,02,000)	(3,77,000)	1,02,000
Acquisition Cost	-	-	(76,000)
Employers Contribution	-	-	(3,88,000)
Amount Recognized in Balance Sheet	**(3,12,000)**	**(2,10,000)**	**1,67,000**
Leave Encashment (Unfunded)			
Opening Net Liability	3,50,000	5,17,000	8,75,000
Expenses as above	(12,000)	(1,67,000)	2,41,000
Acquisition cost	-	-	(5,80,000)
Benefits Paid	(36,000)	-	(19,000)
Amount Recognized in Balance Sheet	**3,02,000**	**3,50,000**	**5,17,000**

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Principal Actuarial assumptions as at the Balance Sheet date

Particulars	31st March 2018	31st March, 2017	1st April, 2016
Discount Rate	7.60%	7.20%	7.90%
Salary Increase	7%	7%	10%
Mortality Rate	IALM (2006-2008) Ult	IALM (2006-2008) Ult	IALM (2006-2008) (Modified)
Retirement Age (years)	60	60	60

Recognised in Other Comprehensive Income : Gratuity

Particulars	31st March 2018	31st March, 2017
Acturial (gain)/Loss arising from :		
-Change in Financial Assumptions	(81,000)	(5,12,000)
-Change in Experience Adjustments	(62,000)	(85,000)
Return on Plan Assets (greater)/less than discount Rate	(94,000)	7,000
	(2,37,000)	**(5,90,000)**

Particulars	31st March 2018	31st March, 2017	1st April, 2016
Gratuity (Funded)			
Current Liability (within 12 months)	-	-	-
Non- Current Liability	(3,12,000)	(2,10,000)	1,67,000
Leave Encashment (Unfunded)			
Current Liability (within 12 months)	1,000	2,000	2,000
Non- Current Liability	3,01,000	3,48,000	5,15,000

Sensitivity analysis

Particulars	31st March 2018	31st March, 2017
Gratuity (Funded)		
For the year ended:		
Discount Rate		
+1%	(1,74,000)	(1,70,000)
-1%	2,18,000	2,14,000
Salary Growth Rate		
+1%	2,17,000	2,13,000
-1%	(1,76,000)	(1,72,000)

Particulars	31st March, 2018	31st March, 2017
Leave encashment		
For the year ended:		
Discount Rate		
+1%	(61,000)	(69,000)
-1%	80,000	91,000
Salary Growth Rate		
+1%	79,000	90,000
-1%	(62,000)	(70,000)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Particulars	31st March, 2018	31st March, 2017
Gratuity (Funded)		
Within 1 year	4,000	4,51,000
1-2 year	5,000	54,000
2-3 year	6,000	6,000
3-4 year	7,000	8,000
4-5 year	8,000	10,000
5-10 years	81,000	2,72,000
Leave Encashment (Unfunded)		
Within 1 year	2,000	2,000
1-2 year	2,000	2,000
2-3 year	2,000	2,000
3-4 year	3,000	3,000
4-5 year	3,000	4,000
5-10 years	24,000	25,000

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Particulars	31st March, 2018	31st March, 2017
Estimate of expected employer contribution		
Gratuity (Funded)		
Within 1 year	N/A	N/A
Leave Encashment (Unfunded)		
Within 1 year	N/A	N/A

Particulars	31st March, 2018	31st March, 2017
Weighted average duration of defined benefit obligation		
Gratuity (Funded)		
Duration (in years)	21	12
Leave Encashment (Unfunded)		
Duration (in years)	21	12

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Average no of people employed (Gratuity Funded)	14	17	16

Notes: (As certified by Independent Actuary)

1 Assumptions relating 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, seniority, promotion, market growth and other factors as applicable to the period over which the obligation is expected to be settled.

2 The expected return on Plan assets is based on market expectation at the beginning of the year. The rate of return on long term Government Bonds is taken as reference for this purpose.

3 In respect of Funded Gratuity, the funds are managed by the insurer and therefore the percentage or amount that each major category constitutes the fair value of total plan assets and effect thereof on overall expected rate of return on asset is not ascertainable.

4 Acquisition adjustment represents amount in respect of certain employees transferred into / transferred from the group.

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NOTE 31
FINANCE COSTS

Particulars	Year ended 31st March 2018 (₹)	Year ended 31st March 2017 (₹)
Interest Expenses		
- Term loan	10,83,15,617	11,91,87,235
- Other Borrowings	2,20,00,000	2,20,00,000
- Others	4,85,02,259	4,18,70,156
	15,68,17,876	16,10,57,391
Other Borrowing Cost	10,53,133	9,84,363
	17,98,71,009	**18,40,41,754**

NOTE 32
DEPRECIATION AND AMORTISATION

Particulars	Year ended 31st March 2018 (₹)	Year ended 31st March 2017 (₹)
Depreciation of Property Plant and Equipment [Refer Note 5]	5,81,25,195	5,54,27,898
Amortization of Intangible asset [Refer Note 7]	1,59,58,914	90,67,950
	7,40,84,109	**6,44,95,848**

NOTE 33
OTHER EXPENSES

Particulars	Year ended 31st March 2018 (₹)	Year ended 31st March 2017 (₹)
Payment to Auditors (excluding Service Tax/GST)		
- As Auditors	50,000	50,000
- For Taxation matters	25,000	25,000
- For Other Services	-	45,000
Cost of Power Purchased	1,37,280	1,85,120
Stores and Spares consumed	7,14,759	1,62,849
Discount & Rebate	30,86,487	18,02,513
Rent (Refer Note 36)	16,88,474	22,27,749
Repairs & Maintenance :		
- Plant & Machinery	66,19,786	1,35,13,536
- Others	6,31,245	7,53,045
Rates & Taxes	24,85,670	36,45,815
Travelling & Conveyance Expenses	8,60,045	12,29,154
Insurance	6,34,073	7,57,687
Legal & Professional charges	33,57,500	64,20,487
Security Services	8,86,186	7,23,117
Telephone,Fax,Postal etc.	77,140	93,623
Irrecoverable Balance Written off	-	10
Fair Value adjustment for prepayment of loan	99,784	11,60,723
Miscellaneous Expenses	7,82,354	8,93,950
	2,21,35,783	**3,36,89,378**

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NOTE 34

TAX EXPENSE

The major components of tax expense for the years ended March 31, 2018 and March 31, 2017 are as under:

(a) Income tax recognised in Statement of Profit and Loss

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Income Tax Expense:		
Current year tax	-	-
Deferred Tax :		
Deferred Tax Charge/ (credit)	1,85,23,348	(1,44,20,181)
Total Income Tax Expense/(credit)	**1,85,23,348**	**(1,44,20,181)**

(b) The reconciliation of tax expense and the accounting profit multiplied by tax rate :

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Profit before tax	(12,83,56,528)	(15,49,51,070)
Applicable Tax Rate	27.55%	27.55%
Income tax expense calculated as per Applicable tax rate	**(3,53,65,432)**	**(4,26,92,894)**
Add : Effect of non recognition of Deferred Tax Asset due to lack of availability of sufficient future taxable income	5,38,88,780	2,82,72,713
Income tax Expense recognised in Statement of Profit and Loss	**1,85,23,348**	**(1,44,20,181)**

(c) Income tax recognised in other comprehensive income

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Deferred tax charge on		
Remeasurement of gains of defined benefit obligation	78,359	1,95,072
Income tax recognised in other comprehensive income	**78,359**	**1,95,072**
Bifurcation of the income tax recognised in Other Comprehensive Income into:		
Items that will be reclassified to profit or loss	-	-
Items that will not be reclassified to profit or loss	**78,359**	**1,95,072**

(d) Components of Other Comprehensive Income

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Items that will not be reclassified to Statement of profit or loss		
Remeasurement of gains of defined benefit obligation (net of tax)	1,58,641	3,94,928
	1,58,641	**3,94,928**

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NOTE 35
RELATED PARTY DISCLOSURES PURSUANT TO INDIAN ACCOUNTING STANDARD - 24

Relationship	Name of the Parties
a) Holding Company	Energy Development Company Limited
b) Fellow Subsidiary through Holding company	EDCL Power Projects Limited
c) Key Manegerial Personnel (KMP) & their relatives	Ajay Kumar Chowdhary (Executive Director)(Ceased from 31st December, 2017)
	Shakuntala Chowdhary (Wife of the Executive Director)
	Sanjiv Saraf (Non-Executive Director)
	Tarun Chaturdevi (Independent Non-Executive Director)
	Vijoy Kumar (Independent Non-Executive Director)
	Prabir Goswami (Chief Financial Officer)
	Vijayshree Binnani (Company Secretary)
d) Individuals having significant influence directly or indirectly (Promoter and their relatives)	Amar Singh
	Pankaja Kumari Singh
e) Enterprises over which individuals mentioned in (d) above exercises significant influence	Startrack Vinimay Private Limited
	Sarvottam Caps Private Limited

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

Particulars	2017-2018 (₹)	2016-2017 (₹)
Transactions during the year:		
i) Unsecured Loan received	4,81,82,178	4,63,86,363
ii) Unsecured Loan repaid	1,09,50,000	3,15,82,000
iii) Interest Expense on Unsecured Loan	3,11,13,328	2,43,68,238
iv) Modification Gain Loss	99,784	11,60,723
v) Expenses incurred by the party on behalf of the company	9,41,501	21,81,935
vi) Expenses Reimbursed to the party	9,41,828	21,71,977
vii) Expenses incurred by the company on behalf of the party	1,40,598	15,880
viii) Expenses Reimbursed to the company	1,40,598	15,880

Particulars	31.03.2018 (₹)	31.03.2017 (₹)	1.04.2016 (₹)
Balances as at the year end :			
i) Preference Shares	22,00,00,000	22,00,00,000	22,00,00,000
ii) Unsecured Loans	30,86,82,096	24,02,36,807	19,99,03,483
iii) Other Advance	-	-	84,000
iv) Trade Payable	9,631	9,958	6,94,000
v) Guarantee given to IREDA for loan taken			
- Outstanding Balance of Loan	90,39,34,508	90,24,99,878	90,24,99,878
vi) Deemed Equity	9,25,08,209	8,54,85,350	8,09,46,518

The loan is Interest free and unsecured. It has been fair valued and the same has been presented in balance sheet with a corresponding deemed equity. Early repayments resulting in modification gain/(loss) have been adjusted with repayments as given in the schedule above.

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

Particulars	2017-2018 (₹)	2016-2017 (₹)
Transactions during the year:		
EDCL Power Projects Limited		
i) Expenses incurred by the party on behalf of the company	2,15,146	91,137
ii) Expenses Reimbursed to the party	2,06,954	87,258

Particulars	31.03.2018 (₹)	31.03.2017 (₹)	1.04.2016 (₹)
Balances as at the year end :			
EDCL Power Projects Limited			
i) Other Advance	-	-	1,09,000
ii) Trade Payable	8,192	3,879	1,54,000

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

Particulars	2017-2018 (₹)	2016-2017 (₹)
Transactions during the year:		
Remuneration		
- Ajay Kumar Chowdhary	8,76,000	10,05,000
- Prabir Goswami	7,61,324	7,07,134
Rent Paid		
- Shakuntala Chowdhary	2,52,000	3,36,000
Board Meeting Fees		
- Sanjiv Saraf	2,500	10,000
- Tarun Chaturvedi	2,500	7,500
- Vijoy Kumar	2,500	10,000

Particulars	31.03.2018 (₹)	31.03.2017 (₹)	1.04.2016 (₹)
Balances as at the year end :			
Trade Payable			
- Shakuntala Chowdhary	25,200	-	-
- Ajay Kumar Chowdhary	1,99,593	-	-

Note:
Post employement benefit has not been disclosed separately as the same is not ascertainable

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

Particulars	2017-2018 (₹)	2016-2017 (₹)
Transactions during the year:		
i) Unsecured Loan received		
- Startrack Vinimay Private Limited	-	-
- Sarvottam Caps Private Limited	-	3,00,00,000
ii) Unsecured Loan repaid		
- Sarvottam Caps Private Limited	-	-
iii) Interest Expenses		
- Startrack Vinimay Private Limited	36,00,000	36,00,000
- Sarvottam Caps Private Limited	1,26,00,000	1,15,84,110
iv) Sale of Investment		
- Startrack Vinimay Private Limited	-	4,80,00,000
v) Received against sale of Investment		
- Startrack Vinimay Private Limited	4,80,00,000	-

Particulars	31.03.2018 (₹)	31.03.2017 (₹)	1.04.2016 (₹)
Balances as at the year end :			
i) Unsecured Loans			
- Startrack Vinimay Private Limited	3,00,00,000	3,00,00,000	3,00,00,000
- Sarvottam Caps Private Limited	10,50,00,000	10,50,00,000	7,50,00,000
ii) Interest accrued and due (Payable)			
- Startrack Vinimay Private Limited	64,97,753	32,57,753	17,753
- Sarvottam Caps Private Limited	4,36,15,726	3,22,75,726	2,18,50,027
iii) Receivable against Sale of Shares			
- Startrack Vinimay Private Limited	-	4,80,00,000	-

Notes:

(a) In respect of above parties, there is no provision for doubtful debts as on 31st March 2018 and no amount has been written off or written back during the year in respect of debts due from / to them.

(b) The above Related Party information is as identified by the Management and relied upon by the auditors.

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NOTE 36
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 ₹ 16,64,000/- (Previous year ₹ 21,96,000/-). The aggregate lease rentals are included as "Rent" in Note 33 of the financial statement.

NOTE 37
EARNINGS PER SHARE:

Particulars	2017-18 (₹)	2016-17 (₹)
Basic and Diluted Earnings per share has been computed as under:		
Profit/(Loss) after tax for the year	(14,68,79,876)	(14,05,30,889)
Weighted Average Number of Equity Shares issued (Nos.)	3,00,00,000	3,00,00,000
Basic and Diluted Earnings per Share (Face Value ₹ 10/- per share,fully paid up)	(4.90)	(4.68)

NOTE 38
SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chiefoperating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Segment manager who allocates resources and assess the operating activities, financial results, forecasts, or plans for the segment.

The company operates primarily in one business segment i.e. "generation of electricity" and all other activities revolve around main activity.

NOTE 39
EXCEPTIONAL ITEMS
Exceptional items represents profit on investments sold during the previous year 2016-2017.

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Notes to Financial Statements

NOTE 40
FINANCIAL INSTRUMENTS

Capital Management
The Company follows a capital management strategy. The primary objective is to ensure that Company maintains a healthy capital ratio in order to support its business operations, have sufficient financial flexibility for borrowing requirements, if any, in future and to maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders.

The company also uses gearing ratio to monitor capital. Gearing ratio is net debt divided by total capital. The gearing ratios are as follows:

Gearing Ratio (Amount in ₹)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Total Debt (Net of Cash & Cash equivalent)	1,67,06,90,153	1,65,61,40,281	1,49,54,63,143
Total Capital	30,00,00,000	30,00,00,000	30,00,00,000
Gearing Ratio	**5.57**	**5.52**	**4.98**

Categories of financial instruments
The carrying value and fair value of financial instruments are as follows : (Amount in ₹)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Financial Assets (Non-Current and Current)			
Measured at Amortised Cost			
(i) Trade Receivables	1,39,84,672	81,79,634	65,51,418
(ii) Cash & Cash Equivalents	4,72,45,896	5,33,580	1,78,64,328
(iii) Loan	1,498	31,070	2,51,000
(iv) Others Financial Asset	28,09,415	5,08,49,474	29,85,437
Total	**6,40,41,481**	**5,95,93,758**	**2,76,52,183**
Financial Liabilities (Non-Current and Current)			
Measured at amortised Cost			
(i) Borrowings	1,22,72,96,792	1,45,42,36,685	1,37,39,03,361
(ii) Trade Payable	33,05,718	54,41,304	26,11,563
(iii) Other Financial Liabilities	50,01,44,373	21,17,12,567	14,69,71,942
Total	**1,73,07,46,883**	**1,67,13,90,556**	**1,52,34,86,866**

The management considers that the above carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
The following methods and assumptions were used to estimate the fair values:
1.The fair value of cash and cash equivalents, trade receivables, trade payables, current borrowings, current financial liabilities and assets approximate their carrying amount largely due to the short-term nature of these instruments. The Board considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.
2.Long-term debts are from IREDA and body corporates for which interest rates are reset at regular intervals.

Fair value hierarchy

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement.

During the year ended 31st March 2018; 31st March, 2017 and 1st April 2016, there was no transfer between Level 3 fair value measurements. Further, there is no transaction / balance for level 1 and Level 2 categories.

Fair valuation of Financial assets and liabilities not within the operating cycle of the company is amortised based on the borrowing rate of the company.

Financial Risk Factors
The Company's activities expose it to a variety of financial risks – market risk, credit risk and liquidity risk. The Board of Directors reviews and approves policies for managing each of these risks, which are summarized below:

Market Risk
Market risk is the risk or uncertainty arising from possible market price movements resulting in fluctuation of the fair value of future cash flows of a financial instrument. The major components of Market risks are price risk and interest rate risk.
Financial instruments affected by market risk includes borrowings and investments.

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a. Interest Rate Risk

The Company's exposure in market risk relating to change in interest rate primarily arises from floating rate borrowing with banks and financial institutions.

With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings and excluding loans on which interest rate swaps are taken.

Nature of Borrowing	Increase in basis points	For the year ended March 31, 2018	For the year ended March 31, 2017
Term Loan	0.5	5,10,294	4,90,815
Loan from Related Parties	0.25	40,500	1,12,571
Loan from Others	0.25	-	6,000

A decrease in 0.50 basis point in Term Loan and Cash Credit & 0.25 basis point in Other Loans would have an equal and opposite effect on the Company's financial statements.

b. Other price risk

The company is not exposed to any other price risk.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Trade Receivables of the company mainly comprises of receivables from state electricity boards and hence such risk is negligible. The company has a policy to monitor such risk on an ongoing basis.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of receivables.

The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents the Company's maximum exposure to credit risk.

Financial assets that are neither past due nor impaired

Cash and cash equivalents and deposits with banks are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(Amount in ₹)

Particulars	Less than 1 year	1 year – 3 years	More than 3 years	Total
As at March 31, 2018				
Interest bearing borrowings (including current maturities)	34,03,19,804	24,57,31,976	76,15,64,824	1,34,76,16,604
Interest Accrued and Due on borrowings	5,30,97,535	-	-	5,30,97,535
Trade Payable	33,05,718	-	-	33,05,718
Total	**39,67,23,057**	**24,57,31,976**	**76,15,64,824**	**1,40,40,19,857**
As at March 31, 2017				
Interest bearing borrowings (including current maturities)	7,27,44,000	36,21,56,000	60,25,99,878	1,03,74,99,878
Interest Accrued and Due on borrowings	6,37,15,258	-	-	6,37,15,258
Trade Payable	54,41,304	-	-	54,41,304
Total	**14,19,00,562**	**36,21,56,000**	**60,25,99,878**	**1,10,66,56,440**
As at April 1, 2016				
Interest bearing borrowings (including current maturities)	6,35,00,000	34,14,00,000	60,25,99,878	1,00,74,99,878
Interest Accrued and Due on borrowings	2,27,02,191	-	-	2,27,02,191
Trade Payable	26,11,563	-	-	26,11,563
Total	**8,88,13,754**	**34,14,00,000**	**60,25,99,878**	**1,03,28,13,632**

The company has current financial assets which will be realised in ordinary course of business and unused line of credits as given above. The Company monitors its rolling forecast of its liquidity requirements to ensure it has sufficient cash to meet expected operational requirements.

The company relies on mix of borrowings and operating cash flows to meet its need for funds and ensures that it does not breach any financial covenants stipulated by the lender.

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Notes to Financial Statements

NOTE 41
FIRST TIME ADOPTION OF Ind AS- Disclosures, Reconciliation etc.

a) Reconciliation in terms of Ind AS 101 "First time adoption of Indian Accounting Standards"

I) Reconciliation of Equity as at 31st March, 2017 and 1st April, 2016

(Amount in ₹)

Particulars	Note No. 41 (c)	As at 31st March, 2017			As at 1st April, 2016		
		As per Previous GAAP	Effect of Transition to Ind AS	As per Ind AS	As per Previous GAAP	Effect of Transition to Ind AS	As per Ind AS
ASSETS							
(1) Non Current Assets							
(a) Property,Plant and Equipment		1,21,18,72,821	-	1,21,18,72,821	1,26,71,45,099	-	1,26,71,45,099
(b) Capital Work-in-Progress		17,22,66,483	-	17,22,66,483	14,12,01,199	-	14,12,01,199
(c) Other Intangible Assets		5,89,70,977	-	5,89,70,977	6,80,38,927	-	6,80,38,927
(d) Financial Assets							
(i) Loans		-	-	-	31,000	-	31,000
(ii) Others		79,200	-	79,200	79,200	-	79,200
(e) Income Tax Assets (Net)		1,27,855	-	1,27,855	2,56,274	-	2,56,274
(g) Other Non Current Assets		2,10,000	-	2,10,000	4,50,580	-	4,50,580
		1,44,35,27,336	-	1,44,35,27,336	1,47,72,02,278	-	1,47,72,02,278
(2) Current Assets							
(a) Inventories		8,18,082	-	8,18,082	8,54,894	-	8,54,894
(b) Financial Assets							
(i) Trade Receivables		81,79,634	-	81,79,634	65,51,418	-	65,51,418
(ii) Cash & Cash Equivalents		5,33,580	-	5,33,580	1,78,64,328	-	1,78,64,328
(iii) Loans		31,070	-	31,070	2,20,000	-	2,20,000
(iii) Other Financial Assets		5,07,70,274	-	5,07,70,274	29,06,237	-	29,06,237
(c) Other Current Assets		50,94,036	-	50,94,036	49,16,832	-	49,16,832
		6,54,26,676	-	6,54,26,676	3,33,13,709	-	3,33,13,709
TOTAL ASSETS		1,50,89,54,012	-	1,50,89,54,012	1,51,05,15,988	-	1,51,05,15,988
EQUITY AND LIABILITIES							
EQUITY							
(a) Equity Share Capital		52,00,00,000	(22,00,00,000)	30,00,00,000	52,00,00,000	(22,00,00,000)	30,00,00,000
(b) Other Equity	41(II)	(43,32,12,734)	(3,56,32,289)	(46,88,45,023)	(34,20,61,690)	76,53,073	(33,44,08,617)
		8,67,87,266	(25,56,32,289)	(16,88,45,023)	17,79,38,310	(21,23,46,927)	(3,44,08,617)
LIABILITIES							
(1) Non Current Liabilities							
(a) Financial Liabilities							
(i) Borrowings	iii	1,28,61,09,797	15,88,82,888	1,44,49,92,685	1,23,48,49,879	13,90,53,482	1,37,39,03,361
(b) Provisions		3,48,000	-	3,48,000	6,83,000	-	6,83,000
(d) Other Non Current Liabilities				-			-
(c) Deferred Tax Liabilities (Net)	iv	(1,77,63,310)	2,15,27,483	37,64,173	(20,82,241)	2,00,71,524	1,79,89,283
		1,26,86,94,487	18,04,10,372	1,44,91,04,859	1,23,34,50,638	15,91,25,006	1,39,25,75,644
(2) Current Liabilities							
(a) Financial Liabilities							
(i) Borrowings		92,44,000	-	92,44,000	-	-	-
(ii) Trade Payables							
- Dues to Micro and Small Enterprises		-	-	-	-	-	-
- Dues to Others		54,41,304	-	54,41,304	26,11,563	-	26,11,563
(iii) Other Financial Liabilities	iii	13,64,90,649	7,52,21,918	21,17,12,567	9,37,50,021	5,32,21,921	14,69,71,942
(b) Other Current Liabilities		22,94,306	-	22,94,306	27,63,456	-	27,63,456
(c) Provisions		2,000	-	2,000	2,000	-	2,000
		15,34,72,259	7,52,21,918	22,86,94,177	9,91,27,040	5,32,21,921	15,23,48,961
TOTAL EQUITY & LIABILITIES		1,50,89,54,012	-	1,50,89,54,012	1,51,05,15,988	-	1,51,05,15,988

II) Reconciliation of Total Equity

Particulars	Note No. 41 (c)	As at 31st March 2017	As at 1st April 2016
Equity as reported under Previous GAAP		8,67,87,268	17,79,38,309
Add/Less effect of transition to Ind AS:			
Effect of fair valuation of Financial Instrument	iii	(23,41,04,808)	(19,22,75,403)
Effect of Tax	iv	(2,15,27,483)	(2,00,71,524)
		(25,56,32,291)	(21,23,46,926)
Equity as reported under Ind AS		(16,88,45,023)	(3,44,08,617)

III) Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2017

Particulars	Note No. 41 (c)	As per IGAAP for the year ended 31st March, 2017	Ind AS Adjustment	As per Ind AS for the year ended 31st March, 2017
REVENUE :				
Revenue from Operations		9,03,07,360	-	9,03,07,360
Other Income		5,92,031	-	5,92,031
Total Revenue		9,08,99,391	-	9,08,99,391
EXPENSES :				
Employee Benefits Expense	i	77,65,909	5,90,000	83,55,909
Finance Costs	ii and iii	13,76,73,516	4,63,68,238	18,40,41,754
Depreciation and Amortization Expense		6,44,95,848	-	6,44,95,848
Other Expenses	ii	3,25,28,655	11,60,723	3,36,89,378
		24,24,63,928	4,81,18,961	29,05,82,889
Less : Expenditure transferred to Pre-Operative Expenses		7,32,427	-	7,32,427
Total Expenses		24,17,31,501	4,81,18,961	28,98,50,462
Profit/(Loss) before exceptional items and tax		(15,08,32,109)	(4,81,18,961)	(19,89,51,070)
Exceptional Items		4,40,00,000	-	4,40,00,000
Profit/(Loss) before tax for the year		(10,68,32,109)	(4,81,18,961)	(15,49,51,070)
Tax Expense:				
- Deferred tax charge / (credit)	iv	(1,56,81,068)	12,60,887	(1,44,20,181)
Total Tax Expense/(credit)		(1,56,81,068)	12,60,887	(1,44,20,181)
Profit/(Loss) after tax for the year		(9,11,51,041)	(4,93,79,848)	(14,05,30,889)
OTHER COMPREHENSIVE INCOME				
i. Items that will not be reclassified to profit or loss	i	-	5,90,000	5,90,000
ii. Income tax relating to items that will not be reclassified to profit or loss	iv	-	1,95,072	1,95,072
Total Other Comprehensive Income/(loss) for the year (i+ii)		-	3,94,928	3,94,928
Total Comprehensive Income/(loss) for the year		(9,11,51,041)	(4,89,84,920)	(14,01,35,961)

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IV) Reconciliation of Total Comprehensive Income

Particulars	Note No. 41 (c)	For Year ended March 2017
Net Profit as per GAAP		(9,11,51,041)
Add/Less:		
Effect of fair valuation of Financial Instrument	ii and iii	(4,75,28,961)
Reclassification of net actuarial Gain/(Loss) on employee defined benefit plan to Other Comprehensive Income	i	(5,90,000)
Effect of Tax on above	iv	(12,60,887)
Net profit for the period as per Ind AS		**(14,05,30,889)**
Other Comprehensive Income		
Net actuarial gain/(loss) on employee defined benefit plan (net of tax)	i & iv	3,94,928
Total Comprehensive Income		**(14,01,35,961)**

V) Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2017

Particulars	Note No. 41 (c)	Previous GAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	ii	5,14,80,704	-	5,14,80,702
Net cash flows from investing activities		(3,26,54,921)	-	(3,26,54,919)
Net cash flows from financing activities	ii	(3,61,56,531)	-	(3,61,56,531)
Net increase / (decrease) in cash and cash equivalents		**(1,73,30,748)**	-	**(1,73,30,748)**
Cash and cash equivalents at the beginning of the period		1,78,64,328	-	1,78,64,328
Cash and cash equivalents at the end of the period		**5,33,580**	-	**5,33,580**

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b) Disclosure as per Ind AS 101 First-time adoption of Indian Accounting Standards:

(I) Overall principle:
The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.
However, this principle is subject to certain mandatory exceptions and certain optional exemptions availed by the Company as detailed below:

(II) Mandatory exceptions and optional exemptions

(i) Classification and measurement of financial assets:
The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

(ii) Derecognition of financial assets and financial liabilities:
The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date.

(iii) Deemed cost for property, plant and equipment and intangible assets:
The Company has elected to continue with the carrying value of all of its property, plant and equipment, capital workin-progress and intangible assets recognised as of 1st April, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(iv) Determining whether an arrangement contains a lease:
The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

(v) Impairment of financial assets:
Ind AS 109 "Financial Instruments" requires the impairment to be carried out retrospectively; however, as permitted by Ind AS 101, the Company, has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date.
Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

c) Explanatory Notes to reconciliation between Previous GAAP and Ind AS

i) Remeasurements of post-employment benefit obligations
Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in Other Comprehensive Income instead of profit or loss. Under the Previous GAAP, these remeasurements were forming part of the profit or loss for the year.

ii) Deemed Equity
Under Previous GAAP interest free loan taken from its holding company were recorded at their transaction value.Under Ind AS, such loans are recognized at fair value on the date of disbursements and the fair value loss on respective transaction dates is recognized as deemed equity under the head 'Other Equity'.

iii) Preference Shares
Borrowings and other financial liabilities which were recognised at historical cost under previous GAAP have been recognised at amortised cost under IND AS with the difference been adjusted to opening retained earnings. The same has been reclassified as financial liabilities. Preference dividend has also been recognised as a financial liability

iv) Deferred Tax
Under Previous GAAP, deferred taxes were recognised for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognised using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or through other comprehensive income.

v) Previous year figures have been regrouped and rearranged to comply with the IND AS Schedule presentation.

Note 42
These financial statements have been approved by the Board of Directors of the Company on 30th May, 2018 for issue to the shareholders for their adoption.

As per our Report of even date
For A L P S & Co.
Chartered Accountants
Firm's registration No. 313132E

A. K. Khetawat
Partner
Membership No. 052751

Place : New Delhi
Dated : 30th May, 2018

ALPS & CO. Kolkata Chartered Accountants

For and on behalf of the Board of Directors

Vinod Kumar Sharma (Executive Director) (DIN 02879206)

Vijoy Kumar (Director) (DIN 02970626)

Tarun Chaturvedi

Tarun Chaturvedi (Director) (DIN 02309045)

Prabir Goswami (Chief Financial Officer)

P. Goswami

Vijayshree Binnani (Company Secretary)

Vijayshree Binnani