

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY
PRIVATE LIMITED****Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of **EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows 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 and relevant rules thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 auditor's 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 internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 including the financial position of the Company as at 31st March, 2018 and its losses (including other comprehensive income), changes in equity and cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note no. 6 of the Ind AS financial statements regarding capital work-in-progress of Rs 1,859.92 lakhs as on 31st March, 2018 (Rs 1,859.92 lakhs as on 31st March, 2017 and Rs 1,823.27 lakhs as on 01st April, 2016) being carried forward in respect of hydel power project under implementation by the Company. Adjustments with respect to this being determinable on ascertainment of status of the project, resultant impact in this respect as such are presently not ascertainable.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- (c) The Ind AS Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors as on 31st March, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to other matter to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company no pending litigations which would impact its financial position - Refer Note no. 25 to Ind AS financial statements.
 - ii. The Company did not have material foreseeable losses on long term contracts including derivative contracts.
 - iii. There are no amounts required to be transferred to the Investor Education and Protection Fund.

Mumbai
June 07, 2018

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

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



"ANNEXURE A"

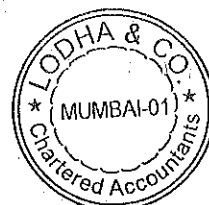
ANNEXURE REFERRED TO IN PARAGRAPH "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT TO THE MEMBERS OF "THE COMPANY" FOR THE YEAR ENDED 31ST MARCH, 2018

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

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment (fixed assets).
b) All the property, plant and equipment (fixed assets) have been physically verified by the management as at the year end which is considered reasonable having regard to the size of the Company and nature of its property, plant and equipment (fixed assets) and no material discrepancies were noticed on such verification.
c) Based on the information and explanations given to us, there are no immovable properties owned by the Company. Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable to the Company.
2. The Company does not have any inventory and accordingly, the provisions of clause 3 (ii) of the Order are not applicable to the Company.
3. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) of the Order are not applicable to the Company.
4. The Company has not granted any loans, made any investment, provided guarantees or securities covered under Section 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable to the Company.
5. No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed there under have been accepted by the Company.
6. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 148 of the Act in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company.



7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to the Company with appropriate authorities. No undisputed amounts in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
8. The Company has not borrowed any amounts from financial institutions, bank, government or debenture holders during the year. Accordingly, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loan during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
11. According to the information and explanations given to us, no managerial remuneration has been paid or provided for during the year and accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, all transactions with the related party are in compliance with Section 188 of the Act and the details have been disclosed as required by the applicable Ind AS (Refer Note no 26 to the standalone Ind AS Financial Statements).



14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
15. Based on the information and explanations given to us, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For LODHA & CO.
Chartered Accountants

Firm Registration No: 301051E

R. P. Baradiya
R. P. Baradiya

Partner
Membership No. 44101

Mumbai
June 07, 2018



“ANNEXURE B”**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED** (“the Company”) as of 31st March, 2018 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

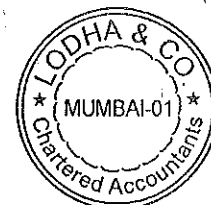
Management’s Responsibility for Internal Financial Controls

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 (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has broadly 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 31st March, 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.

Mumbai
June 07, 2018

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

R. P. Baradiya
R. P. Baradiya

Partner

Membership No.-44101



EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2018

Rs in Lakhs

Particulars	Notes	As at		
		March 31, 2018	March 31, 2017	April 01, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	5	3.52	-	-
Capital work-in-progress	6	1,859.92	1,859.92	1,823.27
Total non-current assets		1,863.44	1,859.92	1,823.27
Current assets				
Financial assets				
Cash and cash equivalents	7	1.33	1.49	2.44
Other financial assets	8	0.14	0.15	0.15
Other current assets	9	-	-	0.42
Total current assets		1.47	1.64	3.01
Total assets		1,864.91	1,861.56	1,826.28
EQUITY AND LIABILITIES				
Equity				
Equity share capital	10	1.00	1.00	1.00
Other equity		(580.11)	(392.87)	(209.19)
Total equity		(579.11)	(391.87)	(208.19)
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	11	1,800.00	1,800.00	1,840.57
Deferred tax liabilities	29C	2.16	4.10	5.08
Provisions	12	-	-	1.56
Total non-current liabilities		1,802.16	1,804.10	1,847.21
Current liabilities				
Financial liabilities				
Borrowings	11	0.70	29.57	-
Trade payables	13	5.27	5.71	7.07
Other financial liabilities	14	635.85	412.12	180.00
Other current liabilities	15	0.04	0.37	0.19
Provisions	12	-	1.56	-
Total current liabilities		641.86	449.33	187.26
Total equity and liabilities		1,864.91	1,861.56	1,826.28

Significant accounting policies

4

The accompanying notes are an integral part of the financial statements

As per our report of even date
For LODHA & CO.
Firm Registration Number - 301051E
Chartered Accountants

R. P. Baradiya
Partner
M. No. 44101

Place: Mumbai
Date: 07th June, 2018

For and on behalf of the Board of Directors
Eastern Ramganga Valley Hydel Projects Company Private Limited

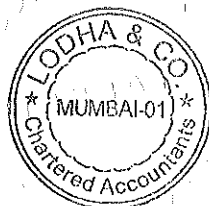
Rajeeva Kumar
Director
DIN No. 07484818

Abhishek Radhakishan Ajmera
Director
DIN No. 07513679

Shyatee Chirayu Vyas
Company Secretary

Shivam Kumar Shilvesh
Chief Financial Officer

Place: Noida
Date: 07th June, 2018



**EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2018**

Rs in Lakhs

Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
REVENUE :			
Revenue from operations		-	-
Other income	16	1.65	2.21
Total income		1.65	2.21
EXPENSES :			
Employee benefits expense	17	-	2.90
Finance costs	18	186.25	185.52
Depreciation and amortisation expense	19	0.06	-
Other expenses	20	4.50	35.11
Less : Expenditure transferred to Capital Work - In - Progress		-	(36.66)
Total expenses		190.82	186.87
Loss before taxation		(189.17)	(184.66)
Income tax expense			
Current tax		-	-
Deferred tax charge/(credit)		(1.93)	(0.98)
Loss for the year		(187.24)	(183.68)
Other comprehensive income			
Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
Tax on above		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(187.24)	(183.68)
Basic and diluted earnings per share (Face value of Rs. 10 each)	21	(1,872.44)	(1,836.79)

Significant accounting policies

4

The accompanying notes are an integral part of the financial statements

As per our report of even date

For LODHA & CO.

Firm Registraton Number - 301051E

Chartered Accountants

R. P. Baradiya

R. P. Baradiya
Partner
M. No. 44101

Place: Mumbai

Date: 07th June, 2018

For and on behalf of the Board of Directors

Eastern Ramganga Valley Hydel Projects Company Private Limited

Rajeeva Kumar

Rajeeva Kumar
Director
DIN No. 07484818

Abhishek Radhakishan Ajmera

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Director
DIN No. 07513679

Khyatee Chirayu Vyas

Khyatee Chirayu Vyas
Company Secretary

Shivam Kumar Shivesh

Shivam Kumar Shivesh
Chief Financial Officer

Place: Noida

Date: 07th June, 2018



**EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018**

a) Equity share capital		Rs in Lakhs	
Particulars	Amount		
Balance as at April 01, 2016	1.00		
Changes in share capital during the year	-		
Balance as at March 31, 2017	1.00		
Changes in share capital during the year	-		
Balance as at March 31, 2018	1.00		


B) Other equity		Rs in Lakhs	
Particulars	Reserves and Surplus	Other comprehensive income	Total
	Retained Earnings		
Balance as on 01-04-2016	(209.19)	-	(209.19)
Loss for the year	(183.68)	-	(183.68)
Other comprehensive income for the year	-	-	-
Balance as on 31-03-2017	(392.87)	-	(392.87)
Loss for the year	(187.24)	-	(187.24)
Other comprehensive income for the year	-	-	-
Balance as on 31-03-2018	(580.11)	-	(580.11)


Significant accounting policies- see note 4


The accompanying notes are an integral part of the financial statements

As per our report of even date
For LODHA & CO.
Firm Registraton Number - 301051E
Chartered Accountants

For and on behalf of the Board of Directors
Eastern Ramganga Valley Hydrel Projects Company Private Limited


R. P. Baradiya
Partner
M. No. 44101


Rajeeva Kumar
Director
DIN No. 07484818

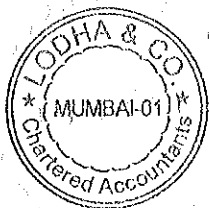

Abhishek Radhakishan Ajmera
Director
DIN No. 07513679

Place: Mumbai
Date: 07th June, 2018


Khyatee Chirayu Vyas
Company Secretary


Shivam Kumar Shivesh
Chief Financial Officer

Place: Noida
Date: 07th June, 2018

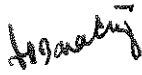


EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED
STATEMENT OF CASH FLOWS FOR YEAR ENDED MARCH 31, 2018

Particulars	Rs In Lakhs	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flows from operating activities		
Loss before tax	(189.17)	(184.66)
Adjustments for:		
Depreciation	0.06	-
Liability no longer required written back	(1.65)	-
Finance costs	186.25	185.52
Movement in working capital:		
Increase/(decrease) in trade payable and other financial liabilities	1.21	(1.36)
Increase in trade receivables and other financial assets	(0.01)	-
Decrease in other current assets	-	0.42
Increase/(decrease) in other liabilities	(0.33)	0.18
Increase/(decrease) in provisions	(1.56)	-
Cash generated from/(used in) operations	(5.19)	0.09
Income tax paid	-	-
Cash generated from/(used in) operations [A]	(5.19)	0.09
Cash flow from investing activities		
Purchase of property, plant and equipments (including capital work-in-progress)	(3.58)	(36.66)
Cash used in Investing activities [B]	(3.58)	(36.66)
Cash flow from financing activities		
Proceeds from /(repayment of) borrowings	8.60	35.76
Finance costs paid	-	(0.16)
Cash used in financing activities [C]	8.60	35.60
Net Increase/(decrease) in cash and cash equivalents [A+B+C]	(0.16)	(0.95)
Add: Cash and cash equivalents at the beginning of the year	1.49	2.44
Cash and cash equivalents at the end of the year (Refer note no 7)	1.33	1.49

Significant accounting policies- see note 4
The accompanying notes are an Integral part of the financial statements


As per our report of even date attached
For LODHA & CO.
Chartered Accountants
Firm Registration No: 301051E


R. P. Baradiya
Partner
Membership No. : 44101

Place: Mumbai
Date: 07th June, 2018

For and on behalf of the Board of Directors
Eastern Ramganga Valley Hydel Projects Company Private Limited

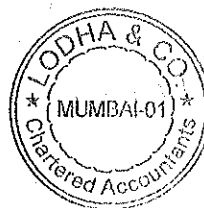

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Director
DIN No. 07484818


Abhishek Radhakishan Ajmera
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Company Secretary


Shivam Kumar Shilvesh
Chief Financial Officer

Place: Noida
Date: 07th June, 2018



EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED
Ind As notes to financial statement

NOTE 1

Significant accounting policies

1 CORPORATE INFORMATION

Eastern Ramganga Valley Hydel Projects Company Private Limited ("the Company") was incorporated on 24th August, 2010. The Company on completion of pre-feasibility report has been granted permission for the setting up of 11.5 MW Hydel power plant by the Government of Uttarakhand.

NOTE 2

2 BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

2.01 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind As) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values and the provisions of the Companies Act, 2013 ('the Act'). The IND AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendments Rules, 2016.

The Company has adopted all the IND AS standards and the adoption was carried out in accordance with IND AS101, First-Time Adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (I GAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition have been summarized in note 31.

Accounting policies have been consistently applied except where a newly-issued accounting standards is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Transactions and balances with the values the rounding off norm adopted by the Company have been reflected as '0' in the relevant notes in the financial statements.

2.02 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company.

The financial statements are presented in Indian Rupees which is the Company's presentation in Indian Rupees has been rounded up to the nearest lakhs except where otherwise indicated.

2.03 Use of estimates

The preparation of financial statements in conformity of Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent liabilities at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimate is recognised prospectively in current and future periods.

Application of accounting policies that require critical accounting estimates and assumption having the most significant effect on the amounts recognised in the financial statements are:

Valuation of financial instruments

Useful life of property, plant and equipment

Provisions

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification in accordance with Division II of Schedule III of The Companies Act, 2013.

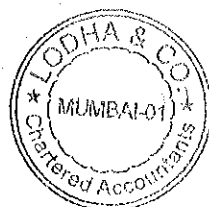
NOTE 3

3 FIRST-TIME ADOPTION OF IND AS

Ind AS 101 requires that all Ind AS effective for the first Ind AS financial statements, be applied consistently and retrospectively for all fiscal years presented. However, this principle is subject to certain mandatory exceptions and certain optional exemptions to this general requirement in specific cases. The application of relevant exception and exemption are as under:

3.01 Exceptions to retrospective application of Ind AS

3.1.1 Estimates: An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is an objective evidence that those estimates were in error. The Company has not made any changes to estimates made in accordance with Previous GAAP.



- 3.1.2 Ind AS 109-Financial Instruments (Derecognition of previously recognised financial assets / financial liabilities):** An entity shall apply the derecognition requirements in Ind AS 109 in financial instruments prospectively for transactions occurring on or after the date of transition. The Company has applied the derecognition requirements prospectively.
- 3.1.3 Ind AS 109-Financial Instruments (Classification and measurement financial assets):** Classification and measurement shall be made on the basis of facts and circumstances that exist at the date of transition to Ind AS. The Company has evaluated the facts and circumstances existing on the date of transaction to Ind AS for the purpose of classification and measurement of financial assets and accordingly has classified and measured the financial assets on the date of transition.
- 3.02 Exemptions from retrospective application of Ind AS**
- 3.2.1 Ind AS 16 Property, Plant and Equipment:** If there is no change in the functional currency an entity may elect to measure an item of property, plant and equipment and intangible assets at the date of transition to Ind AS at its fair value and use that fair value as deemed cost at that date or may measure the items of property, plant and equipment and intangible assets by applying Ind AS retrospectively or use the carrying amount under Previous GAAP on the date of transition as deemed cost. The Company has no property, plant and equipment as on the date of transition and hence, this exemption is not applicable.
- 3.2.2 Ind AS 17 Leases:** An entity shall determine based on facts and circumstances existing at the date of transition to Ind AS whether an arrangement contains a Lease and when a lease includes both land and building elements, an entity shall assess the operating lease. However, this exemption is not applicable.
- 3.2.3 Ind AS 32 Financial Instruments presentation:** Ind AS 32 requires an entity to split a compound financial instruments at inception into separate liability and equity component. As per Ind AS 101, First time adoption of Ind AS, if the liability component is no longer outstanding at the date of transition to Ind AS, an entity need not separate the amount recognised in equity into retained earnings and issued equity. However this exemption is not applicable.
- 3.3.4 IND AS 109 Financial Instrument:** Ind AS 109 permits an entity to designate its financial liabilities and/or financial assets (meeting certain criteria) at fair value through profit or loss. A financial liability and/or financial asset shall be designated at fair value through profit or loss, on the basis of facts and circumstances that exist at the date of transition. There are no financial assets or liabilities are specifically designated at FVTPL and hence, this exemption is not applicable.

NOTE 4

4 Summary of significant accounting policies

4.01 Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be premeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.



For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

4.02 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties.

Interest & dividend income

The interest and dividends are recognized only when no uncertainty as to measurability or collectability exists. Interest on fixed deposits is recognized on the proportion basis taking into account the amount outstanding and the rate applicable.

4.03 Taxes

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest income/ expenses and penalties, if any, related to income tax are included in current tax expense.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

4.04 Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and where applicable accumulated impairment losses. Property, plant and equipment and capital work in progress cost include expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal with the carrying amount of Property, Plant and Equipment and are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment and are recognised net within "other income/other expenses" in the Statement of Profit and Loss.

Subsequent Cost

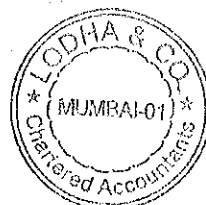
The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit and Loss.

Depreciation

Depreciation is calculated on straight line basis using useful lives of the assets as prescribed under Schedule II to the Companies Act 2013.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.



4.05 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

4.06 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The contingent liability is not recognised in books of account but its existence is disclosed in financial statements.

Disclosures for contingent liability is made when there is a possible obligation or present obligation that may, but probably will not require an outflow of resources when there is possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

4.07 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

4.08 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

4.09 Financial instruments

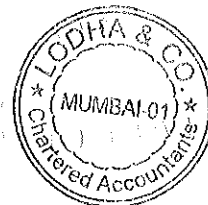
Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

- **amortised cost:** Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.
- **fair value through profit and loss (FVTPL):** A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.
- **fair value through other comprehensive income (FVOCI):** Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.



Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to lifetime expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

Financial Liabilities:**Initial recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

4.10 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

4.11 Lease

Lease in which a substantial portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. payments and receipts are recognised to the Statement of Profit and Loss on a straight line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for lessors expected inflationary costs increases, in which case the same are recognised as an expense in line with the contractual terms.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee.

4.12 Earnings per share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.



EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED
Ind As notes to financial statement

Rs in Lakhs

NOTE 5

Property, plant and equipment

	<u>Office equipment</u>
Year ended March 31, 2017	
Gross carrying amount	
Deemed cost as at April 01, 2016	-
Additions	-
Disposals	-
Closing gross carrying amount	-
Accumulated depreciation	
Balance as at 31st March 2016	-
Depreciation charge for the year	-
Disposals	-
Closing accumulated depreciation	-
Net carrying amount as at 1st April 2016	-
Net carrying amount as at March 31, 2017	-
Year ended March 31, 2018	
Gross carrying amount	
Opening gross carrying amount	-
Additions	3.58
Disposals	-
Closing gross carrying amount	3.58
Accumulated depreciation	
Opening accumulated depreciation	-
Depreciation charge for the year	0.06
Disposals	-
Closing accumulated depreciation	0.06
Net carrying amount as at 31st March 2017	-
Net carrying amount as at March 31, 2018	3.52

NOTE 6

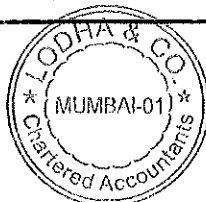
Capital work-in-progress

The Company on completion of pre-feasibility report has been granted permission for setting up of two Hydel power plant. (1) 6.5 MW Hydel power plant at Burthing and (2) 5.0 MW Hydel Power plant at Phullbagar by the Government of Uttarakhand. Project survey, geological investigation and formulation of Detailed Project Report (DPR) are approved. Administrative and other expenses including finance cost incurred are being carried forward as pre-operative expenses under Capital Work In Progress. Adjustments in this respect or allocation thereof to the project cost etc. will be carried out on completion of the project.

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Capital work-in-progress			
Pre-operative expenses	1,859.92	1,859.92	1,823.27
	<u>1,859.92</u>	<u>1,859.92</u>	<u>1,823.27</u>

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

Capital work-in-progress - Opening Balance	1,859.92	1,823.27
Add : Transfer from Statement of Profit and Loss		
Salary and wages	-	2.71
Rent	-	1.16
Rates and taxes	-	0.13
Insurance	-	0.18
Legal and professional charges	-	27.06
Travelling and conveyance expenses	-	1.47
Project development expenses	-	0.65
Service charges paid	-	3.23
Other borrowing cost	-	-
Miscellaneous expenses	-	0.07
Capital work-in-progress - Closing Balance	<u>1,859.92</u>	<u>1,859.92</u>



EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED
Ind As notes to financial statement

Rs in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
NOTE 7			
Cash and cash equivalents			
Balances with banks			
On current accounts	1.33	1.49	2.44
	1.33	1.49	2.44
NOTE 8			
Other financial assets			
Unsecured, considered good			
Security Deposit	0.14	0.15	0.15
	0.14	0.15	0.15
NOTE 9			
Other current assets			
Unsecured, considered good			
Advance to suppliers	-	-	0.42
	-	-	0.42

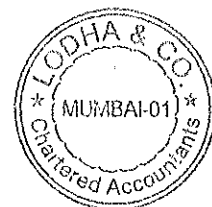


EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED
Ind As notes to financial statement

Rs in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
NOTE 11			
Borrowings (Non current)			
Unsecured			
Preference shares (Refer note no. 10a)	1,800.00	1,800.00	1,800.00
Unsecured			
From related parties			
Interest free			
Holding Company	-	-	40.57
	1,800.00	1,800.00	1,840.57
Borrowings (Current)			
Unsecured			
From related parties			
Interest free			
Associate Company	-	29.48	-
Others	0.70	0.09	-
	0.70	29.57	-
Terms of repayment			
These loans are repayable on demand			
NOTE 12			
Provisions			
Non-current			
Provision for employee benefits	-	-	1.56
	-	-	1.56
Current			
Provision for employee benefits	-	1.56	-
	-	1.56	-
NOTE 13			
Trade payables			
Due to micro, small and medium enterprises*			
Others	5.27	5.71	7.07
	5.27	5.71	7.07

*Refer note no. 22 for disclosure under Micro, Small and Medium Enterprise Development Act.



EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED
Ind As notes to financial statement

Rs In Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
NOTE 14			
Other financial liabilities			
Current maturities of long term debts (Refer note no 11)			
Holding Company	58.38	52.12	-
Associate Company	37.47	-	-
Financial Instrument liabilities (Preference shares-refer note no. 10a)	540.00	360.00	180.00
	<u>635.85</u>	<u>412.12</u>	<u>180.00</u>
NOTE 15			
Other current liabilities			
Statutory dues payable	0.04	0.37	0.19
	<u>0.04</u>	<u>0.37</u>	<u>0.19</u>



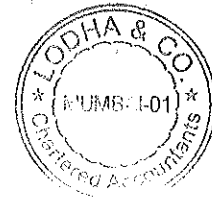
	For the year ended March 31, 2018	For the year ended March 31, 2017
NOTE 16		
Other income	1.65	-
Liability no longer required written back	-	2.21
Interest income on unwinding of discount	1.65	2.21
NOTE 17		
Employee benefits expense	-	2.43
Salaries and wages	-	0.47
Staff welfare expenses	-	2.90
NOTE 18		
Finance costs	-	0.16
Interest expense	-	180.00
Cost in respect of financial instruments (Preference shares-refer note no. 10a)	180.00	5.36
Interest charges on unwinding of discount	6.25	185.52
NOTE 19		
Depreciation and amortisation expense	0.06	-
Depreciation on property, plant and equipment	0.06	-



EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED
Ind As notes to financial statement

Rs in Lakhs

	For the year ended March 31, 2018	For the year ended March 31, 2017
NOTE 20		
Other expenses		
Payment to auditors:		
- As audit fees (excluding tax)	0.35	0.20
Rent	-	1.16
Professional charges	2.16	27.30
Project development expense	-	0.64
Rates and taxes	0.47	4.10
Travelling expenses	-	1.47
Telephone, fax, postal etc.	-	0.06
Interest charges on unwinding of discount	-	0.02
Miscellaneous expenses	1.53	0.16
	4.50	35.11



EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED
Ind As notes to financial statement

Rs In Lakhs

NOTE 10

Equity share capital

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Authorised			
10,00,000 equity shares of Rs. 10 each (As at March 31, 2017 - 10,00,000 and as at April 01, 2016 - 10,00,000)	100.00	100.00	100.00
1,800,000 Preference shares of Rs. 100 each (As at March 31, 2017 - 1,800,000 and as at April 01, 2016 - 1,800,000)	1,800.00	1,800.00	1,800.00
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>
Issued, subscribed and fully paid up			
10,000 equity shares of Rs 10. each fully paid-up (As at March 31, 2017 - 10,000 and as at April 01, 2016 - 10,000)	1.00	1.00	1.00
1,800,000 Preference shares of Rs. 100 each* (As at March 31, 2017 - 1,800,000 and as at April 01, 2016 - 1,800,000)	-	-	-
	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>

a) *As per Ind AS 32, Financial Instruments, non-cumulative redeemable preference shares are classified as financial liabilities if principal amount is redeemable. Accordingly, 1,800,000 non-cumulative redeemable preference shares (Previous year - 1,800,000 preference shares) having face value of Rs. 100 each fully paid up are classified as financial liabilities and thus included in borrowings and 10% interest provided thereof.

b) Reconciliation of number of shares

	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity shares:						
Balance as at the beginning of the year	10,000	1.00	10,000	1.00	100,000	1.00
Add: Shares issued during the year	-	-	-	-	-	-
Balance as at the end of the year	<u>10,000</u>	<u>1.00</u>	<u>10,000</u>	<u>1.00</u>	<u>100,000</u>	<u>1.00</u>
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Preference shares:						
Balance as at the beginning of the year	1,800,000	-	1,800,000	-	1,800,000	-
Add: Shares issued during the year	-	-	-	-	-	-
Balance as at the end of the year	<u>1,800,000</u>	<u>-</u>	<u>1,800,000</u>	<u>-</u>	<u>1,800,000</u>	<u>-</u>

c) Rights of equity shareholders

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

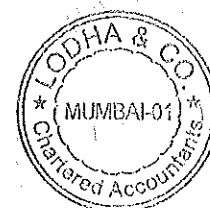
Rights of preference shareholders

Redeemable preference shares 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.

d) Details of equity shares held by the holding company and associate company in the aggregate shares of the Company

	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Nos.	% of Holding	Nos.	% of Holding	Nos.	% of Holding
Energy Development Company Limited (Holding Company)	5,100	51%	5,100	51%	10,000	100%
Smart Hydel Power Limited (Associate Company)	4,900	49%	4,900	49%	-	-

e) The Company has not issued any shares by way of bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding the reporting date.



EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED
Ind As notes to financial statement

NOTE 27

Financial Instruments

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash, trade payables and other current liabilities approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amounts and fair values of financial instruments by category are as follows:

	Rs in Lakhs				
	FVOCI	FVTPL	Amortised cost	Total fair value	Carrying amount
April 01, 2016					
Cash and bank balances	-	-	2.44	2.44	2.44
Others financial assets	-	-	0.15	0.15	0.15
Total	-	-	2.59	2.59	2.59
Financial liabilities					
Borrowings	-	-	1,840.57	1,840.57	1,840.57
Trade payables	-	-	7.07	7.07	7.07
Others financial liabilities	-	-	180.00	180.00	180.00
Total	-	-	2,027.64	2,027.64	2,027.64
March 31, 2017					
Financial assets					
Cash and cash equivalents	-	-	1.49	1.49	1.49
Others financial assets	-	-	0.15	0.15	0.15
Total	-	-	1.64	1.64	1.64
Financial liabilities					
Borrowings	-	-	1,829.57	1,829.57	1,829.57
Trade payables	-	-	5.71	5.71	5.71
Others financial liabilities	-	-	412.12	412.12	412.12
Total	-	-	2,247.40	2,247.40	2,247.40
March 31, 2018					
Financial assets					
Cash and cash equivalents	-	-	1.33	1.33	1.33
Others financial assets	-	-	0.14	0.14	0.14
Total	-	-	1.47	1.47	1.47
Financial liabilities					
Borrowings	-	-	1,800.70	1,800.70	1,800.70
Trade payables	-	-	5.27	5.27	5.27
Others financial liabilities	-	-	635.85	635.85	635.85
Total	-	-	2,441.81	2,441.81	2,441.81



EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED
Ind As notes to financial statement

NOTE 28

Capital risk management

- The Company's objectives when managing capital are to :
- ◆ safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
 - ◆ maintain an optimal capital structure to reduce the cost of capital

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

The Company monitors capital using a gearing ratio being a ratio of net debt as a percentage of total capital.

	As at		As at	
	March 31, 2018	March 31, 2017	April 01, 2017	April 01, 2016
Total equity attributable to equity shareholders of the Company (Rs in Lakhs)	(579.11)	(591.87)	(208.19)	(208.19)
Net debt (Total borrowings less cash and cash equivalents) (Rs in Lakhs)	2,436.54	2,241.69	2,020.57	2,020.57
Total capital (Borrowings and Equity) (Rs in Lakhs)	1,857.44	1,849.82	1,812.38	1,812.38
Gearing ratio	1.31	1.21	1.11	1.11

Net debt reconciliation

	As at		As at	
	March 31, 2018	March 31, 2017	April 01, 2016	April 01, 2016
Non-current borrowings (including current maturities)	1,895.85	1,852.12	1,840.57	1,840.57
Current borrowings	0.70	29.57	-	-
Interest payable	540.00	360.00	180.00	180.00
Net Debt	2,436.54	2,241.69	2,020.57	2,020.57

	Rs in Lakhs		
	Non-current borrowings	Current borrowings	Interest payable
Net debt as at April 1, 2017	1,852.12	29.57	360.00
Cash flows	43.73	(28.87)	180.00
Net debt as at March 31, 2018	1,895.85	0.70	540.00
			Total
			2,241.69
			194.86
			2,436.54



EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED
Ind As notes to financial statement

NOTE 29

Income taxes

(a) Tax expense recognised in the Statement of profit and loss

	Rs. in Lakhs	
	Year ended March 31, 2018	Year ended March 31, 2017
Current tax	-	-
Current year	-	-
Adjustments for prior periods	-	-
Total current tax	-	-
Deferred tax		
Relating to origination and reversal of temporary difference	(1.93)	(0.98)
Relating to change in tax rate	-	-
Total deferred income tax expense/(credit)	<u>(1.93)</u>	<u>(0.98)</u>
Total income tax expense/(credit)	<u>(1.93)</u>	<u>(0.98)</u>

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

(b) Reconciliation of effective tax rate

	Rs in Lakhs	
	Year ended 31 March, 2018	Year ended 31 March, 2017
Loss before taxation	(189.17)	(184.66)
Enacted income tax rate in India	26.00%	30.90%
Tax at the enacted income tax rate	(49.18)	(57.06)
Tax effects of amounts which are not deductible in calculating taxable income:		
Non recognition of deferred tax on unabsorbed depreciation, brought forward losses and other timing differences	(47.25)	(58.04)
Tax expense/ (credit)	<u>(1.93)</u>	<u>0.98</u>

(c) The movement in deferred tax assets and liabilities during the year ended March 31, 2017 and March 31, 2018:

	Rs in Lakhs			
	As at April 01, 2016	Credit/ (charge) in Statement of profit and loss	As at March 31, 2017	Credit/ (charge) in Statement of profit and loss March 31, 2018
Deferred tax assets/(liabilities)	5.08	(0.98)	4.10	(1.93)
Financial liabilities at amortised cost	5.08	(0.98)	4.10	(1.93)
				<u>2.16</u>
				<u>2.16</u>



EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED
Ind As notes to financial statement

NOTE 30

Financial risk factors

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The purpose of these financial liabilities is to finance the Company's operations and to provide to support its operations. The Company's principal financial assets is cash and cash equivalents that derive directly from its operations.

The Company's activities exposes it to Liquidity Risk, Market Risk and Credit risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised as below

(a) Liquidity risk

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk management implies maintenance sufficient cash including availability of funding through an adequate amount of committed credit facilities to meet the obligations as and when due.

The Company manages its liquidity risk by ensuring as far as possible that it will have sufficient liquidity to meet its short term and long term liabilities as and when due. Anticipated future cash flows is expected to be sufficient to meet the liquidity requirements of the Company. Shortcomings if any will be fulfilled by the holding company.

The following is the contractual maturities of the financial liabilities:

	Rs in Lakhs		
	Carrying amount	1-12 months	more than 12 months
As at April 01, 2016			
Non-derivative liabilities			
Borrowings	1,840.57	-	1,840.57
Trade payables	7.07	7.07	-
Other financial liabilities	180.00	180.00	-

	Rs in Lakhs		
	Carrying amount	1-12 months	more than 12 months
As at March 31, 2017			
Non-derivative liabilities			
Borrowings	1,881.69	81.69	1,800.00
Trade payables	5.71	5.71	-
Other financial liabilities	412.12	412.12	-

	Rs in Lakhs		
	Carrying amount	1-12 months	more than 12 months
As at March 31, 2018			
Non-derivative liabilities			
Borrowings	1,896.54	96.54	1,800.00
Trade payables	5.27	5.27	-
Other financial liabilities	635.85	635.85	-

(b) Market Risk

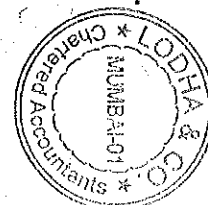
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Interest rate risk, currency risk and other price risk. However, the Company does not have currency and other price risk as at March 31, 2018, March 31, 2017 and April 01, 2016.

Interest Risk

The interest rate risk exposure is mainly from changes in fixed and floating interest rates. The Company's borrowing have fixed rate of interest and are carried at amortised costs. Hence, the Company is not subject to interest rate risk since neither the carrying amount nor the future cash flows will change due to change in

(c) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. The Company is exposed to credit risks from its operating activities, primarily trade receivables, cash and cash equivalents and other financial instruments. However, the Company does not any trade receivables and hence there is no credit risk as at March 31, 2018, March 31, 2017 and April 01, 2016.



(i) Reconciliation of Balance sheet as at April 1, 2016		Rs in lakhs		
	Notes	Previous GAAP	Ind AS adjustments	Ind AS
Assets				
Non-current Assets				
Property, plant and equipment		-	-	-
Capital work-in-progress		1,823.27	-	1,823.27
Total non-current assets		1,823.27	-	1,823.27
Current Assets				
Financial assets				
- Cash and cash equivalents		2.44	-	2.44
- Other financial assets		0.15	-	0.15
Other current assets		0.42	-	0.42
Total current assets		3.01	-	3.01
		1,826.28	-	1,826.28
Equity and liabilities				
Equity				
Equity share capital	10a	1,801.00	(1,800.00)	1.00
Other equity	31B(iii)	(40.55)	(168.65)	(209.19)
Total equity		1,760.45	(1,968.65)	(208.19)
Non-current liabilities				
Financial liabilities				
- Borrowings	10a & (ii)	57.00	1,783.57	1,840.57
Deferred tax liabilities (Net)	(i)	-	5.08	5.08
Provisions		1.56	-	1.56
Total non-current liabilities		58.56	1,788.65	1,847.21
Current liabilities				
Financial liabilities				
- Borrowings		-	-	-
- Trade payables		7.07	-	7.07
- Other financial liabilities	10a	-	180.00	180.00
Other current liabilities		0.19	-	0.19
Provisions		-	-	-
Total current liabilities		7.27	180.00	187.26
		1,826.28	-	1,826.28
(ii) A. Reconciliation of Balance sheet as at March 31, 2017		Rs in lakhs		
	Notes	Previous GAAP	Ind AS adjustments	Ind AS
Assets				
Non-current Assets				
Property, plant and equipment		-	-	-
Capital work-in-progress		1,859.92	-	1,859.92
Total non-current assets		1,859.92	-	1,859.92
Current assets				
Financial assets				
- Cash and cash equivalents		1.49	-	1.49
- Other financial assets		0.15	-	0.15
Other current assets		-	-	-
Total current assets		1.64	-	1.64
		1,861.56	-	1,861.56
Equity and liabilities				
Equity				
Equity share capital	10a	1,801.00	(1,800.00)	1.00
Other equity	31B(iii)	(42.04)	(350.84)	(392.87)
Total equity		1,758.96	(2,150.84)	(391.87)
Non-current liabilities				
Financial liabilities				
- Borrowings	10a & (ii)	29.48	1,770.52	1,800.00
Deferred tax liabilities (Net)	(i)	-	4.10	4.10
Provisions		-	-	-
Total non-current liabilities		29.48	1,774.62	1,804.10
Current liabilities				
Financial liabilities				
- Borrowings		0.09	29.48	29.57
- Trade payables		5.71	-	5.71
- Other financial liabilities	10a	65.38	346.74	412.12
Other current liabilities	(ii)	0.37	-	0.37
Provisions		1.56	-	1.56
Total current liabilities		73.11	376.22	449.33
		1,861.56	-	1,861.56



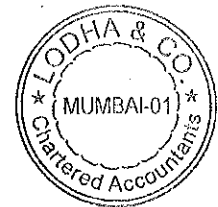
(ii) B. Reconciliation of Statement of total comprehensive income for the year ended March 31, 2017

		Rs in lakhs		
	Notes	Previous GAAP	Ind AS adjustments	Ind AS
Revenue from operations		-	-	-
Other income	(ii)	-	2.21	2.21
Total income		-	2.21	2.21
Expenses				
Employee benefits expense		2.90	-	2.90
Finance costs	10a & (ii)	0.16	185.36	185.52
Depreciation and amortisation expense		-	-	-
Other expenses	(ii)	35.09	0.02	35.11
Less : Expenditure transferred to Capital Work - in - Progress		(36.66)	-	(36.66)
Total expenses		1.49	185.38	186.87
Loss before tax		(1.49)	(183.17)	(184.66)
Tax expense				
Current tax		-	-	-
Deferred tax (net)	(i)	-	(0.98)	(0.98)
Loss for the year (A)		(1.49)	(182.19)	(183.68)
Other comprehensive income				
Items that will be reclassified to profit or loss		-	-	-
Items that will not be reclassified to profit or loss		-	-	-
Tax on above		-	-	-
Other comprehensive Income for the year		-	-	-
Total comprehensive Income for the year		(1.49)	(182.19)	(183.68)

(iii) Reconciliation of Equity as at April 1, 2016 and March 31, 2017

	Rs in lakhs	
	As at	As at
	March 31, 2017	April 1, 2016
Total Equity (Shareholder's funds) under previous GAAP	1,758.95	1,760.45
Preference shares regrouped under borrowings	(1,800.00)	(1,800.00)
Preference share interest	(360.00)	(180.00)
Financial liabilities fair valued	13.26	16.43
Deferred tax impact	(4.10)	(5.08)
Total equity under Ind AS	(391.87)	(208.19)

(iv) No material impact on cash flow statement



Notes to First-time adoption:

(i) Deferred taxes:

Under previous GAAP, deferred taxes were recognised based on profit and loss approach i.e. tax impact on difference between the accounting income and taxable income. Under Ind AS, deferred tax is being recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of asset and liabilities in the books and their respective tax base. Also, deferred tax have been recognised on the adjustments made on transition to Ind AS. Deferred tax asset has been recognised to the extent Company has reasonable certainty over future taxable profits as against virtual certainty under the previous GAAP.

(ii) Financial Liabilities:

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.

NOTE 32

Recent accounting pronouncements

IND AS 115 - Revenue from Contracts with Customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers effective from April 1, 2018. The core principle of the new standard is that an entity should recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service (ie an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

Control of an asset refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Control includes the ability to prevent other entities from directing the use of, and obtaining the benefits from, an asset.

Ind AS 12 - Income Taxes:

Amendments to Ind AS 12, Income Taxes clarifying the requirements for recognising deferred tax assets on unrealised losses. The amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. They also clarify certain other aspects of accounting for deferred tax assets. These amendments only clarify the existence of guidance of Ind AS 12 and do not change the underlying principles for recognition of deferred tax asset.

The management is yet to assess the impact of the aforesaid amendments on the Company's financial information.

NOTE 33

The Company is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management does not expect any material difference affecting the current year's financial statements due to the same.

NOTE 34

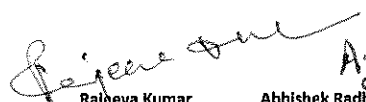
The financial statements were approved for issue by the Board of Directors on June 07, 2018.

Significant accounting policies


4

The accompanying notes are an integral part of the financial statements

For and on behalf of the Board of Directors
Eastern Ramganga Valley Hydel Projects Company Private Limited


Rajneva Kumar
Director
DIN No. 07484818


Abhishek Radhakrishnan Ajmera
Director
DIN No. 07513679


Khyatee Chirayu Vyas
Company Secretary


Shivam Kumar Shivesh
Chief Financial Officer

Place: Noida
Date: 07th June, 2018

