

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Madhya Bharat Power Corporation Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of Madhya Bharat Power Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards referred specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control

system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- d. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report is in agreement with the books of account; and
- e. in our opinion, the Financial Statements comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
- f. From examination of books of accounts and other relevant records for the purpose of audit, we have not come across any financial transactions or matters which have any adverse effect on the functioning of the Company.
- g. On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act.
- h. There is no qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith.

j. With respect to the other matters included in the auditor's report and to best of our information and according to the explanation given to us.

1. There are no pending litigations which have impact on the financial position of the Company requiring disclosure in the financial statements.
2. There are no material foreseeable losses on long term contracts including derivative contracts which require provision under the applicable law or Accounting Standards.
3. There are no amounts required to be transferred, to the investor's education and protection fund by the company.

For M.M. Jain & Associates
Chartered Accountants
FRN 112538W

-Sd/-

Suraj Khandelwal
Partner

Membership No. 158941

RAIPUR
DATED: 23 MAY 2015

Annexure referred in our report of even date;

- i) On the basis of such checks as we considered appropriate and in terms of information & explanations given to us we state that: -
 - a) The Company has maintained proper records in electronic mode showing full particulars including quantitative details and situation of fixed assets.
 - b) All the major assets except certain low value items of Furniture, Fixtures and Office Equipment have been physically verified by the Management at reasonable intervals. As informed, no material discrepancies were noticed on such verification.
- ii) The Company is in the project construction phase. Accordingly, the provisions of sub clause (a), (b) and (c) of Paragraph 3 Clause (ii) of the Companies (Auditor's Report) Order 2015 in respect of inventories are not applicable to the Company.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of sub clause (a) and (b) of Paragraph 3 clause (iii) of the Order are not applicable to the Company.
- iv) In our opinion and according to the information & explanations given to us, there is adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchases of fixed assets. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system. The activity of the Company during the year did not involve purchase of inventory or sale of goods and services, accordingly provisions of Paragraph 3 clause (iv) of the Order, to this extent are not applicable to the Company.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit during the year. Also, according to the information furnished to us, no order has been passed on the Company by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for non-compliance with the provisions of sections 73 to 76 of the Companies Act, 2013.
- vi) The Central Government has prescribed Companies (Cost Accounting Records) Rules, 2014 for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the Company's proposed activities. However, this clause is presently not applicable, as the Company's project is under implementation stage.
- vii) a) In our opinion and according to the information and explanations given to us, the Company is generally regular in depositing with the appropriate authorities, undisputed statutory dues including Provident Fund, Investor Education and

Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period of more than six months from the date of becoming payable.

- b) There are no statutory dues which have not been deposited on account of any dispute and (c) there are no amounts required to be transferred to Investor Education and Protection Fund.
- viii) The Company's accumulated losses at the end of the financial year are not more than 50% of its net worth, and it has incurred cash loss of ` 3.11 Lacs in current financial year and ` 2.67 Lacs during the immediately preceding financial year.
- ix) Based on our audit procedures and according to the information and explanations given to us, we have observed that the Company has not paid dues of Rs. 668.57 Lacs to financial institutions since 15.01.2015. The Company has explained that it has not paid the dues because it is considering restructuring/ rescheduling of the loan with the lenders.
- x) According to the information and explanations given to us, the Company has not given corporate guarantees for loans taken by others from banks/financial institutions.
- xi) On the basis of information and explanation given to us, the term loans have been applied for the purpose for which the loans were obtained except the funds deployed temporarily elsewhere.
- xii) In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For M.M.Jain & Associates
Chartered Accountants
FRN 112538W

-Sd/-

Suraj Khandelwal
Partner

RAIPUR
DATED: 23 MAY 2015

Membership No. 158941

MADHYA BHARAT POWER CORPORATION LIMITED
Balance Sheet as at 31-03-2015

	Particulars	Note	As at	As at
			31.03.2015	31.03.2014
			Rs. In Lacs	Rs. In Lacs
I.	EQUITY AND LIABILITIES			
1	Share Holders' Funds			
	Share capital	3	6,053.00	4,753.00
	Reserves and surplus	4	8,026.54	6,079.65
			14,079.54	10,832.65
2	Share application money pending allotment		453.00	-
3	Non-current liabilities			
	Long-term borrowings	5	24,765.90	25,004.00
	Other Long term liabilities	6	80.61	924.27
	Long term Provisions	7	39.00	42.71
			24,885.51	25,970.98
4	Current liabilities			
	Other current liabilities	8	1,004.63	973.58
	Short-term provisions	9	2.69	1.17
			1,007.32	974.75
			40,425.37	37,778.38
II.	ASSETS			
1	Non-current assets			
	Fixed assets			
	Tangible assets	10	1,200.76	782.98
	Intangible assets	10A	379.42	-
	Capital work-in-progress	10	35,332.27	27,674.27
			36,912.45	28,457.25
	Non-current investments			
	Long-term loans and advances	11	3,398.81	5,014.13
	Other non-current assets	12	1.78	1.78
			3,400.59	5,015.91
2	Current assets			
	Cash and bank balances	13	97.84	3,824.42
	Short-term loans and advances	14	14.49	30.37
	Current assets	15	-	76.11
	Current Investments	16	-	374.31
			112.33	4,305.21
			40,425.37	37,778.38

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 1 and 2

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

For M.M. Jain & Associates
Chartered Accountants
FRN 112538W

-Sd/-
Suraj Khandelwal
Partner
Mem No. 158941

-Sd/-
K.K. Sarda
Chairman

-Sd/-
Dr. BM Goswami
Whole Time Director

-Sd/-
Shilpa Rathod
CFO

-Sd/-
Manish Sethi
Company Secretary

RAIPUR
DATED : 23 MAY 2015

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MADHYA BHARAT POWER CORPORATION LIMITED
Statement of Profit and Loss for the year ended on 31st March 2015

	Particulars	Note	2014-15	2013-14
			Rs. In Lacs	Rs. In Lacs
I.	Revenue from operations		-	-
II.	Other income		-	-
III.	Total Revenue (I + II)		-	-
IV.	Other expenses:			
	ROC Filing fees and expenses			
	Filing Expenses	0.05		
	Filing Fees	0.35	0.40	0.05
	Professional Tax		0.18	0.10
	Payment to Auditor	17	2.53	2.53
	Total expenses		(3.11)	(2.67)
V.	Losses before Tax (III-IV)		(3.11)	(2.67)
VI.	Tax expense:			
	Current tax		-	-
	Deferred tax		-	-
VII.	Loss for the period (V - VI)		(3.11)	(2.67)
VIII.	Earnings per equity share:			
	Basic & Diluted	23	(0.006)	(0.006)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 1 and 2

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

For M.M. Jain & Associates
Chartered Accountants
FRN 112538W

Suraj Khandelwal
Partner
Mem No. 158941

-Sd/-
K.K. Sarda
Chairman

-Sd/-
Dr. BM Goswami
Whole Time Director

-Sd/-
Shilpa Rathod
CFO

-Sd/-
Manish Sethi
Company Secretary

RAIPUR
DATED : 23 MAY 2015

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MADHYA BHARAT POWER CORPORATION LIMITED
Cash Flow statement for the year ended 31st March 2015

Particulars	31.03.2015	31.03.2014
	Rs. In Lacs	Rs. In Lacs
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss as per Statement of Profit and Loss	(3.11)	(2.67)
Net cash used in operating activities	(3.11)	(2.67)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investment in Fixed assets including Capital WIP	(6,836.77)	(10,810.32)
(Increase)/decrease in short term investments and Loans & advances	390.19	(363.40)
Increase in short term provisions	1.52	(16.13)
Increase in long term provisions	(3.71)	18.23
Increase in long term liability on capital account	(843.66)	425.59
Increase in Current liability on capital account	31.05	174.43
Decrease in Current assets	76.11	(76.11)
Net cash used in investing activities	(7,185.27)	(10,647.72)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from fresh issue of shares	3,699.90	-
Proceeds from long term borrowings	(238.10)	9,286.00
Net cash from financing activities	3,461.80	9,286.00
Increase/ (decrease) in Cash and Cash equivalents (A+B+C)	(3,726.58)	(1,364.39)
Cash and cash equivalents at the beginning of year	3,824.42	5,188.81
Cash and cash equivalents at the end of year	97.84	3,824.42
Increase/ (decrease) in Cash and Cash equivalents	(3,726.58)	(1,364.39)

a) Cash and Cash equivalents include the following

Cash in hand	1.67	1.40
Balances with banks	96.17	3,823.03
	97.84	3,824.42

b) Previous year figures have been recast/restated wherever necessary.

c) Figures in brackets represent outflows.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

For M.M. Jain & Associates
Chartered Accountants
FRN 112538W

-Sd/-
Suraj Khandelwal
Partner
M no. 158941

-Sd/-
K.K. Sarda
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Whole Time Director

-Sd/-
Shilpa Rathod
CFO

-Sd/-
Manish Sethi
Company Secretary

RAIPUR
DATED : 23 MAY 2015

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Notes to Financial Statements for the year ended 31st March, 2015

1. CORPORATE INFORMATION

Madhya Bharat Power Corporation Limited is an Unlisted Public company domiciled and incorporated under provisions of Companies Act, 1956. The Company is implementing 96 MW Rongnichu Hydro Power Plant in East Sikkim, and is in the business of hydro electricity consultancy. The plant shall have two units of 48 MW each. The plant is in construction phase.

2. BASIS OF PREPARATION

a) Accounting Convention

These financial statements have been prepared under historical cost convention from books of accounts maintained on an accrual basis (unless otherwise stated hereinafter) in conformity with accounting principles generally accepted in India and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and referred to Sec 129 & 133 of the Companies Act, 2013, of India. The accounting policies applied by the company are consistent with those used in previous year.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent liabilities as at the date of financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Current and Non-current classification

An asset or a liability is classified as current when it satisfies any of the following criteria:

- i. it is expected to be realized / settled, or is intended for sale or consumption, in the Company's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is expected to be realized / due to be settled within twelve months after the reporting date;
- iv. the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

2.1 Summary of significant accounting policies

a) Presentation and disclosure of financial statements

These financial statements have been prepared as per Schedule III notified under the Companies Act 2013. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

b) Tangible Fixed Assets

Tangible assets are stated at cost, net of recoverable taxes less accumulated depreciation / amortization and impairment losses if any. Cost comprises purchase price and any attributable costs of bringing the asset to its working condition for its intended use.

All costs, including administrative, financing and general overhead expenses, as are specifically attributable to construction of a project or to the acquisition of a fixed asset or bringing it to its working condition, is included as part of the cost of construction of project or as a part of the cost of fixed asset, till commencement of commercial production. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized as aforementioned.

Subsequent expenditure related to an item of tangible assets is added to its book value only, if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Intangible Fixed Assets

Forest Land taken for use from State Government (without transfer of title) and expenses on relief and rehabilitation and also on creation of alternate facilities for land evacuees in lieu of existing facilities coming under submergence and where construction of such alternate facilities is a specific precondition for the acquisition of land for the purpose of the project, are accounted for Land - Right of use to be amortized over a period of 35 years from the date of commercial operation of the project.

Capital Work in Progress

Projects/fixed assets under installation including other capital work in progress are carried at cost, comprising direct cost, related incidental expenses and attributable cost. Advances for Capital work in progress are shown under Non Current Assets.

The amount paid towards Catchment Area Treatment plan has been accumulated under Civil Work in Progress.

C) Depreciation on Tangible Fixed Assets

During the year, the Company has revised depreciation rate on certain fixed assets as per the useful life specified in the Companies Act, 2013. Assets valuing Rs. 5000/- or less and such items (excluding immovable assets) are fully depreciated during the year. Had there been no change in useful life of assets, depreciation for the year would have been lower by Rs. 13.54 lacs. Depreciation on account of assets whose useful life is already exhausted as on 1st April 2014 amounts to Rs. 9.69 lacs .

d) Investments

Current investments are carried at the lower of cost and fair value determined by category of investment. Long-term investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

e) Employee Benefits

i. Retirement benefits in the form of Provident fund contribution to the Statutory Provident Fund is a defined contribution scheme and the payments are charged to the Statement of Profit and Loss of the year when the payments to the respective funds are due. There are no obligations other than contribution payable to Provident Fund Authorities.

ii. Liability for Gratuity is ascertained on Actuarial Valuation basis using projected unit credit method at each balance sheet date. Actuarial gains/losses are immediately recognized in the books of account and are not deferred.

f) Borrowing Cost

Borrowing cost includes interest, commitment charges on bank borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset. The amount of borrowing costs eligible for capitalization is determined in accordance with Accounting Standard 16 "Borrowing Costs". Other borrowing costs are recognized as an expense in the period in which they are incurred.

g) Earnings per share

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20 "Earnings per Share". Basic EPS is computed by dividing the net profit or loss attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all potential equity shares, except where the results are anti-dilutive.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding without a corresponding change in resources.

h) Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

i) Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of cash flow statement, Cash and cash equivalents comprise cash at bank and in hand and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

j) Contingent Liabilities

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 recognized because it is not probable that an outflow of resources will be required to settle the obligation is reported as contingent liability. In rare cases, when a liability cannot be measured reliably, it is classified as contingent liability. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

3 SHARE CAPITAL

	31.03.2015		31.03.2014	
	Nos. in Lacs	Rs. In Lacs	Nos. in Lacs	Rs. In Lacs
Authorised Equity Shares of Rs. 10/- each	1,000.00	10,000.00	1,000.00	10,000.00
Issued, Subscribed & Paid up capital: Equity Shares of Rs. 10/- each fully paid	605.30	6,053.00	475.30	4,753.00
	605.30	6,053.00	475.30	4,753.00

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	31.03.2015		31.03.2014	
	Nos. in Lacs	Rs. In Lacs	Nos. in Lacs	Rs. In Lacs
Shares outstanding at the beginning of the year	475.30	4,753.00	475.30	4,753.00
Shares Issued during the year	130.00	1,300.00	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	605.30	6,053.00	475.30	4,753.00

(b) Terms/rights attached to equity shares:

The Company has only one class of equity shares referred to as equity shares having a par value of Rs. 10/-. Each shareholder of equity shares is entitled to one vote per share.

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. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the company and shares held by the holding company

Name of Shareholder	31.03.2015		31.03.2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sarda Energy and Minerals Limited (Holding company)	409.14	67.59%	279.14	58.73%
Chhattisgarh Investments Limited	193.16	31.91%	193.16	40.64%
TOTAL	602.30		472.30	

4 RESERVES AND SURPLUS

	31.03.2015	31.03.2014
	Rs. In Lacs	Rs. In Lacs
Securities Premium Account		
Opening Balance	6,092.75	6,092.75
Add : Securities Premium on issue of shares during the year	1,950.00	-
Closing Balance	8,042.75	6,092.75
(Deficit) in the Statement of Profit and Loss		
Opening balance	(13.10)	(10.43)
Add : Net Loss for the year	(3.11)	(2.67)
Closing Balance	(16.21)	(13.10)
Total	8,026.54	6,079.65

5 LONG TERM BORROWINGS

	31.03.2015	31.03.2014
	Rs. In Lacs	Rs. In Lacs
Term loans (Secured)		
From Financial Institutions	24,765.90	25,004.00
Total	24,765.90	25,004.00

Terms of Repayment

The term loans are repayable in 42 equal quarterly installments on 15th of every April, July, Oct, and Jan. commencing on the first standard due date after 48 months from the date of first disbursement to the project or the first repayment date falling 6 months after commencement of COD, whichever is earlier.

The Company has submitted a proposal to the lenders for additional loan to finance the cost overrun and to extend the date of commercial operation and accordingly rescheduling of the repayment of term loan . The proposal is under active consideration with the lenders .The amount of Term Loan of Rs.668.57 lacs has already fallen due for the payment and Rs. 3626.67 lacs falling due within next 1 year has not been classified as current liability, because the company feels that the repayment will be rescheduled and will not be required to be repaid within next 1 year.Further the loan has not yet been disbursed in full.

Security

Term loans are secured by hypothecation of Movable Project Assets, including movable plant and machinery, machinery spares etc both present and future. Moreover, 51% of the Promoter's equity interest representing 51% of the project equity capital is pledged in favour of the security agent at all times, until the settlement date.

6 OTHER LONG TERM LIABILITIES

	31.03.2015	31.03.2014
	Rs. In Lacs	Rs. In Lacs
Security Deposit From Contractors	80.61	924.27
Total	80.61	924.27

7 LONG TERM PROVISIONS

	31.03.2015	31.03.2014
	Rs. In Lacs	Rs. In Lacs
Provision for employee benefits		
Gratuity Payable	39.00	42.71
Total	39.00	42.71

8 OTHER CURRENT LIABILITIES

	31.03.2015	31.03.2014
	Rs. In Lacs	Rs. In Lacs
Interest on Term Loan Payable	498.62	422.57
Other Payables		
Indirect Taxes payable	32.55	28.55
TDS Payable	20.84	25.78
Security Deposits from Contractors	8.03	28.49
Salary & Reimbursements	31.27	38.83
Liabilities for Expenses and works	413.32	429.35
Total	1,004.63	973.58

9 SHORT TERM PROVISIONS

	31.03.2015	31.03.2014
	Rs. In Lacs	Rs. In Lacs
Provision for employee benefits		
Gratuity	2.69	1.17
Total	2.69	1.17

9.1

As per Accounting standard 15 "Employee benefits", the disclosures as required in the Accounting Standard are given below:

The present value of defined obligation and the related current service cost were measured using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date.

The following table sets out the funded status of the gratuity plan and the amounts recognized in the Company's balance sheet as at 31st March 2015.

	2014-15	2013-14
	Rs. In Lacs	Rs. In Lacs
Assumptions		
Discount Rate (beginning of the year)	9.20%	8.00%
Discount Rate (end of the year)	7.74%	9.20%
Rate of increase in Compensation levels	15%	15%
Rate of Return on Plan Assets	-	-
Table showing changes in present value of obligations		
Present Value of Obligation as at the beginning of the year	34.53	14.82
Acquisition adjustment	-	-
Interest Cost	2.67	1.36
Current Service Cost	9.12	10.94
Curtailement Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Benefits paid	-	-
Actuarial (gain) / loss on obligations	(5.15)	7.39
Present Value of Obligation as at the end of the year	41.16	34.53
Table showing changes in the Fair value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	-	-
Acquisition Adjustments	-	-
Expected Return of Plan Assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial Gain / (loss) on Plan Assets	-	-
Fair Value of Plan Assets at the end of the year	-	-
Tables showing Fair Value of Plan Assets		
Fair value of plan asset at the beginning of year	-	-
Acquisition adjustments	-	-
Actual return on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
Fair value of plan assets at the end of year	-	-
Funded status	(41.16)	(34.53)
Excess of actual over estimated return on plan assets	-	-
Actuarial Gain / Loss Recognized		
Actuarial (gain) / loss for the year – Obligation	(5.15)	7.39
Actuarial (gain) / loss for the year – Plan Assets	-	-
Total (gain) / loss for the year	(5.15)	7.39
Actuarial (gain) / loss recognized in the year	(5.15)	7.39
Unrecognized actuarial (gains) / losses at the end of year	-	-

The amounts to be recognized in Balance Sheet and Statement of Profit & Loss		
Present value of obligation as at the end of the year	41.16	34.53
Fair value of Plan Assets as at the end of the year	-	-
Funded status	(41.16)	(34.53)
Net Asset / (Liability) Recognized in Balance Sheet	(41.16)	(34.53)
Expense recognized in the Statement of Profit & Loss		
Current Service Cost	9.12	10.94
Interest Cost	2.67	1.36
Expected Return of Plan Assets	-	-
Curtailement Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Net actuarial (gain) / loss recognized in the year	(5.15)	7.39
Expenses recognized in the Statement of Profit & Loss	6.64	19.70

11 LONG TERM LOANS AND ADVANCES

	31.03.2015	31.03.2014
	Rs. In Lacs	Rs. In Lacs
Capital Advances		
Secured	1,883.42	3,085.01
Unsecured, considered good	1,481.28	1,788.03
Security Deposits		
Unsecured, considered Good	1.39	3.01
Other loans and advances		
Unsecured, considered Good		
TDS Receivable	15.27	70.38
Prepaid Expenses	17.45	67.69
Total	3,398.81	5,014.13

Secured Capital advances include mobilisation advances given to Hydro Mechanical and Electro Mechanical works' contractor secured by different Bank Gurantees and other securities .

12 OTHER NON CURRENT ASSETS

	31.03.2015	31.03.2014
	Rs. In Lacs	Rs. In Lacs
Others		
Unsecured, considered good		
Unamortized Expenses		
Misc. Expenses (ASSET)	1.78	1.78
Total	1.78	1.78

13 CASH AND BANK BALANCES

	31.03.2015	31.03.2014
	Rs. In Lacs	Rs. In Lacs
Balances with banks		
In current account (TRA Account)	96.17	108.03
In Fixed Deposits	-	3,715.00
Cash on hand	1.67	1.40
Total	97.84	3,824.42

The Company has opened a Trust and Retention Agreement Account as a designated account in pursuance of terms of Facility agreement, and as per terms of the agreement all the project expenses whether direct or indirect shall be routed through Trust and Retention Account and further proceeds from investments and reinvestments shall be credited to that account only.

14 SHORT TERM LOANS AND ADVANCES

	31.03.2015	31.03.2014
	Rs. In Lacs	Rs. In Lacs
Others		
Advances to vendors and others	10.38	0.48
Prepaid expenses	4.11	29.89
Prepaid SA Fees (PFC)		
Total	14.49	30.37

15 OTHER CURRENT ASSETS

	31.03.2015	31.03.2014
	Rs. In Lacs	Rs. In Lacs
Interest accrued on Fixed deposits	-	76.11
Total	-	76.11

16 SHORT TERM INVESTMENTS

	31.03.2015	31.03.2014
	Rs. In Lacs	Rs. In Lacs
Investments in Mutual Fund	-	374.31
NIL units (PY : 27400.917 Units) of IDBI Liquid Fund - Direct Plan - Growth		
Total	-	374.31
Aggregate Market value of quoted investments	-	377.00

17 PAYMENTS TO AUDITOR

	31.03.2015	2013-14
	Rs. In Lacs	Rs. In Lacs
As Auditor:		
As audit fees	2.53	2.53
Tax audit fees	-	-
Other services	-	-
Reimbursement of expenses	-	-
Total	2.53	2.53

18 FINANCE COSTS (Capitalized as part of project cost)

	2014-15	2013-14
	Rs. In Lacs	Rs. In Lacs
Interest expense (for the FY)	3,228.15	2,248.72
Other borrowing costs (for the FY)	18.35	30.28
Total	3,246.50	2,279.00

19 CAPITAL AND OTHER COMMITMENTS

Estimated amount of Contracts remaining to be executed on Capital Account net of advance given **Rs. 26439.94** lacs (PY Rs. 23889.91 lacs).

20 CONTINGENT LIABILITIES

	31.03.2015	31.03.2014
	Rs. In Lacs	Rs. In Lacs
Claim against the company not acknowledged as debt *	1,321.16	9,199.05
Total	1,321.16	9,199.05

* Claim against the company comprises idle time claimed by main Civil Contractor M/s. SEW Infrastructures Limited amounting to Rs.13,21.16 lacs on the Balance Sheet date, However the company is contesting the demand by counter claim on the contractor for breach of settlement agreement.

Several claims against the company in respect of higher compensation for land acquired for project and damage compensation of properties are under litigation and financial liability that may arise on account of such claims cannot be quantified due to impracticabilities associated therewith.

21 RELATED PARTY DISCLOSURES

a) Names of Related Parties and description of relationship

Description of Relationship	Names of Related Parties
Holding Company	Sarda Energy & Minerals Limited
Associate	Chhattisgarh Investments Limited
Key Managerial Personnel	Dr. B.M.Goswami
	G.K. Chhangani (Upto 31.01.2015)
	Padam Kumar Jain
	Miss Shilpa Rathod
	Manish Sethi

b) Material transactions with Related Parties

	Holding Company	Associate	Key Managerial Personnel
	Rs. In Lacs	Rs. In Lacs	Rs. In Lacs
Equity Investment	4,091.40 (NIL)	NIL (NIL)	NIL (NIL)
Share Application Money	453.00 (NIL)	NIL (NIL)	NIL (NIL)
Loans/ Advances accepted	NIL (NIL)	NIL (NIL)	NIL (NIL)
Loans/ Advances repaid	NIL (NIL)	NIL (NIL)	NIL (NIL)
Rent paid	NIL (NIL)	3.00 (3.00)	NIL (NIL)
Remuneration and sitting fees paid			92.98 (69.93)

Note: Figures in brackets represents previous year's figures.

22 Particulars of unhedged foreign currency exposure as at the reporting date

Particulars	Currency	31.03.2015		31.03.2014	
		FC	INR	FC	INR
Payable	USD	28.62	1,791.31	28.62	1,713.75
Payable	EURO	11.11	750.00	11.11	913.86

23 Earnings Per Share (EPS)

	2014-15	2013-14
	Rs. In Lacs	Rs. In Lacs
Net Loss for the period	(3.11)	(2.67)
Nominal Value of Equity Shares	Rs. 10/-	Rs. 10/-
Weighted average number of Equity Shares used as denominator for calculating EPS	506.72	475.30
Basic and Diluted Earnings Per Share	(0.006)	(0.006)

- 24** During the financial year search & survey operation was conducted in the premises of the company u/s 132 & 133A of Income Tax Act, 1961. In the course of search some documents and records were seized by the survey team. The company doesn't foresee any liability at this stage. However provision if any required shall be made after completion of block assessment.

Signature to Notes "1" to "24"

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

For M.M. Jain & Associates
Chartered Accountants
FRN 112538W

-Sd/-
Suraj Khandelwal
Partner
Mem No. 158941

-Sd/-
K.K. Sarda
Chairman

-Sd/-
Dr B.M. Goswami
Whole Time Director

-Sd/-
Shilpa Rathod
CFO

-Sd/-
Manish Sethi
Company Secretary

RAIPUR
DATED : 23 MAY 2015

RAIPUR
DATED : 23 MAY 2015