

OPSinghania & Co.

CHARTERED ACCOUNTANTS
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Independent Auditor’s Report To the Members of Parvatiya Power Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **Parvatiya Power Limited** (“the Company”) which comprise the balance sheet as at 31st March 2015, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Standalone 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31st March 2015;
- (ii) in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- (iii) 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 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.
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 purposes of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;

- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **OPSinghania & Co.**
(ICAI Firm Regn. No.002172C)
Chartered Accountants

-Sd/-

per Sanjay Singhania
Partner
Membership No.076961

Raipur, 11th May, 2015

Re: PARVATIYA POWER LIMITED

Referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date,

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals, which, in our opinion, is reasonable, looking to the size of the company and the nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification
- (ii) (a) As explained to us, inventories have been physically verified during the year by the management. In our opinion, the frequency of the verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the inventory records of the company, we are of the opinion that, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) (a) The company has granted unsecured loans to a company covered in the register maintained under section 189 of the companies Act, 2013 during the year.
- (b) As explained to us the principal amounts are repayable on demand, whereas the interest is payable annually at the discretion of the company.
- (c) As explained to us, there was no overdue amount in respect of loan granted to companies listed in the register maintained under Section 189 of the Companies Act,2013.
- (iv) In our opinion and according to the information & explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business for the purchase of fixed assets and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) In our opinion and according to the information and explanations given to us, the company has not taken any deposits from public; therefore the provisions of clause 4(v) of the Companies (Auditor's Report) Order, 2015 are not applicable to the company.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of Company's products to which the said rules are made applicable and are of the opinion that, prima facie, the prescribed accounts and records, have been made and maintained. We have, however, not made a detailed examination of the records.

- (vii) (a) According to the information & explanations given to us, during the year the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. According to the information & explanations given to us, no undisputed amounts of statutory dues as stated above were in arrears as at 31st March 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
- (c) According to the information and explanations given to us, there was no amount required to be transferred to investor education and protection fund during the year in accordance with the relevant provisions of the Companies Act,2013.
- (viii) In our opinion, the company has no accumulated losses at the end of the financial year and the company has not incurred any cash loss during the current financial year covered under audit, as well as in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to the banks or financial institution.
- (x) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly the provisions of clause 3(x) of the Companies (Auditor's Report) Order, 2015 are not applicable to the company.
- (xi) In our opinion, the term loans have been applied progressively for the purpose for which the loans were obtained.
- (xii) In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year. Therefore, the provisions of clause (xii) of the Companies (Auditor's Report) Order, 2015 are not applicable to the company.

For **OPSinghania & Co.**
(ICAI Firm Regn. No.002172C)
Chartered Accountants

-Sd/-

per Sanjay Singhanian
Partner
Membership No.076961

Raipur, 11th May, 2015

Parvatiya Power Limited			
Balance Sheet as at 31st March, 2015			
Particulars	Note No.	31st March 2015	31st March 2014
		Amount (Rs.)	Amount (Rs.)
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	3	15,356,500	15,356,500
(b) Reserves and surplus	4	252,845,032	224,123,196
Non-current liabilities			
(a) Long-term borrowings	5	-	20,000,000
(b) Long-term provisions	6	580,831	397,326
Current liabilities			
(a) Other current liabilities	7	21,232,578	21,045,184
(b) Short-term provisions	8	1,700,724	612,158
TOTAL		291,715,666	281,534,364
ASSETS			
Non-current assets			
(a) Fixed assets			
Tangible assets	9	238,653,318	248,299,229
Intangible assets	10	2,025,567	2,700,756
(b) Non Current Investment	11	36,937,500	24,000,000
Current assets			
(a) Inventories	12	200,971	200,971
(b) Trade receivables	13	11,344,441	4,039,852
(c) Cash and Bank balances	14	1,477,137	943,468
(d) Short-term loans and advances	15	1,076,732	1,350,088
TOTAL		291,715,666	281,534,364
Significant accounting policies	1 & 2		

The accompanying notes are integral part of the financial statements.

As per our report of even date

For OPSinghania & CO.

(Firm Reg. No.002172C)

Chartered Accountants

For and on behalf of the Board of Directors of
Parvatiya Power Limited

-Sd/-

per Sanjay Singhania
Partner

Membership No.076961

-Sd/-

Kamal Kishore Sarda
(Director)

-Sd/-

Sheen Agarwal
(Director)

Place : Raipur

Date : 11.05.2015

Parvatiya Power Limited			
Statement of Profit and Loss for the year ended 31st March, 2015			
Particulars	Note No.	2014-15	2013-14
		Amount (Rs.)	Amount (Rs.)
I. Revenue from operations	16	64,241,198	66,620,486
II. Other income	17	50,410	29,851
III. Total Revenue (I + II)		64,291,608	66,650,337
IV. Expenses:			
Employee benefits expenses	18	6,992,276	5,782,126
Operating and Other expenses	19	7,177,127	8,044,759
Finance costs	20	3,340,602	5,858,535
Depreciation/amortization expense		10,462,890	19,681,109
Total Expenses		27,972,895	39,366,529
V. Profit before tax (III - IV)		36,318,713	27,283,807
VI. Tax expense:			
Current tax		7,400,000	5,265,000
Tax related to earlier year		196,877	(307)
VII. Profit for the year (V - VI)		28,721,836	22,019,114
VIII. Earnings per equity share:	21		
Basic		18.70	14.34
Diluted		18.70	14.34
Significant accounting policies	1 & 2		

The accompanying notes are integral part of the financial statements.

As per our report of even date

For OPSinghania & CO.

(Firm Reg. No.002172C)

Chartered Accountants

For and on behalf of the Board of Directors of
Parvatiya Power Limited

-Sd/-

per Sanjay Singhania

Partner

Membership No.076961

-Sd/-

Kamal Kishore Sarda

(Director)

-Sd/-

Sheen Agarwal

(Director)

Place : Raipur

Date : 11.05.2015

Parvatiya Power Limited

Cash Flow Statement for the year ended 31st March, 2015

	2014-15 Amount (Rs.)	2013-14 Amount (Rs.)
Cash Flow from operating activities		
Profit before tax from continuing operations	36,318,713	27,283,807
Depreciation/amortization on continuing operation	10,462,890	19,681,109
Provision for gratuity	183,505	83,341
Interest Expenses	3,340,602	5,858,535
Interest Income	(50,410)	(29,851)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	50,255,300	52,876,941
Movements in working capital :		
Increase/(decrease) in trade payables	1,275,960	56,701
Decrease/(increase) in trade receivables	(7,304,589)	695,128
Decrease/(increase) in short-term loans and advances	273,356	33,159,440
Cash generated from/(used in) operations	44,500,028	86,788,210
Direct taxes paid (net of refunds)	(7,596,877)	(5,264,693)
Net Cash flow from/(used in) operating activities	A 36,903,151	81,523,517
Cash flows from investing activities		
Purchase of tangible and intangible fixed assets	(141,790)	(3,464,954)
(Increase)/decrease in investments	(12,937,500)	(24,000,000)
Interest received	50,410	29,851
Net cash flow from/(used in) investing activities	B (13,028,880)	(27,435,103)
Cash flows from financing activities		
Proceeds / (Repayment) from long-term borrowings	(20,000,000)	(24,478,137)
Proceeds / (Repayment) from short-term borrowings	-	(23,257,820)
Interest paid	(3,340,602)	(5,858,535)
Net cash flow from/(used in) financing activities	C (23,340,602)	(53,594,492)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	533,669	493,922
Cash and Cash Equivalents at the beginning of the year	943,468	449,546
Cash and Cash Equivalents at the end of the year	1,477,137	943,468
Components of cash and cash equivalents		
Cash in hand	22,165	39,887
With banks- on current account	1,454,972	903,581
	1,477,137	943,468

The accompanying notes are integral part of the financial statements.

As per our report of even date

For **OPSinghania & CO.**

(Firm Reg. No.002172C)

Chartered Accountants

For and on behalf of the Board of Directors of
Parvatiya Power Limited

-Sd/-

Per **SANJAY SINGHANIA**

Partner

Membership No.076961

-Sd/-

Kamal Kishore Sarda

(Director)

-Sd/-

Sheen Agarwal

(Director)

Place : Raipur

Date : 11.05.2015

Parvatiya Power Limited

NOTES TO FINANCIAL STATEMENTS

1. Nature of Operations

Parvatiya Power Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act. The company is operating 4.8 M.W.hydro power plant at Loharkhet in Uttarakhand.

2. Basis of preparation

- i) The financial statements are prepared in accordance with the generally accepted accounting principles under the historical cost convention, on going concern concept and in compliance with the accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- ii) The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis except those with significant uncertainties.
- iii) The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2.1 Summary of significant accounting policies

a) 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 amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

b) Tangible Fixed Assets

Tangible Fixed Assets are stated at acquisition cost less depreciation. Cost includes taxes, duties, freight, installation and other direct or allocated expenses upto the date of commercial production.

c) Intangible Assets

Intangible Assets are carried at its cost, less accumulated amortisation and impairment losses, if any. All costs, including financing costs relating to development of intangible assets which takes substantial period of time to get ready for its intended use are also included to the extent they are incurred, till commencement of commercial production.

d) Depreciation

- i) Depreciation is provided on Straight Line Method based on estimated useful life of the assets which is same as envisaged in schedule II of the Companies Act, 2013.
- ii) Depreciation on fixed assets added/disposed off during the year is provided on pro-rata basis.
- iii) Fixed Assets costing below Rs. 5000/- are fully depreciated in the year of acquisition itself.
- iv) Free-hold land and site & land development cost are not depreciated/amortized.
- v) Leasehold land is amortised annually on the basis of tenure of lease period.
- vi) Intangible assets the life of which is not determined are amortised over a period of five years.

e) Investments

- i) Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such is other than temporary, in the opinion of the management.
- ii) Current Investments are stated at lower of cost/quoted fair value, computed categorywise.

f) Government Grants

Government grant of the nature of the promoter's contribution is credited to capital reserve and treated as a part of shareholder's funds.

g) 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.

- i) Sale of Electricity
Revenue is recognised when the significant risks and rewards of ownership of the electricity have passed to the buyer.
- ii) Interest
Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- iii) Dividends
Revenue is recognised when the shareholders' right to receive payment is established by the reporting date.

h) Borrowing Cost

Interest and other costs in connection with the borrowing of the funds to the extent related/attributed to the acquisition/construction of fixed assets are capitalized only with respect to qualifying fixed assets i.e. those which take substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

i) Contingent Liabilities

Liabilities which are material and whose future outcome cannot be reasonably ascertained are treated as contingent and not provided for and disclosed by way of notes to the accounts.

j) Taxes on Income

Current Taxes are accounted based on provisions of Income Tax Act,1961. Deferred Taxes are not recognised for those timing differences which reverse in tax holiday period.

k) Retirement and other Employee Benefits

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

ii) Value of unutilised encashable leave are provided based on obligation on reporting date and charged to the Statement of Profit & Loss.

iii) Gratuity Liability is defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

iv) Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.

l) Provisions

Provisions are recognised, where the company has any legal or constructive obligation or where reliable estimate can be made for the amount of the obligation and as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

m) Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to profit & loss account. If at the balance sheet date there is an indication that previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

n) Cash and Cash equivalents

Cash and Cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

o) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

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

Parvatiya Power Limited		
Notes to Financial Statements for the year ended 31st March, 2015		
3. Share Capital	31.03.2015	31.03.2014
	Amount (Rs.)	Amount (Rs.)
Authorised		
30,00,000 Equity Shares of Rs.10/- each (P.Y.:30,00,000 Shares)	30,000,000	30,000,000
Issued, Subscribed and fully paid-up share		
15,35,650 Equity Shares of Rs.10/- each (P.Y.:15,35,650 Shares) fully paid-up	15,356,500	15,356,500

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

Particulars Equity Share	31.03.2015	31.03.2014
	Number	Number
Shares outstanding at the beginning of the year	1,535,650	1,535,650
Shares Issued during the year	-	-
Shares outstanding at the end of the year	1,535,650	1,535,650

b) **Rights attached to the equity shares**

All the equity shares issued by the company rank pari-passu in all respect and carry equal right in voting and residual assets per share.

c) **Share held by holding company**

7,83,182 Equity Shares (P.Y.: 7,83,182 Equity Shares) of Rs.10/- each constituting 51% of equity shares are held by Sarda Energy & Minerals Limited, the holding company.

d) **Details of shareholders holding more than 5% shares in the 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 LTD	783,182	51.00%	783,182	51.00%
CHHATTISGARH INVESTMENTS LTD	205,938	13.41%	205,938	13.41%
SARDA AGRICULTURE AND PROPERTIES PRIVATE LIMITED	170,000	11.07%	170,000	11.07%
	1,159,120	75.48%	1,159,120	75.48%

4. Reserves & Surplus	31.03.2015	31.03.2014
	Amount (Rs.)	Amount (Rs.)
a. Capital Reserves		
Balance as per last Balance Sheet	36,750,000	36,750,000
Closing Balance	36,750,000	36,750,000
b. Securities Premium Reserve		
Balance as per last Balance Sheet	111,208,500	111,208,500
Closing Balance	111,208,500	111,208,500
c. Surplus		
Opening balance	76,164,696	54,145,582
(+) Net Profit/(Net Loss) For the current year	28,721,836	22,019,114
Closing Balance	104,886,532	76,164,696
Total reserves and surplus	252,845,032	224,123,196

Parvatiya Power Limited		
Notes to Financial Statements for the year ended 31st March, 2015		
5. Long term Borrowings	31.03.2015	31.03.2014
	Amount (Rs.)	Amount (Rs.)
a) Rupee Term loans		
from other Financial Institution (Secured)	-	20,000,000
Total	-	20,000,000
Security and Terms & conditions for above		
1. The Term Loan from IDFC Ltd. is repayable in 32 quarterly instalments starting from 01.05.2008. The loan is secured by hypothecation of company's movable assets (present & future) and equitable mortgage on the immovable assets of the company and also secured by pledge of equity shares of the company held by all the shareholders of the company.		
2. The above term loans are further secured by personal guarantee of a director of the company.		

6. Long term Provisions	31.03.2015	31.03.2014
	Amount (Rs.)	Amount (Rs.)
Provision for Gratuity	580,831	397,326
Total	580,831	397,326

7. Other Current Liabilities	31.03.2015	31.03.2014
	Amount (Rs.)	Amount (Rs.)
Other liabilities		
Current maturities of long-term (Secured Borrowings)	20,000,000	20,000,000
Interest accrued but not due on borrowings	109,825	219,649
TDS payable	25,356	22,028
Others	1,097,397	803,507
Total	21,232,578	21,045,184

8. Short term Provisions	31.03.2015	31.03.2014
	Amount (Rs.)	Amount (Rs.)
Provision for Leave Encashment	5,758	299,063
Provision for taxation (net of advance)	1,694,966	313,095
Total	1,700,724	612,158

Parvatiya Power Limited

9.Tangible Assets	Gross Block			Accumulated Depreciation				Net Block	
	Balance as at 1st April 2014	Additions/ (Disposals)	Balance as at 31.03.2015	Balance as at 1st April 2014	Depreciation charge for the year	On disposals	Balance as at 31.03.2015	Balance as at 31.3.2014	Balance as at 31.03.2015
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Tangible Assets									
Freehold Land	1,383,763	-	1,383,763	-	-	-	-	1,383,763	1,383,763
Leasehold Land	3,798,175	-	3,798,175	1,359,277	126,593	-	1,485,870	2,438,898	2,312,305
Road	1,099,995	-	1,099,995	35,860	1,009,135	-	1,044,995	1,064,135	55,000
Plant and Equipment	354,327,394	5,250	354,332,644	111,609,021	8,350,782	-	119,959,803	242,718,373	234,372,841
Furniture and Fixtures	276,119	-	276,119	239,554	5,560	-	245,114	36,565	31,005
Vehicles	590,332	59,000	649,332	231,810	82,625	-	314,435	358,522	334,897
Office equipment	954,610	77,540	1,032,150	655,637	213,006	-	868,643	298,973	163,507
Total	362,430,388	141,790	362,572,178	114,131,159	9,787,701	-	123,918,860	248,299,229	238,653,318
Previous year	362,341,379	89,009	362,430,388	95,125,239	19,005,920	-	114,131,159	267,216,140	248,299,229

10.Intangible Assets	Gross Block			Accumulated Depreciation				Net Block	
	Balance as at 1st April 2014	Additions/ (Disposals)	Balance as at 31.03.2015	Balance as at 1st April 2014	Depreciation charge for the year	On disposals	Balance as at 31.03.2015	Balance as at 31.3.2014	Balance as at 31.03.2015
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Right to use Land	3,375,945	-	3,375,945	675,189	675,189	-	1,350,378	2,700,756	2,025,567
Total	3,375,945	-	3,375,945	675,189	675,189	-	1,350,378	2,700,756	2,025,567
Previous year	-	3,375,945	3,375,945	-	675,189	-	675,189	-	2,700,756

Parvatiya Power Limited		
Notes to Financial Statements for the year ended 31st March, 2015		
11. Non Current Investment	31.03.2015	31.03.2014
	Amount (Rs.)	Amount (Rs.)
Unquoted equity instruments, fully Paid up		
345600 (240000) equity shares of Rs.10/- each of Sarda Dairy & Food Products Pvt Ltd	34,560,000	24,000,000
75 (nil) equity shares of Rs.10/- each of Apex Equipment Pvt. Ltd.	2,377,500	-
Total	36,937,500	24,000,000
12. Inventories (valued at lower of cost and net realizable value)	31.03.2015	31.03.2014
	Amount (Rs.)	Amount (Rs.)
Stores and spares	200,971	200,971
Total	200,971	200,971
13. Trade Receivables	31.03.2015	31.03.2014
	Amount (Rs.)	Amount (Rs.)
Unsecured, considered good	-	-
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Others	11,344,441	4,039,852
Total	11,344,441	4,039,852
14. Cash and Bank Balance	31.03.2015	31.03.2014
Cash and cash equivalents	Amount Rs.	Amount Rs.
Balances with banks on current account	1,454,972	903,581
Cash in hand	22,165	39,887
	1,477,137	943,468
15. Short term Loans and advances	31.03.2015	31.03.2014
	Amount Rs.	Amount Rs.
Advances recoverable in cash or in kind (Unsecured, Considered good)	315,589	359,585
Others		
Income Tax Refund Receivable	110,551	179,364
Arbitration Claim Receivable	205,515	205,515
Pre-paid Expenses	445,077	605,624
TOTAL	1,076,732	1,350,088
16. Revenue from operation	2014-15	2013-14
	Amount (Rs.)	Amount (Rs.)
Sale of electricity	65,289,845	67,980,087
Less:		
Rebate	1,048,647	1,359,601
Total	64,241,198	66,620,486
17. Other Income	2014-15	2013-14
	Amount (Rs.)	Amount (Rs.)
Interest Income on		
Bank Deposits	34,869	29,851
Others	15,541	-
Total	50,410	29,851
18. Employee Benefits Expense	2014-15	2013-14
	Amount (Rs.)	Amount (Rs.)
(a) Salaries, wages and other benefits	4,887,117	4,424,592
(b) Contributions to Provident fund	224,266	178,081
(c) Gratuity Expenses	215,120	100,476
(d) Employees welfare expenses	1,665,773	1,078,977
Total	6,992,276	5,782,126

Parvatiya Power Limited		
Notes to Financial Statements for the year ended 31st March, 2015		
19. Operating and Other Expenses	2014-15	2013-14
	Amount (Rs.)	Amount (Rs.)
Repair & Maintenance		
- To Plant & Machinery	4,520,208	4,767,623
- To Others	32,750	5,900
Operation & Maintenance	238,849	178,671
Establishment & Site Expenses	240,000	405,103
Electricity Charges	91,087	438,354
Insurance Expenses	397,772	397,394
Rent Rates & Taxes	661,782	738,155
Communication expenses	102,166	73,845
Legal & Professional Fees	211,619	276,560
Travelling & Conveyance Expenses	289,004	243,447
Vehicle Running & Maintenance	47,387	106,114
Printing & Stationery	47,192	30,264
Auditors' remuneration	140,450	140,450
Miscellaneous Expenses	156,861	242,880
Total	7,177,127	8,044,759
Payments to the auditor as	2014-15	2013-14
	Amount (Rs.)	Amount (Rs.)
a. auditor	112,360	112,360
b. for taxation matters	28,090	28,090
Total	140,450	140,450
20. Finance Costs	2014-15	2013-14
	Amount (Rs.)	Amount (Rs.)
Interest on Term Loans	3,336,686	5,851,555
Interest on Others	52	3,013
Bank Charges	3,864	3,967
Total	3,340,602	5,858,535
21. Earnings per share (EPS)	2014-15	2013-14
	Amount (Rs.)	Amount (Rs.)
Net profit/(Loss) as per statement of profit and loss	28,721,836	22,019,114
Net profit/(Loss) for calculation of basic EPS & Diluted EPS	28,721,836	22,019,114
Weighted average number of equity shares in calculating Basic EPS	1,535,650	1,535,650
Weighted average number of equity shares in calculating Diluted EPS	1,535,650	1,535,650
Basic & Diluted EPS		
- Basic earning per share	18.70	14.34
- Diluted earning per share	18.70	14.34

Parvatiya Power Limited

NOTES TO FINANCIAL STATEMENTS

- 22 Contingent Liability not provided for : Rs. NIL (Previous Year Rs.NIL)
- 23 During the year, the Income Tax Department has conducted a search and survey operation in office premises of the company on 11.12.2014 u/s132 and 133A of the Income Tax Act,1961. During the course of search various documents and records have been seized by them. The company does not foresee any liability at this stage, however the due provision of liability, if any, shall be made after completion of the block assessment.
- 24 In the opinion of the Board, the value of realisation of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet.
- 25 The company has charged depreciation on remaining life of the fixed assets based on the remaining life of the fixed assets based on Schedule-II of the Companies Act,2013 which have made effective from 01.04.2014. Consequently the depreciation for the year is lower by Rs.92.89 lacs which includes Rs.1.88 lacs debited to depreciation account related to those assets whose remaining life were nil as on 01.04.2014 as per the transitional provision of Schedule-II.
- 26 No deferred tax assets is provided for timing differences in view of the benefits available u/s 80IA of the Income-tax Act for power division of the company and overall minimum alternative tax payable.
- 27 **Gratuity and other post-employment benefit plans :**
The Company has a defined benefit gratuity plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employees after completion of 5 years of service.The Gratuity liability has not been externally funded.Company makes provision of such gratuity liability in the books of account on the basis of actuarial valuation as per the Projected unit credit method.

The following tables summarise the components of net benefit expense recognized in the statement of profit and loss and the unfunded status and amounts recognized in the balance sheet for the Gratuity.

statement of Profit and Loss

Net employee benefit expense (recognized in Employee Cost)

	Rs. in Lacs	Rs. in Lacs
	(Gratuity)	(Gratuity)
	2014-15	2013-14
Current Service cost	0.71	0.54
Interest cost on benefit obligation	0.39	0.32
Expected return on plan assets	0.00	0.00
Net actuarial loss recognised in the year	1.05	0.14
Past service cost	0.00	0.00
Actual return on plan assets	2.15	1.00

	2014-15	2013-14
Balance Sheet details of provision for Gratuity		
Defined benefit obligation	5.81	3.97
Fair value of plan assets	0.00	0.00
	5.81	3.97
Less : Unrecognised past service cost	0.00	0.00
Plan liability	5.81	3.97

Changes in the present value of the defined benefit obligation are as follows :

	2014-15	2013-14
Defined benefit obligation as at April 1, 2014	3.97	3.26
Interest cost	0.39	0.32
Current Service Cost	0.71	0.54
Benefits paid	(0.31)	(0.29)
Actuarial losses on obligation	1.05	0.14
Defined benefit obligation as at March 31, 2015	5.81	3.97

Since the entire amount of plan obligation is unfunded therefore changes in the fair value of plan assets are not given. Further the entire amount of plan obligation is unfunded therefore categories of plan assets as a percentage of the fair value of total plan assets and Company's expected contribution to the plan assets in the next year is not given.

The principal assumptions used in determining gratuity benefit obligations for the company's plans are shown below :

	2014-15	2013-14
Discount Rate	8.00%	8.00%
Increase in Compensation cost	5.00%	5.00%
Expected average remaining working lives of employee (years)	22.33	23.65

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Contribution to Defined Contribution Plans :

	Rs. in Lacs	
	2014-15	2013-14
Provident Fund	2.24	1.78

28 Related party Disclosures:

Related parties and nature of relationship where control exists:-

Holding Company

Sarda Energy & Minerals Ltd.

Key Managerial Personnel

Mr.Kamal Sarda

Mr.Bhagwati Prasad Agarwal

Mr.Kashmirilal Agarwal

Miss Sheen Agarwal

Enterprises significantly influenced by the key management personnel and their relatives

Chhattisgarh Hydro Power LLP

Kashmirilal Constructions Pvt. Ltd.

Sarda Dairy & Food Products Pvt. Ltd.

Apex Equipment Pvt. Ltd.

Vikash Associates

Transactions with related Parties

A. Enterprises significantly influenced by the key management personnel and their relatives

(Rs.in Lacs)

Nature of Transactions	Holding Company		Enterprises where significant influence exists	
	2014-15	2013-14	2014-15	2013-14
Transactions during the year				
Payment of Services	0.00	0.00	3.57	0.00
Loans Taken	127.10	0.00	0.00	0.00
Repayment of Loans Taken	127.10	202.90	0.00	14.84
Loans Granted	154.80	0.00	0.00	0.00
Repayment received of Loans Granted	154.80	0.00	0.00	0.00
Interest received on Loans Granted	0.16	0.00	0.00	0.00
Investment made	0.00	0.00	129.38	240.00
<u>Closing Balance</u>				
Payable	0.00	0.00	3.57	0.00

B. Details of Material Transaction with related parties

	2014-15	2013-14
Payment of services		
Vikash Associates	3.57	0.00
Loans Taken		
Sarda Energy and Minerals Ltd	127.10	0.00
Repayment of Loan Taken		
Sarda Energy and Minerals Ltd	127.10	202.90
Kashmirilal Constructions (P) Ltd.	0.00	14.84
Loans Granted		
Sarda Energy and Minerals Ltd	154.80	0.00
Repayment received of Loan Granted		
Sarda Energy and Minerals Ltd	154.80	0.00
Interest received on loans granted		
Sarda Energy and Minerals Ltd	0.16	0.00
Investment made		
Sarda Dairy & Food Products Pvt. Ltd.	105.60	240.00
Apex Equipment (P) Ltd.	23.78	0.00
Amount Payable		
Vikash Associates	3.57	0.00

29 There is no Import, no earning in foreign currency and no expenditure in foreign currency during the year.

30 Previous year figures have been recast/regrouped/restated wherever necessary.

For OPSinghania & CO.
(Firm Regn.No.002172C)
Chartered Accountants

-Sd/-

Sanjay Singhania
Partner
Membership No.076961

Place : Raipur

Date : 11.05.2015

**For and on behalf of the Board of Directors of
Parvatiya Power Limited**

-Sd/-

Kamal Kishore Sarda
(Director)

-Sd/-

Sheen Agrawal
(Director)