

RAM PRASAD & CO.

CHARTERED ACCOUNTANTS

Dial: 0671-2506797 (O)

2506495 (R)

PLOT NO. 1215-C,

SECTOR-6, C.D.A.

CUTTACK-753 014

Independent Auditor's Report

To the Members of Sarda Hydro Power Private Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Sarda Hydro Power Private Limited** ("the Company") which comprise the Balance Sheet as at 31st March 2017, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Ind AS financial statements that give a true and fair view of the financial position, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read and read with relevant rules issued 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 standalone 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 standalone 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 standalone 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 standalone Ind AS 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 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 standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 it appears from our examination of those books;
 - c. The Balance Sheet, Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
 - e. On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'. and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company does not have any pending litigations which would impact its financial position in its standalone Ind AS financial statements.
- (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. and
- (iv) The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 08th November 2016 to 30th December 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 7 to standalone Ind AS financial Statements.

RAM PRASAD & CO.
CHARTERED ACCOUNTANTS
Firm's Registration No. 319232E

RAM PRASAD AGRAWALLA
PARTNER
Membership No. 054609

PLACE: CUTTACK
DATE : 15TH APRIL, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT ON STANDALONE IND AS FINANCIAL STATEMENTS

Re: Sarda Hydro Power Private Limited

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

- (i) The Company does not have any fixed assets, hence clause 3(i) of the Order is not applicable to the Company.
- (ii) The Company does not have any inventories and hence clauses 3(ii) (a) to (c) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, 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. Accordingly the provisions of clauses 3(iii) (a) to (c) of the Order are not Applicable and hence not commented upon.
- (iv) The Company has not granted any loans, made investments, guarantees and security under section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from public, hence the directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013. Therefore the provisions of clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year the company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax/Value Added Tax, Service Tax, Customs Duty, Excise Duty, cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax/Value Added Tax, Service Tax, Customs Duty, cess and other material statutory dues were in arrears as at 31 March 2017 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, service tax, custom duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.

- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the Order is not applicable.

ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT (Contd.....)

- (x) In our opinion and according to the information and explanations given to us by the management, we have neither come across any instances of fraud by the Company or any instances of frauds on the Company by its officers or employees, noticed or reported during the year.
- (xi) This being a Private Limited Company, the Provisions of Section 197 is not applicable to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) During the year under review, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him accordingly the provisions of clause 3(xv) of the Order are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

RAM PRASAD & CO.
CHARTERED ACCOUNTANTS
Firm's Registration No. 319232E

RAM PRASAD AGRAWALLA
PARTNER
Membership No. 054609

PLACE: CUTTACK
DATE : 15TH APRIL, 2017

Re: Sarda Hydro Power Private Limited

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

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

We have audited the internal financial controls over financial reporting of **Sarda Hydro Power Private Limited** ("the Company") as of **31st March, 2017** in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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 Companies Act, 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, considering the nature of business, size of operation and organisation structure of the entity, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

RAM PRASAD & CO.
CHARTERED ACCOUNTANTS
Firm’s Registration No. 319232E

RAM PRASAD AGRAWALLA
PARTNER
Membership No. 054609

PLACE: CUTTACK
DATE : 15TH APRIL, 2017

SARDA HYDRO POWER PRIVATE LIMITED
Balance Sheet as at 31st March 2017

	Particulars	Note	INR 31.03.2017	INR 31.03.2016	INR 01.04.2015
	ASSETS				
(1)	Non-current Assets				
(a)	Property, Plant & Equipment			-	
(b)	Capital work-in-progress			-	
(c)	Investment Property			-	
(d)	Other Intangible Assets			-	
(e)	Intangible Assets under development	1	3,228,210	3,182,286	3127868
(f)	Financial Assets			-	
(i)	Investments			-	
(ii)	Loans			-	
(g)	Other Non- current Assets	2	130,313	130,313	130313
			3,358,523	3,312,599	3,258,181
(2)	Current Assets				
(a)	Inventories		-	-	
(b)	Financial Assets				
(i)	Investments			-	
(ii)	Trade receivables			-	
(iii)	Bank, Cash & cash equivalents	3	237,477	278,401	335490
(iv)	Loans			-	
(c)	Other Current Assets			-	
			237,477	278,401	335,490
	TOTAL ASSETS		3,596,000	3,591,000	3,593,671
	EQUITY AND LIABILITIES:				
	Equity				
(a)	Equity Share capital	4	2,745,000	2,745,000	2745000
(b)	Other Equity	5	837,000	837,000	837000
	Liabilities				
	Share application money pending allotment				
(1)	Non-current Liabilities :				
(a)	Financial Liabilities			-	
(i)	Borrowings		-	-	
(ii)	Other long term liabilities			-	
(b)	Provisions			-	
(c)	Deferred tax liabilities (Net)		-	-	
(d)	Other non current liabilities			-	
			3,582,000	3,582,000	3,582,000
(2)	Current Liabilities				
(a)	Financial Liabilities				
(i)	Borrowings			-	
(ii)	Trade Payables			-	
(iii)	Other financial liabilities			-	
(b)	Other current liabilities	6	14,000	9,000	11671
(c)	Provisions			-	
			14,000	9,000	11,671
	TOTAL EQUITY AND LIABILITIES		3,596,000	3,591,000	3,593,671

Summary of significant accounting policies 7
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For RAM PRASAD & CO.
CHARTERED ACCOUNTANTS
Firm's Registration No. 319232E

For and on behalf of the board of directors

KAMAL KISHORE SARDA, Director

RAM PRASAD AGRAWALLA
PARTNER
ICAI M. NO. 54609

RAGHAV SARDA, Director

Place : Cuttack
Date : 15.04.2017

Place : Raipur
Date : 15.04.2017

SARDA HYDRO POWER PRIVATE LIMITED

Explanation of transition to Ind AS

A Reconciliation of equity

	As at date of transition 1 April 2015				As at date of transition 31 March 2016			
	Previous GAAP	Adjustment due to GAAP	Adjustment on transition date to Ind AS	Ind AS	Previous GAAP	Adjustment due to GAAP	Adjustment on transition date to Ind AS	Ind AS
EQUITY AND LIABILITIES:								
Equity	2,745,000		-	2,745,000	2,745,000		-	2,745,000
Equity Share capital								
Other equity								
Capital Reserve	-		-	-	-		-	-
Securities Premium	837,000		-	837,000	837,000		-	837,000
Retained Earnings	-		-	-	-		-	-
Total Equity (a)	3,582,000			3,582,000	3,582,000			3,582,000
Non-current Liabilities :								
Provisions	-			-	-			-
Total Non-current Liabilities :(b)	-			-	-			-
Current Liabilities								
Financial Liabilities								
Other current liabilities	11,671	-	-	11,671	9,000	-	-	9,000
Provisions	-			-	-			-
Total current Liabilities : (c)	11,671			11,671	9,000			9,000
Total Liabilities (b+c)	11,671			11,671	9,000			9,000
Total Equity and Liabilities	3,593,671			3,593,671	3,591,000			3,591,000

B Reconciliation of assets

	As at date of transition 1 April 2015				As at date of transition 31 March 2016			
	Previous GAAP	Adjustment due to GAAP	Adjustment on transition date to Ind AS	Ind AS	Previous GAAP	Adjustment due to GAAP	Adjustment on transition date to Ind AS	Ind AS
ASSETS								
Non Current assets								
Property, Plant & Equipment	-		-	-	-		-	-
Intangible Assets under Development & other Non Current Assets	3,258,181		-	3,258,181	3,312,599		-	3,312,599
Financial Assets:								
(i) Investments	-		-	-	-		-	-
Total Non Current assets	3,258,181			3,258,181	3,312,599			3,312,599
Current assets								
Inventories	-		-	-	-		-	-
Trade Receivables	-		-	-	-		-	-
Bank, Cash & Cash Equivalents	335,490		-	335,490	278,401		-	278,401
Short Term Loans and Advances	-		-	-	-		-	-
Total Current assets	335,490			335,490	278,401			278,401
Total Assets	3,593,671			3,593,671	3,591,000			3,591,000

Explanation of transition to Ind AS

c Reconciliation of total comprehensive income for the year ended on 31 March 2016

	As at date of transition 1 April 2015				As at date of transition 31 March 2016			
	Previous GAAP	Adjustment due to GAAP	Adjustment on transition date to Ind	Ind AS	Previous GAAP	Adjustment due to GAAP	Adjustment on transition date to	Ind AS
Revenue from operations	-		-	-	-		-	-
Other Income	-			-	-		-	-
Total Income	-		-	-	-		-	-
Expenses								
Operating and Other expenses	-		-	-	-		-	-
Employee benefit expense	-		-	-	-		-	-
Finance costs	-		-	-	-		-	-
Interest on Unsecured Loans and Others			-					
Depreciation and amortisation expense	-		-	-	-		-	-
Audit Fees			-			-		7,000
Total Expenses	-		-	-	-		-	7,000
Profit before exceptional items and Taxes			-					(7,000)
Income Tax :								
Current tax	-		-	-	-		-	-
Related to prior periods	-		-	-	-		-	-
Profit and Loss after Tax	-		-	-	-		-	(7,000)

SARDA HYDRO POWER PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	2016-17	2015-16
	INR	INR
A. Cash Flow from operating activities		
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	-	-
B. Cash flow from investing activities		
Increase/(decrease) in other current liabilities	5,000	(2,671)
Decrease/(increase) in long-term loans and advances	-	-
Decrease/(increase) in short-term loans and advances	-	-
Purchase of fixed assets, CWIP	(45,924)	(54,418)
Net cash flow from/ (used in) investing activities	(40,924)	(57,089)
C. Cash flow from financing activities		
Increase in Share Capital and Securites Premium	-	-
Proceeds from short-term borrowings	-	-
Change in Share Application Money	-	-
Net cash flow from (used in) financing activities	-	-
Net Increase(Decrease) in Cash & Cash Equivalents (A+B+C)	(40,924)	(57,089)
Cash and cash Equivalents at the beginning of the year	278,401	335,490
Cash and Cash Equivalents at the end of the year	237,477	278,401
Components of cash and cash equivalents		
Cash in hand	32,997	46,016
With bank-on deposit account	204,480	232,385
TOTAL CASH AND CASH EQUIVALENTS	237,477	278,401

Summary of significant accounting policies

1 & 2

As per our report of even date

For RAM PRASAD & CO.
 CHARTERED ACCOUNTANTS
 Firm's Registration No. 319232E

For and on behalf of the Board of directors

RAM PRASAD AGRAWALLA
 PARTNER
 Membership No. 54609

KAMAL KISHORE SARDA, Director

RAGHAV SARDA, Director

Place : Cuttack
 Date : 15.04.2017

Place: Raipur
 Date: 15.04.2017

SARDA HYDRO POWER PRIVATE LIMITED

Notes to Financial Statement for the year ended 31 March 2017

PARTICULARS	31-Mar-17	31-Mar-16	1-Apr-15
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
1. Intangible assets (under development)			
<u>Project & pre-operative Expenses</u>			
Travelling Expenses	34,210	34,210	33,025
Fees & Subscription	33,210	33,210	31,170
Postage & Telegram	165	165	165
Printing & stationary	43,519	43,313	42,933
Audit Fees	49,500	42,500	35,500
Bank Charges	7,430	5,272	3,846
Legal, Professional & Consultancy charges	119,932	107,812	101,285
Filing exps	7,500	-	-
Registration Charges with CREDA	990,000	990,000	990,000
Interest Paid	92,309	92,309	92,309
Survey & Supervision Charges	1,440,003	1,440,003	1,407,843
Road Construction Work	50,000	50,000	50,000
Vehicle Hiring ,Running & Maintenance Charges	13,432	8,492	6,792
NOC & Clearance Fees	300,000	300,000	300,000
Site Expenses	2,500	2,500	2,500
Preliminary Expenses	30,500	30,500	30,500
Rent	14,000	2,000	-
TOTAL	3,228,210	3,182,286	3,127,868
2. Long term loans and advance			
Advance for Forest land to Govt.	130,313	130,313	130313
	130,313	130,313	130,313
3. Cash and cash equivalents			
Cash-In-hand	32,997	46,016	1365
Balance with Schedule Bank In Current Account	204,480	232,385	334125
TOTAL	237,477	278,401	335,490

SARDA HYDRO POWER PRIVATE LIMITED
Notes to Financial Statement for the year ended 31 March 2017

4 Share capital	31 March 2017 INR	31 March 2016 INR	31 March 2015 INR
	Authorised 500000 (P.Y. : 500000) equity shares of Rs. 10/- each	5000000	5000000
Issued, subscribed and fully paid -up 2,74,500 (P.Y.:2,74,500) equity shares of Rs.10/- each	2745000	2745000	2745000
Total issued, subscribed and fully paid-up share capital	2745000	2745000	2745000

a) Reconciliation of the share outstanding at the beginning and at the end of the reporting period.

Particulars	31 March 2017		31 March 2016		31 March 2015	
	Nos.	INR	Nos.	INR	Nos.	INR
Share the beginning of the period	274,500	2,745,000	274,500	2,745,000	265200	2652000
Share issued during the period	-	-	-	-	9300	93,000
Share Outstanding at the end of the period	274,500	2,745,000	274,500	2,745,000	274500	2745000

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) Shares held by Holding company are as below:-	31 March 2017		31 March 2016		31 March 2015	
	Nos.	INR	Nos.	INR	Nos.	INR
Name of the Holding Company						
Sarda Energy & Minerals Ltd.	164,700	1,647,000	164,700	1,647,000	164700	1647000

d) Details of share holders holding more than 5% share in the Company

Name of Shareholder	31 March 2017		31 March 2016		31 March 2015	
	No. of share held	% of Holding	No. of share held	% of Holding	No. of share held	% of Holding
Sarda Energy & Minerals Ltd.	164,700	60%	164,700	60%	164,700	60%
Chhattisgarh Investments Ltd.	71,370	26%	71,370	26%	71,370	26%
Sri Kamal Kishore Sarda	33,242	12%	33,242	12%	33,242	12%
TOTAL	269,312	98%	269,312	98%	269,312	98%

5 Reserves & Surplus	31-Mar-17	31-Mar-16	31-Mar-15
	INR	INR	INR
a. Securities Premium Reserve			
Balance as per last Balance Sheet	837,000	837,000	837,000
Addition during the year	-	-	-
Closing Balance	837,000	837,000	837,000
Total reserves and surplus	837,000	837,000	837,000

PARTICULARS	31-Mar-17	31-Mar-16	31-Mar-15
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
6 Other Current Liabilities			
Tds Payable	-	-	4671
Rent Payable	-	2,000	0
Audit Fees Payable	14,000	7,000	7000
TOTAL	14,000	9,000	11,671

SARDA HYDRO POWER PRIVATE LIMITED
Notes to Financial Statement for the year ended 31 March 2017

4 **Equity Share Capital**

Particulars	Balance at the beginning of the reporting period(INR)	Changes in equity share capital during the year(INR)	Balance at the end of the reporting period(INR)
Equity Share class A	2,745,000	-	2,745,000
Equity Share class B	-	-	-

5 a **Other Equity**

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus						Items of Other Comprehensive Income						Money received against share warrants	Fund for unforeseen exigencies	Total other equity
			Capital Reserve	Securities Premium Reserve	Debenture Redemption Reserve	General Reserve	Share option outstanding account	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Remeasurements of the defined benefit plans			
Balance as of April 1, 2015	-	-	-	837,000	-	-	-	-	-	-	-	-	-	-	-	-	837,000
Transfer to general reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share based payment to employees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instrument through OCI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ind AS Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as of March 31, 2016	-	-	-	837,000	-	-	-	-	-	-	-	-	-	-	-	-	837,000

b **Other Equity**

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus						Items of Other Comprehensive Income						Money received against share warrants	Fund for unforeseen exigencies	Total other equity
			Capital Reserve	Securities Premium Reserve	Debenture Redemption Reserve	General Reserve	Share option outstanding account	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Remeasurements of the defined benefit plans			
Balance as of March 31, 2016	837,000	-	-	837,000	-	-	-	-	-	-	-	-	-	-	-	-	1,674,000
Transfer to general reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share based payment to employees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instrument through OCI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reversal due to Investment sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as of March 31, 2017	837,000	-	-	837,000	-	-	-	-	-	-	-	-	-	-	-	-	1,674,000

SARDA HYDRO POWER PRIVATE LIMITED

Significant accounting policies and notes to the accounts

For financial year ended 31 March 2017

Notes 7

1. Reporting Entity

Sarda Hydro Power (P) Ltd. is a private limited company domiciled in India and incorporated under the provisions of the Companies Act,

1956. The company is engaged in implementation of two Hydro Electric Projects, named Kotaiveera 24 MW SHP and Ganeshpur 9 MW SHP.

2 Basis of Preparation

2.1 Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued. 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) Amendment Rules, 2016.

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

2.2 Basis of Measurement

The financial statements have been prepared on the historical cost convention and on accrual basis.

2.3 Use of estimate

The company is in the process of implementation of hydro power projects. Hence the expenditure incurred during the implementation stage of the projects is accounted under the head intangible asset under development. It shall be capitalised and added on proportionate basis to the cost of fixed asset (other than Freehold and Leasehold Land) on commissioning of the projects

3 Summary of significant accounting policies:

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity of another entity.

3.1.1 Financial asset

i) Initial measurement

All financial assets are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. Financials assets of the Company include investments in equity shares of subsidiaries, associates and joint ventures, trade and other receivables, loans and advances to employees etc.

ii) Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets of the Company are classified in the following categories:

- 1) financial assets measured at amortised cost
- 2) financial assets measured at fair value through other comprehensive income
- 3) financial assets measured at fair value through profit and loss and

Financial instruments measured at fair value through other comprehensive income

A financial instrument shall be measured at fair value through other comprehensive income if both of the following conditions are

- (a) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets
- (b) the asset's contractual cash flow represent SPPI

Financial instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain loss in statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the expected interest rate (EIR) model.

Financial instruments measured at fair value through profit and loss

3.1.2 Trade receivables

The company has not commenced any commercial activity & its operations and hence the point is not applicable

3.1.3 Financial liability

3.2 Property, plant and equipment

i) Transition to Ind AS

The Company has elected to utilize the option under Ind AS 101 of using the previous GAAP carrying amount of its plant, property, equipment as its deemed cost on the date of transition to Ind AS.

ii) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation/, amortisation and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment. .

iv) Subsequent costs

The Group recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor of the concession for the construction or upgrade services provided. Such financial assets are measured at fair value upon initial recognition and classified as trade receivables. Subsequent to initial recognition, such financial assets are measured at amortised cost.

3.3 Intangible assets

The company is in the process of implementation of hydro power projects. Hence the expenditure incurred during the implementation stage of the projects is accounted under the head intangible asset under development. It shall be capitalised and added on proportionate basis to the cost of fixed asset (other than Freehold and Leasehold Land) on commissioning of the projects

3.3.1 Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

3.4 Employee benefits

The payment of Bonus Act, Gratuity Act and Provident Fund Act are not applicable to the Company during the year

3.5 During the year Assistant Commissioner of Income Tax has assessed income of company for AY 2009-10 to AY 2015-16 and made addition of Rs. 837000/- U/s 143(3) of income Tax act 1961. However company has contested the addition by filing appeal to CIT(A).

3.6 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

3.6 Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

3.7 Contingent Liability not provided for

Demand against the company not acknowledged as debts	INR	INR
	2016-17	2015-16
Income Tax	258,633	Nil

During the F.Y. 2014-15, search & survey operation was conducted in the premises of the company u/s 132 & 133 A of the Income tax act, 1961. After completion of assessment, Assessing Officer raised demand of Rs. 258633/- related to the F.Y. 2014-15. However, company has contested the demand by filing an appeal to CIT (Appeal). the Management doesn't foresee any liability at this stage.

4 **Disclosure on Specified Bank Notes (SBNs)**

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs*	Other denominati on notes	Total
Closing cash in hand as on November 8, 2016		100*300 50*100 10*105 5*2 1*8	36,068.00
<u>(+) Permitted receipts</u>			-
<u>(-) Permitted payments</u>		100*20 50*10 10*5 5*1 1*4	2,559.00 -
(-) Amount deposited in Banks			-
Closing cash in hand as on December 30, 2016		100*280 50*90 10*100 5*1 1*4	33,509.00