IL&FS SOLAR POWER LIMITED

DIRECTORS' REPORT

The Shareholders
IL&FS Solar Power Limited

Your Directors have pleasure in presenting the Seventh Annual Report along with the Audited Accounts for the Financial Year ended March 31, 2017

Financial Results

The financial results of the Company are as under:

(Rs. Mn)

Particulars	For the Financial Year ended 31.03.2017	For the Financial Year ended 31.03.2016
Total Income	141.37	-
Total Expenses	141.83	0.10
Profit / (Loss) Before Tax	(0.47)	(0.10)
Profit/ (Loss) After Tax	(0.47)	(0.10)
Balance Profit / (Loss) brought forward from previous year	(6.53)	(6.43)
Balance Profit / (Loss) carried forward to Balance Sheet	(7.0)	(6.53)

Your Company has adopted IND AS with effect from 1st April 2016 pursuant to Ministry of Corporate Affairs notification dated 16th February 2015 notifying the Companies (Indian Accounting Standard) Rules, 2015. Your Company has published IND AS Financials for the year ended March 31, 2017 along with comparable as on March 31, 2016

Dividend

Your Directors have not recommend dividend for the year under review

Transfer to Reserve

The Company does not propose to carry any amount to its reserves during the year under review

Share Capital

During the year under review, there was no change in the Share Capital of the Company

Operations

Your Company is keen to harness the substantial potential of solar energy in India. It has been pursuing development of Solar Power Projects through Private Sector Power Purchasers on a bilateral basis

Your Company has concluded the negotiation on all the terms of Agreement for sale of 100 MW Solar Project to Embassy Group on deferred payment basis. This project is the Company's first marketable model of providing 'Energy Security Solution' to commercial consumer in the private space. The definitive agreements have been executed and the CoD of the Project is targeted by the fourth quarter of the current financial year

Subsidiaries, Associates and Joint Venture of the Company

The Company does not have any Subsidiary, Associate Company and Joint Venture

Extract of Annual Return

An extract of the Annual Return as provided under sub-section (3) of Section 92 of the Companies Act, 2013, in the prescribed Form MGT- 9 is annexed to this report as Annexure I

Corporate Governance

Five Meetings of the Board of Director of the Company were held during the period under review. The Meetings were held on May 25, 2016, July 28, 2016, September 29, 2016, December 30, 2016 and March 30, 2017. The attendance at the above mentioned Board Meetings are listed below:

Name of the Director (DIN)	Number of Board Meetings Attended	AGM Attendance
Mr Hemant Thanvi (03103866)	5	Yes
Mr Keshav Prasad (07051302)	5	No
Mr Sunil Wadhwa (00259638)*	5	No
Mr Haziq Beg (00063364)**	0	No

*Resigned w.e.f. April 3, 2017
**Appointed w.e.f. May 8, 2017

IL&FS SOLAR POWER LIMITED

Committee of the Board

Audit Committee:

Based on the financial statement of the Company as on March 31, 2017, the Company was required to constitute Audit Committee under the provisions of Rule 6 of Companies (Meeting of Board and its Powers) Rule, 2014. However, in view of the amendments to the Companies (Meeting of Board and its Powers) Second Amendment Rules, 2017, the Company does not attract the provision of Section 177 of Companies Act 2013 and is not covered under the limit prescribed under the Rule 6, hence no Audit Committee has been Constituted by the Company

Nomination & Remuneration Committee:

Based on the financial statement of the Company as on March 31, 2017, the Company was required to constitute Nomination and Remuneration Committee (NRC) under the provisions of Rule 6 of Companies (Meeting of Board and its Powers) Rule, 2014. However, in view of the amendments to the Companies (Meeting of Board and its Powers) Second Amendment Rules, 2017, the Company does not attract the provision of Section 178(1) of Companies Act 2013 and is not covered under the limit prescribed under the Rule 6, hence no NRC has been Constituted by the Company

Corporate Social Responsibility Committee:

The Company does not attract the Provisions of Section 135 of the Companies Act, 2013, and hence no Corporate Social Responsibility Committee has been constituted by the Company

Director's Responsibility Statement

Pursuant to clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, (Act) the Board of Directors of the Company, on the basis of representation received from operating management, and after due enquiry, it is hereby state and confirm that:

(1) in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made therefrom;

(2) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended and of the profit and loss of the Company for that period;

(3) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(4) the directors have prepared the annual accounts on a going concern basis;

(5) proper internal financial controls were in place and that the financial controls are adequate and were operating effectively, the Company ensures as part of Good Governance and Best Practice followed;

(6) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively

Declaration by Independent Director

The Company does not attract the provision of Section 149 (6) & (7) of the Company Act, 2013 and read with Rule 4 of Companies (Appointment and Qualification of Director) Rule, 2014, hence no Independent Director has been appointed by the Company

Particulars of Loan, Guarantee and Investment of the Company

The Company being an infrastructure Company is exempted under Section 186 of the Companies Act, 2013(the Act), with respect to loan and guarantees given. The Company has complied with Section 186 of the Act in relation of the investments made, if any, during the year under review. However, the details of Loan, Investment and Guarantee provided is mentioned in the financial statement of the Company

Related Party Transaction

The transaction entered into with the Related Parties as defined under the Companies Act, 2013, during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. The disclosure required in form AOC -2 in terms of Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 is given in Annexure – II

Material Changes and Commitments

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this report

Risk Management Policy

Risk are such situations, circumstances, events, happenings, etc which may have a negative impact on business of the Company. Hence, mitigation and management of risks is a structured approach to manage uncertainty

Your Company has formulated and put in place Risk Management Policy, which outlines and summarizes the practices of Risk Management. The Company has in place a mechanism to inform the Board about the risk assessment and minimization procedures and periodical review to ensure that management controls risk through means of a properly defined framework. In the opinion of the Board, there are no material risk which may threaten the existence of the Company

Whistle Blower and Vigil Mechanism

Pursuant to the Section 177 of the Companies Act, 2013, a Whistle Blower and Vigil Mechanism has been established by the Board at its meeting held on September 6, 2017

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has not formulated a Policy to prevent Sexual Harassment of Women at Workplace, as there are no employees in the Company. Hence, during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Conservation of Energy, Technology Absorption & Foreign Exchange Earnings & Outgo

Since the Company does not have any manufacturing facility, the Provision of Section 134(m) of the Companies Act, 2013 read along with rule 8 (3) of the Companies (Accounts) Rule 2014 do not apply to the Company. However, disclosures as required under the provisions of the Act are as follows:

(1) Conservation of Energy

The Company has used most power efficient equipment's to ensure minimum consumption of energy.

The Company is focusing on development of environment friendly, cleaner and cheaper ways of generating Solar Power Projects on Pan India basis

(2) Technology Absorption

Your Company has not imported any technology during the year under review.

(3) Foreign exchange earnings and outgo
During the year under review, there was no foreign exchange earning and outgo

Fixed Deposits

The Company has not invited, accepted or renewed any deposits within the meaning of the provisions of Sections 2(31) and 73 of the Companies Act 2013 read with the Companies (Acceptance of Deposit) Rules, 2014, during the year under review

Significant and Material Orders passed by the Regulators or Courts

There were no significant and material orders passed by the Regulators and Courts or Tribunals during the year under review which would impact the going concern status of the Company and its future operations

Performance Evaluation of the Board

Based on the financial statement of the Company as on March 31, 2017, the Company was required to appoint Independent Director pursuant to the provision of Section 134(3)(p) of Companies Act, 2013 read with rule 8 (4) of Companies (Accounts) Rules, 2014 . However, in view of the amendments to the provisions of Companies (Appointment and Qualification of Directors) Amendment Rules, 2017 and rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company is not required to appoint Independent Director and conduct performance evaluation of the Board

Adequacy of Internal Financial Controls

Your Company has a proper and adequate system of Internal Controls, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal and that transaction are authorized, recorded and reported correctly. All the transaction are properly authorized, recorded and reported to the Management

Directors and Key Managerial Personnel

Pursuant to Section 161(1) and other applicable Provision of the Companies Act 2013, and Article 137 of the Article of Association of the Company, Mr Haziq Beg (DIN: 00063364) was appointed as Additional Director at the meeting of Board of Director held on May 8, 2017, subject to the shareholders approval in the ensuing General Meeting of the Company

Mr Keshav Prasad (DIN- 07051302), Director of the Company, retires by rotation at the forthcoming Annual General Meeting of the Company and being eligible offers himself for reappointment as Director of the Company

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Mr Sunil Wadhwa (DIN- 00259638), Director of the Company, resigned from the Board w.e.f. April 3, 2017

The Company does not attract the provisions of Section 203 of the Companies Act, 2013, and hence no Key Management Personnel were appointed

As on March 31, 2017, the Board of Directors of the Company consisted of three non-executive directors as per details given in the Table below:

	Name of the Director and KMP	**Category**
1	Mr Hemant Thanvi (03103866)	Director
2	Mr Keshav Prasad (07051302)	Director
3	Mr Sunil Wadhwa (00259638)*	Director

*Resigned w.e.f. April 3, 2017

Particulars of Employees

There were no employees drawing a remuneration in excess of the limits prescribed required under the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Statutory Auditors

M/s NM Raiji & Co., Chartered Accountants, ICAI Registration No. 108296W have been appointed as Auditors till FY 2020. M/s NM Raiji & Co., have provided their consent for appointment as Auditors of the Company for FY 2020 subject to ratification by the Members at the ensuing Annual General Meeting the Company

Acknowledgments

Relationships with Shareholders and other Bank and Financial Institutions as well as regulatory authorities remained excellent during the period under review. Your Directors are grateful for the co-operation support extended by them, and look forward to receiving their continued support and encouragement

For and on behalf of the Board

Keshav Prasad	Hemant Thanvi
Director	Director
DIN: 07051302	DIN: 03103866

Date : September 29, 2017
Place : Mumbai

IL&FS SOLAR POWER LIMITED

ANNEXURE I

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2017
[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]
Form No. MGT-9

1. REGISTRATION AND OTHER DETAILS:

CIN	U40300MH2010PLC207073
Registration Date	26/08/2010
Name of the Company	IL&FS Solar Power Limited
Category / Sub-Category of the Company	Company limited by shares/Indian Non-Government Company
Address of the Registered Office and contact details	The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra Kurla Complex, Bandra (East)Mumbai-400051
Whether listed company	Unlisted
Name, address and contact details of Registrar and Transfer Agent, if any	NA

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

SL. No.	Name and Description of main Products / Services	NIC Code of the Product/Service	% to total turnover of the Company
1	Sale of Services	64200	100%

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

SL. No.	Name and address of the Company	CIN / GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1	IL&FS Renewable Energy Limited	U32202MH2007PLC176153	Holding	100%	2(46)

4. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) **Indian**									
a) Individual / HUF	----	----	----	----	----	----	----	----	----
b) Central Govt.	----	----	----	----	----	----	----	----	----

c) State Govt.(s)	----	----	----	----	----	----	----	----	----
d) Bodies Corporate	----	**50,000***	**50,000**	**100%**	----	**50,000**	**50,000**	**100%**	----
e) Banks / FI	----	----	----	----	----	----	----	----	----
f) Any Other….	----	----	----	----	----	----	----	----	----
Sub-Total (A)(1):	----	**50,000***	**50,000**	**100%**	----	**50,000**	**50,000**	**100%**	----
(2) Foreign									
a) NRIs - Individuals	----	----	----	----	----	----	----	----	----
b) Other – Individuals	----	----	----	----	----	----	----	----	----
c) Bodies Corporate	----	----	----	----	----	----	----	----	----
d) Banks / FI	----	----	----	----	----	----	----	----	----
e) Any Other….	----	----	----	----	----	----	----	----	----
Sub-Total (A)(2):	----	----	----	----	----	----	----	----	----
Total Shareholding of Promoters (A) = (A)(1)+(A)(2	----	**50,000***	**50,000**	**100%**	----	**50,000**	**50,000**	**100%**	----
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	----	----	----	----	----	----	----	----	----
b) Banks / FI	----	----	----	----	----	----	----	----	----
c) Central Govt.	----	----	----	----	----	----	----	----	----
d) State Govt.(s)	----	----	----	----	----	----	----	----	----
e) Venture Capital Funds	----	----	----	----	----	----	----	----	----
f) Insurance Companies	----	----	----	----	----	----	----	----	----
g) FIIs	----	----	----	----	----	----	----	----	----
h) Foreign Venture Capital Funds	----	----	----	----	----	----	----	----	----
i) Others (specify)	----	----	----	----	----	----	----	----	----
Sub-Total (B)(1):	----	----	----	----	----	----	----	----	----
(2) Non-Institutions									
a) Bodies Corporate	----	----	----	----	----	----	----	----	----
i) Indian	----	----	----	----	----	----	----	----	----
ii) Overseas	----	----	----	----	----	----	----	----	----
b) Individual	----	----	----	----	----	----	----	----	----
i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	----	----	----	----	----	----	----	----	----
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	----	----	----	----	----	----	----	----	----

c) Other (Specify)	----	----	----	----	----	----	----	----	----
Sub-Total (B)(2):	----	----	----	----	----	----	----	----	----
Total Public Share holding (B)= (B)(1) +(B)(2)	----	----	----	----	----	----	----	----	----
C. Shares held by Custodian for GDRs & ADRs	----	----	----	----	----	----	----	----	----
Grand Total (A+B+C)	----	**50,000***	**50,000**	**100%**	------	**50,000**	**100%**	----	----

*Includes 60 shares held by IREL jointly with individuals

ii. Shareholding of Promoters

Shareholders Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% of Change in share holding during the year
	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
IL&FS Renewable Energy Limited	50,000*	100%	NIL	50,000	100%	NIL	NIL
Total	50,000	100%	NIL	50,000	100%	NIL	NIL

*Includes 60 shares held by IREL jointly with individuals

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Shareholding at the beginning of the year			Cumulative Shareholding during the year	
For Each Top 10 Share Holders	**No. of Shares**	**% of total shares of the Company**	**No. of Shares**	**% of total shares of the Company**
At the beginning of the year				
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	**No Such Changes**		**No Such Changes**	
At the end of the year				

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

year	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
For Each Top 10 Share Holders	**No. of Shares**	**% of total shares of the Company**	**No. of Shares**	**% of total shares of the Company**
At the beginning of the year				
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	**Not Applicable**		**Not Applicable**	
At the end of the year(or on the date of separation, if separated during the year)				

v. Shareholding of Directors and Key Managerial Personnel

Name of Director/KMP:	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
For Each Directors and KMP	**No. of Shares**	**% of total shares of the Company**	**No. of Shares**	**% of total shares ofthe Company**
At the beginning of the year	**Not Applicable**			
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus /sweat equity etc):	**Not Applicable**			
At the end of the year	**Not Applicable**			

5. Indebetedness :

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	-	2,579,668,000	-	2,579,668,000
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	2,024,187	-	2,024,187
Total (i+ ii+ iii)	-	**2,581,692,187**	-	**2,581,692,187**
Change in Indebtedness during the financial year				
Addition	-	71,439,947	-	71,439,947
Reduction	-	(739,353,725)	-	(739,353,725)
Net Change	-	**(667,913,778)**	-	**(667,913,778)**
Indebtedness at the end of the financial year				
i. Principal Amount	-	1,911,709,147	-	1,911,709,147
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	2,069,262	-	2,069,262
Total (i+ ii+ iii)	-	**1913778409**	-	**1,913,778,409**

6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No	Particulars of Remuneration	Name of MD/WTD/Manager	Name of MD/WTD/ Manager	Total Amount
1.	**Gross Salary**			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961			
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961			
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961			
2	**Stock Options**		NIL	
3	**Sweat Equity**			
4	**Commission**			
	- as % of profit			
	- others, specify….			
5	Others, please specify			
	Total (A)			
	Other Ceiling as per Act			

B. Remuneration to other Directors:

Sr. No	Particulars of Remuneration	Name of Director	Name of Director	Name of Director	Total Amount
1.	**Independent Director**	-	-	-	-
	-Fee for attending Board/Committee Meetings	-	-	-	-
	Commission	-	-	-	-
	- Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	**Other Non Executive Directors**	-	-	-	-
	-Fee for attending Board/Committee Meetings	-	-	-	-
	Commission	-	-	-	-
	- Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total B= 1+2	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Other Ceiling as per Act	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	**Company Secretary**	**CFO**	**Total**
1.	**Gross Salary**				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	----	----	----	----
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	----	----	----	----
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	----	----	----	----
2	**Stock Options**	----	----	----	----
3	**Sweat Equity**	----	----	----	----
4	**Commission**				
	- as % of profit	----	----	----	----
	- Others, specify….	----	----	----	----
5	Others, please specify	----	----	----	----
	Total	----	----	----	----

7. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalties/ Punishment/ Compounding Fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	**Not Applicable**				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	**Not Applicable**				
Punishment					
Compounding					
C. OTHER OFFICER IN DEFAULT					
Penalty	**Not Applicable**				
Punishment					
Compounding					

For and on behalf of the Board

Keshav Prasad
Director
DIN: 07051302

Hemant Thanvi
Director
DIN: 03103866

Date : September 29, 2017
Place : Mumbai

IL&FS SOLAR POWER LIMITED

ANNEXURE – II

FORM NO. AOC.2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis - **NIL**
2. Details of material contracts or arrangement or transactions at arm's length basis -

Sl. No	**Name(s)of the related party and nature of relationship**	**Duration of the contract / arrangements transactions**	**Nature of contracts/arrangements/ Transactions**	**Salient terms of the arrangements or transactions including the value, if any:**	**Date(s) of approval by the Board, if any**	**Amount paid as advances, if any:**
(a)	**(b)**	**(c)**	**(d)**	**(e)**	**(f)**	**(g)**
1	IL&FS Renewable Energy Limited (Holding)	Long Term	Long term Loan & Advance (Given)	Long term Loan & Advance (Given)	-	-
2	IL&FS Renewable Energy Limited (Holding)	Repaid	Long term Loan & Advance (Repaid)	Long Term Loan & Advance - Repaid	-	-
3	IL&FS Renewable Energy Limited (Holding)	Long Term	Long Term Borrowing	Long Term Borrowing	-	-
4	IL&FS Energy Development Company Limited (Holding)	Long Term	Long Term Borrowing	Long Term Borrowing		
4	IL&FS Renewable Energy Limited (Holding)	Repaid	Long Term Borrowing-Repaid	Long Term Borrowing – Repaid	-	-
5	IL&FS Energy Development Company Limited (Holding)	Complete	Project Management Fees	Project Management Fees	-	-

For and on behalf of the Board

Keshav Prasad
Director
DIN: 07051302

Hemant Thanvi
Director
DIN: 03103866

Date : September 29, 2017
Place : Mumbai

N. M. RAIJI & CO.
Chartered Accountants
Universal Insurance Building,
Pherozeshah Mehta Road,
Mumbai-400 001. INDIA
Telephone: 2287 0068
2287 3463
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E-mail : nmr.ho@nmraiji.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF IL & FS SOLAR POWER LIMITED

1. Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of IL & FS Solar Power Limited ('the Company'), which comprise the Balance sheet as at March 31, 2017, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of changes in equity for the year then ended and a Summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

2. 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, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act 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 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.

3. 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 standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

4. 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 including the Ind AS, of the financial position of the Company as at March 31, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

1. 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, the Statement of Profit and Loss, the Statement of Cash Flows and the 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 rule issued thereunder;

   (e) on the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 "A"; 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. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

ii. 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 November 8, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the Company (refer Note 9 to the standalone Ind AS financial statements).

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure "B", a statement on the matters specified in the paragraph 3 and 4 of the order.

For N. M. Raiji & Co.
Chartered Accountants
Firm Registration No.108296W

Vinay D. Balse
Partner
Membership. No.: 39434

Place: Mumbai
Date : May 8, 2017

ANNEXURE - A TO THE AUDITORS' REPORT

(Referred to in Paragraph 1 point (f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

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

We have audited the internal financial controls over financial reporting of IL & FS Solar Power Limited ("the Company") as of March 31, 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 ('ICAI').
These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, 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.

For N. M. Raiji & Co.
Chartered Accountants
Firm Registration No.108296W

Vinay D. Balse
Partner
Membership. No.: 39434

Place: Mumbai
Date : May 8, 2017

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF IL & FS SOLAR POWER LIMITED

(Referred to in Paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

(i). The Company does not have any fixed assets and hence reporting under clause (i) of Paragraph 3 the Order is not applicable.

(ii). The Company does not have any inventory. Consequently, the requirement of clause (ii) of Paragraph 3 the Order is not applicable to the company.

(iii). According to the information and explanations given to us, the Company has granted loans of Rs. 1,62,98,12,709/- (2,41,74,62,882/- for last year), secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv). In our opinion and according to information and explanation given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v). According to information and explanation given to us, the Company has not accepted any deposit during the year. Accordingly, reporting under clause (v) of Paragraph 3 the Order not applicable.

(vi). The maintenance of cost records has not been specified by the central government under section 148(1) of the Companies Act, 2013. Accordingly, clause (vi) paragraph 3 of the order is not applicable to the company.

(vii). According to information and explanation given to us and on the basis of our examination of the books of account, in respect of statutory dues:

(a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues, including Provident Fund, Income-tax, Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities. There were no undisputed amounts payable in respect of the above statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.

(b) There are no dues of Income-tax and Service Tax, and Cess which have not been deposited with appropriate authorities on account of disputes

(viii). In our opinion and according to information and explanation given to us, the company has not defaulted in the repayment of dues to financial institutions or banks. The company does not have any outstanding debentures.

(ix). In our opinion and according to the information and explanations given to us, the Company has not availed any term loans during the year. The Company not being a listed company does not have any initial public offer or further public offer nor does the Company have any outstanding debentures.

(x). To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

(xi). The Company has not paid any managerial remuneration during the year. Consequently, the provisions of clause 3(xi) of the Order are not applicable to the Company.

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

(xiii). In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, and corresponding details have been disclosed in the financial statements, as required by the applicable accounting standards.

(xiv). In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, requirement under clause (xiv) is not applicable to the Company.

(xv). In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, requirement under clause (xv) is not applicable to the Company.

(xvi). The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For N. M. Raiji & Co.
Chartered Accountants
Firm Registration No.108296W

Vinay D. Balse
Partner
Membership. No.: 39434

Place: Mumbai
Date : May 8, 2017

IL&FS SOLAR POWER LIMITED
BALANCE SHEET AS AT MARCH 31 2017

	Note No.	As at March 31, 2017 (Rs. Millions)	As at March 31, 2016 (Rs. Millions)	As at April 01, 2015 (Rs. Millions)
ASSETS				
Non-current assets				
a. Capital work-in-progress	4	-	113.19	103.00
b. Financial assets				
i. Loans	5	-	2,417.46	-
ii. Other financial assets	6	0.10	-	-
c. Other non-current assets	7	16.10	-	-
Total non-current assets		**16.20**	**2,530.65**	**103.00**
Current assets				
a. Inventories	8	204.44	-	-
b. Financial assets				
ii. Trade receivables	9	167.45	-	-
iii. Cash and cash equivalents	10	5.31	19.13	0.40
iv. Loans	5	1,629.81	-	-
c. Current tax assets	11	44.88	7.12	-
d. Other current assets	7	-	-	0.00
Total current assets		**2,051.90**	**26.25**	**0.40**
Total assets		**2,068.10**	**2,556.90**	**103.40**
EQUITY AND LIABILITIES				
Equities				
a. Equity share capital	12	0.50	0.50	0.50
b. Other equity	13	9.54	2.74	(4.32)
Total equity		**10.04**	**3.24**	**(3.819)**
Non-current liabilities				
a. Financial liabilities				
i. Borrowings	14	29.10	2,540.00	-
Total non-current liabilities		**29.10**	**2,540.00**	**-**
Current liabilities				
a. Financial liabilities				
i. Borrowings	14	-	-	18.39
ii. Current maturities of long term borrowings	15	1,820.11	-	-
iii. Trade payables	16	187.65	0.10	0.03
iv. Other financial liabilities	17	2.07	5.83	88.72
b. Other current liabilities	18	19.13	7.73	0.08
Total current liabilities		**2,028.96**	**13.66**	**107.22**
Total equity and liabilities		**2,068.10**	**2,556.90**	**103.40**
See accompanying notes to the Ind AS financial statements	**1-31**			

In terms of our report attached

FOR N M Raiji & Co.
Chartered Accountants
Firm Reg. No: 108296W

N. M. RAIJI & CO. MUMBAI CHARTERED ACCOUNTANTS

Vinay D Balse
Partner
Membership No : 39434

Place:
Date: 8 MAY 2017

For and on behalf of the Board of Directors

Director

Director

Place:
Date:

IL&FS SOLAR POWER LIMITED

STATEMENT OF PROFIT AND LOSS (INCLUDING OTHER COMPREHENSIVE INCOME) FOR THE YEAR ENDED 31 MARCH, 2017

Particulars	Note Ref.	Year ended March 31, 2017 (Rs. Millions)	Year ended March 31, 2016 (Rs. Millions)
1 INCOME			
a. Revenue from operation	19	141.37	-
Total Revenue		**141.37**	**-**
2. EXPENSES			
a. Project expenses	20	141.37	-
b. Other Expenses	21	0.47	0.10
Total Expenses		**141.83**	**0.10**
3. Profit/(loss) before tax		**(0.47)**	**(0.10)**
4. Tax Expense			
Current Tax		-	-
Deferred Tax		-	-
5. Net Profit after Tax		**(0.47)**	**(0.10)**
6. Other Comprehensive Income			
Items that will not be reclassified to profit or loss:		-	-
Items that will be reclassified to profit or loss		-	-
7. Total Comprehensive income for the period		**(0.47)**	**(0.10)**
Earnings per equity share			
Basic	22	(9.37)	(1.94)
Diluted	22	(9.37)	(1.94)

See accompanying notes to the Ind AS financial statements 1-31

In terms of our report attached

FOR N M Raiji & Co.
Chartered Accountants
Firm Reg No: 108296W

N. M. RAIJI & CO. MUMBAI CHARTERED ACCOUNTANTS

Vinay D Balse
Partner
Membership No : 39434

Place:
Date: - 8 MAY 2017

For and on behalf of the Board of Directors

Director

Director

Place:
Date:

IL&FS SOLAR POWER LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

(a) Equity share capital	Number of shares	Rs. Millions
Balance as at the 01/04/2015	**50,000**	**0.50**
Changes in equity share capital during the year	-	-
Balance as at 31/03/2016	**50,000**	**0.50**
Changes in equity share capital during the year	-	-
Balance as at 31/03/2017	**50,000**	**0.50**

(b) Other equity	Reserves and Surplus	Equity component of loan	Total
	(Rs. Millions)	(Rs. Millions)	(Rs. Millions)
Balance as at April 1, 2015	**(6.43)**	**2.11**	**(4.32)**
Profit for the year	(0.10)		(0.10)
Equity component of loan		7.15	7.15
Balance as at March 31, 2016	**(6.53)**	**9.27**	**2.74**
Profit for the year	(0.47)	7.27	6.80
Equity component of loan			-
Balance as at March 31, 2017	**(7.0)**	**16.54**	**9.54**

See accompanying notes forming part of the financial statements

In terms of our report attached

FOR N M Raiji & Co.
Chartered Accountants
Firm Reg No: 108296W

N. M. RAIJI & CO. MUMBAI CHARTERED ACCOUNTANTS

Vinay D Balse
Partner
Membership No : 39434

Place:
Date: 8 MAY 2017

For and on behalf of the Board of Directors

Director

Director

Place:
Date:

IL&FS SOLAR POWER LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 March, 2017

		Year ended 31.03.2017 (Rs. Millions)	Year ended 31.03.2016 (Rs. Millions)
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Loss before tax	(0.47)	(0.10)
	Adjustments for :		
	Capital work in progress written off	113.19	-
	Operating profit before working capital changes	**112.72**	**(0.10)**
	Adjustments for (increase) / decrease in operating assets:		
	Inventories	(199.12)	-
	Trade receivables	(167.45)	-
	Long-term loans and advances	(0.10)	-
	Short-term loans and advances	-	0.00
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	187.54	0.05
	Other current liabilities	7.63	9.01
	Cash generated from operations	**(58.78)**	**8.97**
	Taxes paid (including tax deducted at source)	(37.76)	(7.12)
	Net cash flow from / (used in) operating activities	**(96.54)**	**1.84**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Capital expenditure on fixed assets including capital advances	(16.10)	(92.28)
	Loan and advances to related parties (net)	789.61	(2,450.00)
	Net cash flow from investing activities	**773.5**	**(2,542.28)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from long term borrowing	29.10	2,571.00
	Repayment from long term borrowing	(719.89)	
	Proceeds from short term borrowing (net)	-	(11.83)
	Net cash flow used in financing activities	**(690.79)**	**2,559.17**
	Net decrease in Cash and cash equivalents	**(13.83)**	**18.73**
	Cash and cash equivalents at the beginning of the year	19.13	0.40
	Cash and cash equivalents at the end of the year (see note 10)	5.31	19.13
		(13.83)	**18.73**

See accompanying notes forming part of the financial statements **1-31**

In terms of our report attached.

FOR N M Raiji & Co.
Chartered Accountants
Firm Reg No: 108296W

N. M. RAIJI & CO. MUMBAI CHARTERED ACCOUNTANTS

Vinay D Balse
Partner
Membership No : 39434

Place :
Date : - 8 MAY 2017

For and on behalf of the Board of Directors

Director

Director

Place :
Date :

Note 1 Corporate Information

The Company was incorporated under the Companies Act, 1956 on August 26, 2010 vide Registration No U40300MH2010PLC207073 with the primary objective of engaging in the business of procurers, generators, suppliers, distributors, transformers, converters, transmitters, producers, manufacturers, processors, developers, storers, carriers, importers and exporters of, and dealers in, electricity, and any products or by-products derived from any such business and any products derived from, or connected with any other form of energy, including without limitation heat, solar, wind, hydro, wave, tidal, bagasse, bio-mass, waste, geothermal and biological; to engage in the business of procurers, suppliers, distributors, converters, producers, processors, developers, storers, carriers, importers and exporters of, and dealers in, hydrocarbon fuels, fuel handling equipment and machinery and fuel handling facilities thereto and any product or by products derived from any such business (including without limitation distillate); and to carry on the business of a General Electric Power Supply Company in all its branches and to construct, lay down, establish fix and carry out all necessary power stations, cables, wires, lines, accumulators, lamps and works and to generate, accumulate distribute and supply electricity and to light cities, towns, streets, docks, markets, theatres, building and places, both public and private.

Note 2 Significant accounting policies

2.1 Basis of preparation/ Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (referred to as IND AS) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). These IND AS has been adopted w.e.f. April 1, 2016 as notified by Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015.
Up to the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Refer Note 2.16 for the details of first-time adoption exemptions availed by the Company.
Further in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards", the Company has presented a reconciliation from the presentation of financial statements notified under the Companies (Accounting Standard) Rules 2006 ("Previous GAAP") to Ind AS of Shareholder's equity as at March 31, 2016 and April 1, 2015.

2.2 Revenue recognition

i. Income on Project Management Consultancy Services is recognised on accrual basis as per Deferred Payment Agreement (DPA)

ii. Company recognises revenue in proportion to the actual project cost incurred (including land cost) as against the total estimated project cost (including land cost), subject to achieving the threshold level of project cost (excluding land cost), in line with the Guidance Note issued by ICAI and depending on the type of project.
Revenue is recognised net of indirect taxes and on execution of an agreement.

iii. The estimates relating to percentage of completion, costs to completion etc. being of a technical nature are reviewed and revised periodically by the management and are considered as change in estimates and accordingly, the effect of such changes in estimates is recognised prospectively in the period in which such changes are determined.

2.3 Property, Plant and Equipment (PPE)

i. PPE are carried at cost less accumulated depreciation and impairment losses, if any.

ii. The cost of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, present value of decommissioning costs (where there is a legal or constructive obligation to decommission) and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

iii. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

iv. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

v. Capital work-in-progress: Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

vi. Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that an asset may be impaired. If an impairment loss is determined, the remaining useful life of the asset is also subject to adjustment. If the reasons for previously recognised impairment losses no longer exists, such impairment losses are reversed and recognised in income. Such reversal shall not cause the carrying amount to exceed the amount that would have resulted had no impairment taken place during the preceding periods.

vii. The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1,2015 under the previous GAAP as its deemed cost on the date of transition to Ind AS

viii. Depreciation is provided for property, plant and equipment so as to expense the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis taking into account commercial and technological obsolescence as well as normal wear and tear

2.4 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary that are measured in terms of historical cost in a foreign currency are not retranslated.

2.5 Borrowing costs

Borrowing costs are recognised in the period to which they relate, regardless of how the funds have been utilised, except where it relates to the financing of construction of development of assets requiring a substantial period of time to prepare for their intended future use. Interest is capitalised up to the date when the asset is ready for its intended use. The amount of interest capitalised (gross of tax) for the period is determined by applying the interest rate applicable to appropriate borrowings outstanding during the period to the average amount of accumulated expenditure for the assets during the period.
Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.
All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.6 Taxation

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets (including unused tax credits such as MAT credit and unused tax losses such as carried forward business loss and unabsorbed depreciation) are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.
The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year
Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.7 Inventories

a) Inventories are valued at the lower of cost and the net realisable value as certified by the Management. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.
b) The construction materials and consumables are valued at lower of cost or net realisable value. The construction materials and consumables purchased for construction work issued to the construction work in progress are treated as consumed.
c) The construction work in progress is valued at lower of cost or net realisable value. Cost includes cost of land, development rights, rates and taxes, construction costs, borrowing costs, other direct expenditure, allocated overheads and other incidental expenses.

2.8 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.
The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

N. M. RAIJI & CO. * MUMBAI * CHARTERED ACCOUNTANTS

2.9 Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ("FVTPL) are recognised immediately in the statement of profit and loss.

2.10 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.
All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets – debt Instruments
Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):
- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows;
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVOCI") (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):
- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other debt instruments are subsequently measured at fair value.

Amortised cost and Effective interest method
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.
Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Financial assets at fair value through profit or loss (FVTPL)
Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in FVOCI for equity instruments which are not held for trading.
Debt instruments that do not meet the amortised cost or FVOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost or FVOCI criteria but are designated as at FVTPL are measured at FVTPL.
A debt instrument that meets the amortised cost or FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.
Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the "Other income" line item.

Impairment of financial assets
The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.
However, for trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. In cases where the amounts are expected to be realized upto one year from the date of the invoice, loss for the time value of money is not recognised, since the same is not considered to be material.
When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

Derecognition of financial assets
The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.
On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.
On derecognition of a financial asset other than in its entirety (e.g., when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.11 Financial liabilities and equity instruments

Classification as debt or equity
Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Compound instruments
The components of compound instruments are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by issue of fixed number of the Company's own equity instruments in exchange of a fixed amount of cash or another financial asset, is an equity instrument.
At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.
The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.
Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities subsequently measured at amortised cost
Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.
The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities
The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

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2.12 Leases

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.
Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Consolidated Statement of Profit and Loss on a straight-line basis unless the lease agreement explicitly states that increase is on account of inflation in the statement of profit and loss.
At present, All leases of the Company's have been classified as operating leases.

2.13 Impairment

The carrying values of assets of each cash-generating unit at each balance sheet date are reviewed for impairment. If any indication of such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognised if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at discounting the estimated future cash flows to their present value based on an appropriate discount factor.

2.14 Cash flow statement

Cash flows are reported using the indirect method, whereby net profits / loss before tax are adjusted for the effect of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The Cash flows from regular revenue generating; investing and financing activities are segregated.
Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

2.15 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year attributable to the shareholders of the parent company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year attributable to the shareholders of the parent as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.16 First-time adoption optional exemptions

Overall principle
The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.
Deemed cost for property, plant and equipment and intangible assets
The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Note 3 Critical accounting judgements and key sources of estimation uncertainty

3.1 Use of estimates

The preparation of Financial Statement requires the Management to make certain estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in the preparation of the Financial Statements are prudent and reasonable. Actual results could differ from these estimates. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and current and / or future periods are affected.

3.2 Key Source of estimation uncertainty

Key source of estimation uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, provisions and contingent liabilities.

Useful lives and residual values of property, plant and equipment
Useful life and residual value of property, plant and equipment are based on management's judgement of the expected life and residual value of those assets. These estimates are reviewed at the end of each reporting period. Any reassessment of these may result in change in depreciation expense for future years.

Valuation of Deferred tax assets
Deferred tax assets are recognised only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Any change in the estimates of future taxable income may impact the recoverability of deferred tax assets.

Decommissioning provisions
Decommissioning provisions are uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new technology or experience at other assets. The expected timing, work scope, amount of expenditure and risk weighting may also change. Therefore significant estimates and assumptions are made in determining the provision for decommissioning

Provisions and contingencies
A provision is recognised when the Comoany has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

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Particulars	As at Mar 31, 2017 (Rs. Millions)	As at Mar 31, 2016 (Rs. Millions)	As at Mar 31, 2015 (Rs. Millions)
Note 4 Capital Work in progress			
Legal & Professional fees	-	101.66	97.48
Travelling Exp.	-	0.04	0.02
Travelling Foreign Exp.	-	2.66	2.66
Sharing of employee cost	-	1.22	1.22
Rent	-	0.85	0.85
Interest cost	-	6.75	0.77
Total	**-**	**113.19**	**103.00**

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Particulars	31 March 2017 (Rs. Millions)	31 March 2016 (Rs. Millions)	01 April 2015 (Rs. Millions)
Note 5 - Loans			
(Unsecured, considered good)			
Non Current			
a. Loans to Related parties *	-	2,417.46	-
	-	**2,417.46**	**-**
* Borrowing of Rs.32.54 Mn from IREL has been net-off.			
Current			
b. Loans to Related parties *	1,629.81	-	-
	1,629.81	**-**	**-**
* Borrowing of Rs.53.41 Mn from IREL has been net-off.			
Note 6 - Other financial assets			
(Unsecured, considered good)			
Non Current			
a. Security Deposit	0.10	-	-
	0.10	**-**	**-**
Note 7 - Other assets			
(Unsecured, considered good)			
Non Current			
a. Capital advance to others	16.10	-	-
	16.10	**-**	**-**
Current			
a. Prepaid Expenses	-	-	0.00
	-	**-**	**0**
Note 8 - Inventories			
(lower of cost and net realisable value)			
a. Contract work in progress (Value of work done on incomplete contract)	204.44	-	-
	204.44	**-**	**-**

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Particulars	31 March 2017 (Rs. Millions)	31 March 2016 (Rs. Millions)	01 April 2015 (Rs. Millions)
Note 9 - Trade receivable			
(Unsecured, considered good)			
Current			
a. Trade receivables	-	-	-
Unsecured, considered good	167.45	-	-
	167.45	**-**	**-**

Note :
The company closely monitors the credit quality of its trade receivables. Accordingly, there is no significant credit risk pretaining to the receivable

The average credit period on sale of goods is 30 days. No interest is charged on trade receivables.

Age of receivables

Within the credit period	167.45	-	-
1-30 days past due	-	-	-
31-90 days past due	-	-	-
91-180 days past due	-	-	-
More than 180 days past due	-	-	-
	167.45	**-**	**-**

Note 10 - Cash and cash equivalents

a. Cash on hand	0.02	0.00	0.01
b. Balance with Banks			
In current accounts	5.29	19.13	0.40
	5.31	**19.13**	**0.40**

Note 11 - Current tax assets (net)

a. Current tax assets

Tax refund receivables	44.88	7.12	-
	44.88	**7.12**	**-**

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Note 12 - Equity Share Capital

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
SHARE CAPITAL	**Number of shares**	**(Rs. Millions)**	**Number of shares**	**(Rs. Millions)**	**Number of shares**	**(Rs. Millions)**
a. AUTHORISED						
Equity shares of Rs. 10 each with voting rights	**250,000**	**2.50**	**250,000**	**2.50**	**250,000**	**2.50**
b. ISSUED, SUBSCRIBED AND FULLY PAID UP						
Equity shares of Rs. 10 each with voting rights	**50,000**	**0.50**	**50,000**	**0.50**	**50,000**	**0.50**

See notes (i) to (iii) below

(i) Terms / Rights attached to the Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Details of shares held by the holding company

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Number. of shares held	**% of holding**	**Number. of shares held**	**% of holding**	**Number. of shares held**	**% of holding**
IL & FS Renewable Energy Limited & nominee	50,000	100.00	50,000	100.00	50,000	100.00

(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Number. of shares held	**(Rs. Millions)**	**Number. of shares held**	**(Rs. Millions)**	**Number. of shares held**	**(Rs. Millions)**
Shares Outstanding at the beginning of the year	50,000	0.50	50,000	0.50	50,000	0.50
Shares issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares Outstanding at the end of the year	**50,000**	**0.50**	**50,000**	**0.50**	**50,000**	**0.50**

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Particulars	31 March 2017 (Rs. Millions)	31 March 2016 (Rs. Millions)	01 April 2015 (Rs. Millions)
Note 13 - Other Equity			
a. Retained earning			
i. Opening balance	(6.53)	(6.43)	-
ii. Add / (Less) : Profit / (Loss) for the period/year	(0.47)	(0.10)	-
iii. Balance at the end of the year/period	**(7.00)**	**(6.53)**	**(6.43)**
b. Other Iterms of OCI:			
i. Opening balance	-	-	-
ii. Add / (Less) : Profit / (Loss) for the period/year	-	-	-
iii. Balance at the end of the year/period	-	-	-
c. Equity component of loan:			
i. Opening balance	9.27	2.11	-
ii. Add / (Less) : Adjustment for the period/year	7.27	7.15	-
iii. Balance at the end of the year/period	**16.54**	**9.27**	**2.11**
	9.54	**2.74**	**(4.32)**
Note 14 - Financial Liabilities			
Non current borrowing (at amortised cost)			
a. Loan from related party 'Unsecured (see note (i) below)	29.10	2,540.00	
	29.10	**2,540.00**	-
Current borrowing (at amortised cost)			
a. Loan from related party 'Unsecured (see note (i) below)	-	-	18.39
	-	-	**18.39**

Notes:

Del Detail of terms of repayment and security provided in respect of the long term borrowings :

(i) From related parties - unsecured

Particulars / Rate of interest and terms of repayment	31 March 2017	31 March 2016	01 April 2015
a. Loan from IL&FS Financial Services Limited ('IFIN')			
i. 15.50%, loan is repayable at the end of 24 months from the date of first disbursement, i.e 09-12-2015	530.11	1,250.00	-
ii. 15.50%, loan is repayable at the end of 24 months from the date of first disbursement, i.e 28-01-2016	90.00	90.00	-
iii. 15.50%, loan is repayable at the end of 24 months from the date of first disbursement, i.e 11-03-2016	1,200.00	1,200.00	-
b. Loan from IL&FS Energy Development Company Limited ('IEDCL')			
i. 15.50%, loan is repayable at the end of 24 months from the date of first disbursement, i.e 02-09-2016	29.10	-	-
c. Loan from IL&FS Renewable Energy Limited ('IREL')			
i. 0%, loan is repayable at the end of 24 months from the date of first disbursement,i.e. 31-03-2016	31.00	23.87	-
ii. 0%, loan is repayable at the end of 24 months from the date of first disbursement.	22.41	-	18.39

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Particulars	31 March 2017 (Rs. Millions)	31 March 2016 (Rs. Millions)	01 April 2015 (Rs. Millions)
Note 15 - Current maturities of long term debt			
a. Loan from related parties - unsecured (for securities clause and other details see note 15)	1,820.11	-	-
	1,820.11	**-**	**-**
Note 16 - Trade Payables			
Other than acceptances			
a. Total outstanding dues of micro enterprises and small enterprises (see note below)	-	-	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	187.65	0.10	0.03
	187.65	**0.10**	**0.03**

Note :
Based on the information available with the Company, the balance due to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is Rs. Nil (Previous year Rs. Nil) and no interest during the year has been paid or is payable under the terms of the MSMED Act, 2006. The information provided by the Company has been relied upon by the auditors.

Note 17 - Other financial liabilities			
Current			
a. Payable on purchase of fixed assets	-	3.82	88.03
b. Interest accrued-Loan	2.07	2.01	0.69
	2.07	**5.83**	**88.72**
Note 18 - Other liabilities			
Current			
a. Statutory dues	19.13	7.73	0.08
	19.13	**7.73**	**0.08**

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	31 March 2017 (Rs. Millions)	31 March 2016 (Rs. Millions)
Note 19 - Revenue from operation		
a. Sale of services		
i. Project management consultancy fees	141.37	-
	141.37	**-**

	31 March 2017 (Rs. Millions)	31 March 2016 (Rs. Millions)
Note 20 - Project expenses		
Opening balance of Work in progress	-	-
Add: Expenses incurred during the year		
a. Construction cost	174.78	-
b. Legal and professional charges	32.47	-
c. General and miscellaneous expenses	1.98	-
d. Finance cost allocated for project expenses	23.39	-
	232.62	**-**
e. Capital work in progress written off	113.19	-
	345.81	**-**
Less: Closing balance of Work in progress	204.44	-
	141.37	**-**

	31 March 2017 (Rs. Millions)	31 March 2016 (Rs. Millions)
Note 21 - Other Expenses		
a. Legal & Professional fees	0.07	0.02
b. Miscellaneous Expenses	0.05	0.02
c. Audit fee	0.35	0.06
	0.47	**0.10**

Disclosures pursuant to Indian Accounting Standard (Ind AS) 11 "Construction Contracts":

	31 March 2017 (Rs. Millions)	31 March 2016 (Rs. Millions)
a. Contract revenue recognised during the year	141.37	-
b. Aggregate amount of cost incurred and recognized profits less recognized losses up to the reporting date on contract under progress	345.81	-
c. Gross amount due from customer for contract work	204.44	-
d. Gross amount due to customer for contract work	-	-

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Note 22 - Earnings per share

Particulars	Units	31 March 2017	31 March 2016
a. Net profit/(Loss) after tax	Rs. Millions	(0.47)	(0.10)
b. Weighted average number of equity shares used in computing basic earnings per equity share	No. of shares	50,000	50,000
c. Basic and diluted earnings per equity share (a/b)	Rs.	(9.37)	(1.94)
d. Face Value per equity share	Rs.	10.00	10.00

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Note 23 - Contingent liabilities and Commitments

Particulars	31 March 2017 (Rs. Millions)	31 March 2016 (Rs. Millions)
a. Contingent liabilities		
Contingent liabilities	-	-
b. Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for in these accounts (net of advances)	5,380.00	-

Note 24 - Segment Information

The Company is engaged in the business of generation of power. As the Company operates in a single business and geographical segment, the reporting requirement for primary and secondary segment disclosure prescribed by paragraphs 39 to 51 of Accounting Standard 17 - Segment reporting have not been provided in these financial statements.

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Note 25 - RELATED PARTY DISCLOSURES

i.	**ULTIMATE HOLDING COMPANY**	Infrastructure Leasing & Financial Services Limited (IL&FS)
ii.	**HOLDING COMPANY**	
a.	**Company having control**	IL&FS Energy Development Company Limited (IEDCL)
b.	**Company having direct**	IL&FS Renewable Energy Limited (IREL)
iii.	**FELLOW SUBSIDIARIES**	IL&FS Financial Services Limited (IFIN) IL&FS Wind Project Development Limited (IWPDL)

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Sr No	Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary
iv.	**The nature of transactions during the year with above-related parties were as follows :**			
A.	**Transactions during the year ended 31 March 2017**			
1	**Long term loans and advances given**	**-** **(-)**	**422.50** **(2,450.00)**	**-** **(1,250.00)**
	IL&FS Renewable Energy Limited	- (-)	422.50 (2,450.00)	- (-)
	IL&FS Wind Project Development Limited	- (-)	- (-)	- (1,250.00)
2	**Long term loans and advances repaid (from above)**	**-** **(-)**	**1,189.27** **(1,250.00)**	**-** **(-)**
	IL&FS Renewable Energy Limited	- (-)	1,189.27 (1,250.00)	- (-)
3	**Long term borrowings taken**	**29.10** **(-)**	**40.27** **(31.00)**	**-** **(2,540.00)**
	IL&FS Energy Development Company Limited	29.10 (-)	- (-)	- (-)
	IL&FS Financial Services Limited	- (-)	- (-)	- (2,540.00)
	IL&FS Renewable Energy Limited	- (-)	40.27 (31.00)	- (-)
4	**Long term borrowing repaid**	**-**	**17.44** **(11.83)**	**719.89** **(-)**
	IL&FS Financial Services Limited	- (-)	- (-)	719.89 (-)
	IL&FS Renewable Energy Limited	- (-)	17.44 (11.83)	- (-)
5	**Project management fees**	**173.91** **(-)**	**-** **(-)**	**-** **(-)**
	IL&FS Energy Development Company Limited	173.91 (-)	- (-)	- (-)
6	**Miscellaneous Expenses**	**-** **(-)**	**-** **(-)**	**0.00** **(-)**
	IL&FS Financial Services Limited	- (-)	- (-)	0.00 (-)

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Sr No	Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary
v.	**Balance outstanding as at year end 31 March 2017**			
1	**Long term loans and advances**	**-**	**-**	**-**
		(-)	**(1,167.46)**	**(1,250.00)**
	IL&FS Renewable Energy Limited	-	-	-
		(-)	(1,167.46)	(-)
	IL&FS Wind Power Development Limited	-	-	-
		(-)	(-)	(1,250.00)
2	**Short term loans and advances**	**-**	**379.81**	**1,250.00**
		(-)	**(-)**	**(-)**
	IL&FS Renewable Energy Limited	-	379.81	-
		(-)	(-)	(-)
	IL&FS Wind Power Development Limited	-	-	1,250.00
		(-)	(-)	(-)
3	**Long term borrowing**	**29.10**	**-**	**-**
		(-)	**-**	**(2,540.00)**
	IL&FS Financial Services Limited	-	-	-
		(-)	(-)	(2,540.00)
	IL&FS Energy Development Company Limited	29.10	-	-
		(-)	(-)	(-)
	IL&FS Renewable Energy Limited	-	-	-
		(-)	-	(-)
4	**Current maturity of Long Term Borrowing**	**-**	**-**	**1,820.11**
		(-)	**(-)**	**(-)**
	IL&FS Financial Services Limited	-	-	1,820.11
		(-)	(-)	(-)
	IL&FS Renewable Energy Limited	-	-	-
		(-)	(-)	(-)
5	**Short term borrowing taken**	**-**	**-**	**-**
		(-)	**-**	**(-)**
	IL&FS Renewable Energy Limited	-	-	-
		(-)	-	(-)
6	**Trade payable**	**184.12**	**-**	**-**
		(3.82)	**(-)**	**(-)**
	IL&FS Energy Development Company Limited	182.61	-	-
		(3.82)	(-)	(-)
	Infrastructure Leasing and Financial Service Limited	1.51	-	-
		(-)	(-)	(-)
7	**Interest accrued but not due on borrowings**	**2.07**	**-**	**-**
		(-)	**(2.01)**	**(-)**
	IL&FS Renewable Energy Limited	-	-	-
		(-)	(2.01)	(-)
	IL&FS Energy Development Company Limited	2.07	-	-
		(-)	(-)	(-)

N. M. RAIJI & CO. MUMBAI CHARTERED ACCOUNTANTS

Sr No	Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary
v.	**The nature of transactions during the year with above-related parties were as follows :**			
A.	**Transactions during the year ended 31 March 2016**			
1	**Long term loans and advances given**	**-**	**2,450.00**	**1,250.00**
		(-)	**(-)**	**(-)**
	IL&FS Renewable Energy Limited	-	2,450.00	-
		(-)	(-)	(-)
	IL&FS Wind Project Development Limited	-	-	1,250.00
		(-)	(-)	(-)
2	**Long term loans and advances repaid (from above)**	**-**	**1,250.00**	**-**
		(-)	**(-)**	**(-)**
	IL&FS Renewable Energy Limited	-	1,250.00	-
		(-)	(-)	(-)
3	**Long term borrowings taken**	**-**	**31.00**	**2,540.00**
		(-)	**(9.00)**	**(-)**
	IL&FS Financial Services Limited	-	-	2,540.00
		(-)	(-)	(-)
	IL&FS Renewable Energy Limited	-	31.00	-
		(-)	(9.00)	(-)
4	**Long term borrowing repaid**	**-**	**11.83**	**-**
		(-)	**(-)**	**(-)**
	IL&FS Renewable Energy Limited	-	11.83	-
		(-)	(-)	(-)

N. M. RAIJI & CO. * MUMBAI * CHARTERED ACCOUNTANTS

Sr No	Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary
vi.	**Balance outstanding as at year end 31 March 2016**			
1	**Long term loans and advances**	**-**	**1,167.46**	**1,250.00**
		(-)	**(-)**	**(-)**
	IL&FS Renewable Energy Limited	-	1,167.46	-
		(-)	(-)	(-)
	IL&FS Wind Power Development Limited	-	-	1,250.00
		(-)	(-)	(-)
2	**Long term borrowing**	**-**	**-**	**2,540.00**
		(-)	**(-)**	**(-)**
	IL&FS Financial Services Limited	-	-	2,540.00
		(-)	(-)	(-)
	IL&FS Renewable Energy Limited	-	-	-
		(-)	(-)	(-)
3	**Short term borrowing taken**	**-**	**-**	**-**
		(-)	**(18.39)**	**(-)**
	IL&FS Renewable Energy Limited	-	-	-
		(-)	(18.39)	(-)
4	**Trade payable**	**3.82**	**-**	**-**
		(88.03)	**(-)**	**(-)**
	IL&FS Energy Development Company Limited	3.82	-	-
		(88.03)	(-)	(-)
5	**Interest accrued but not due on borrowings**	**-**	**2.01**	**-**
		(-)	**(0.69)**	**(-)**
	IL&FS Renewable Energy Limited	-	2.01	-
		(-)	(0.69)	(-)

N. M. RAIJI & CO. * MUMBAI * CHARTERED ACCOUNTANTS

Note 26 - Specified Bank Note Disclosure (SBN's)

During the year, the company had specified bank notes or other denomination notes 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	ODNs	Total
Closing Cash on hand as on 8th Nov., 2016	9,500	229	9,729
Add: Withdrawal from Bank accounts		48,000	48,000
Add: Receipts for permitted transactions			-
Add: Receipts for non-permitted transactions (if any)			-
Less: Paid for permitted transactions		23,460	23,460
Less: Paid for non-permitted transactions (if any)			-
Less: Deposited in bank accounts	9,500	-	9,500
Closing balance as at 31 December 2016	**-**	**24,769**	**24,769**

N. M. RAJI & CO.
MUMBAI
CHARTERED ACCOUNTANTS

Note 27 - Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

N. M. RAIJI & CO. MUMBAI CHARTERED ACCOUNTANTS

Note 28 - Financial Instruments

28.1 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company monitors capital using debt equity ratio. For this purpose of debt, external term loan borrowings are considered whereas for the purpose of equity, equity share capital is considered.

28.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
Debt	-	-	-
Equity	0.50	0.50	0.50
Debt to equity ratio	-	-	-

28.2 Categories of financial instruments

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Financial Assets			
Measured at fair value through profit or loss (FVTPL)			
(a) Mandatorily measured	-	-	-
(b) Designated as at FVTPL	-	-	-
Measured at Amortised cost			
(a) Trade and other receivables	167.45	-	-
(b) Cash and cash equivalents	5.31	19.13	0.40
(c) Loans	1,629.81	2,417.46	-
(d) Others financial assets	0.10	-	-
Financial Liabilities			
Measured at fair value through profit or loss (FVTPL)			
(a) Mandatorily measured	-	-	-
(b) Designated as at FVTPL	-	-	-
Measured at Amortised cost (including trade payables)			
(a) Term loans	1,849.21	2,540.00	18.39
(b) Trade and other payables	187.65	0.10	0.03
(c) Other financial liabilities	2.07	5.83	88.72

N. M. RAIJI & CO. MUMBAI CHARTERED ACCOUNTANTS

Financial instruments – Financial risk management (continued)

28.3 Interest rate risk Management

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The company's interest rate risk arises from borrowings in the form of term loans taken from the banks, financial institution and related parties. The Company does not account for any fixed rate financial assets or liabilities at fair value through profit or loss.

The company has borrowing on account of term facility from banks and financial institutions,working capital loans from bank,FI,related parties. The borrowings are based on applicable floating rates as stated in Note XX. The sensitivity analysis is based on a reasonably possible change in the market interest rates computed from historical data.

28.4 Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

	31-Mar-16	31-Mar-16	01-Apr-15
Variable-rate instruments			
Financial liabilities	1,849.21	2,540.00	18.39
	1,849.21	**2,540.00**	**18.39**

Interest rate sensitivity analysis

The Company does not account any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Further, the Company does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis points increase or decrease is used when reporting interest rate internally to key management personnel and represents management's assessment of the reasonably possible changes in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's:

	Profit or loss		Equity, net of tax	
March 31, 2017	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
Floating rate instrument				
Interest rate sensitivity (net)	(9)	9	(6)	6

The Company's sensitivity to interest rates has decreased during the current year mainly due to the reduction in variable rate debt instruments.

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Financial instruments – Financial risk management (continued)

28.5 Credit risk

The maximum exposure to credit risk for trade and other receivables by geographic region

	Carrying amount 31-Mar-17	Carrying amount 31-Mar-16	Carrying amount 01-Apr-15
India	167.45	-	-
Other regions	-	-	-
	167.45	**-**	**-**

The maximum exposure to credit risk for trade and other receivables by type of counterparty was as follows

	Carrying amount 31-Mar-17	Carrying amount 31-Mar-16	Carrying amount 01-Apr-15
a) Consultancy Fees	167.45	-	-
	167.45	**-**	**-**

Impairment
The ageing of trade and other receivables that were not impaired was as follows.

INR	31-Mar-17	31-Mar-16	01-Apr-15
Neither past due nor impaired	167.45	-	-
Past due 1-30 days	-	-	-
Past due 31-90 days	-	-	-
Past due 91-180 days	-	-	-
More than 180 days	-	-	-
	167.45	**-**	**-**

N. M. RAIJI & CO. MUMBAI CHARTERED ACCOUNTANTS

Financial instruments – Financial risk management (continued)

28.6 Liquidity risk

The Company maintains the following lines of credit.

The following tables detail the remaining contractual maturities at the end of the reporting period of the Company, which are based on contractual and undiscounted cash flows and the earliest date the Company can be required

			Contractual cash flows				
31 March 2017	Carrying amount	Contractual amount	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Term loan/ICD's from Related Parties (Unsecured)							
IL&FS Energy Development Limited	29.10	29.10	-	-	29.10	-	-
IL&FS Financial Services Limited	1,820.11	1,820.11		1,820.11			
Trade and other payables	187.65	187.65	-	187.65	-	-	-
Interest accrued	2.07	2.07		2.07		-	-
Statutory dues (withholding taxes etc.)	19.13	19.13	19.13	-	-	-	-
	2,058.06	**2,058.06**	**19.13**	**2,009.82**	**29.10**	-	-
	-						

			Contractual cash flows				
31 March 2016	Carrying amount	Contractual amount	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Term loan from Related Parties (Unsecured)							
IL&FS Financial Services Limited	2,540.00	2,540.00			2,540.00		
Interest accrued but not due on borrowings	2.01	2.01		2.01			
Payables for purchase of Property, plant and equipment	3.82	3.82		3.82			
Statutory dues (withholding taxes etc.)	7.73	7.73	7.73				
Trade and other payables	0.10	0.10		0.10			
	2,553.66	2,553.66	7.73	5.93	2,540.00	-	-
	-						

			Contractual cash flows				
1 April 2015	Carrying amount	Contractual amount	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Term loan from Related Parties (Unsecured)							
IL&FS Renewable Energy Limited	18.39	18.39		18.39			
Interest accrued but not due on borrowings	0.69	0.69		0.69			
Payables for purchase of Property, plant and equipment	88.03	88.03		88.03			
Statutory dues (withholding taxes etc.)	0.03	0.03	0.03				
Trade and other payables	0.08	0.08		0.08			
	107.22	107.22	0.03	107.19	-	-	-
	-						

N. M. RAIJI & CO. * CHARTERED ACCOUNTANTS * MUMBAI

Note -29 First time IND AS adoption reconciliation

Effect of Ind AS adoption on the financial statements as at 31.03.2016 and 01.04.2015

	Note	As at 31.03.2016			As at 01.04.2015		
		Previous GAAP *	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP *	Effect of transition to Ind AS	As per Ind AS balance sheet
		(Rs. Millions)	(Rs. Millions)	(Rs. Millions)	(Rs. Millions)	(Rs. Millions)	(Rs. Millions)
Non-current assets							
(a) Capital work-in-progress		111.06	2.12	113.19	102.99	0.00	103.00
(b) Financial assets							
(i) Loan		2,410.33	7.13	2,417.46		-	-
(ii) Other financial assets		-	-	-		-	-
Total non-current assets		**2,521.40**	**9.25**	**2,530.65**	**102.99**	**0.00**	**103.00**
Current assets							
(a) Inventories		-	-	-			-
(b) Financial assets							
(ii) Trade receivables		-	-	-		-	-
(iii) Cash and cash equivalents		19.13	-	19.13	0.40	-	0.40
(v) Loans			-	-		-	-
(c) Current Tax Assets (Net)		7.12	-	7.12		-	-
(d) Other current assets			-	-	0.00	-	0.00
Total current assets		**26.25**	**-**	**26.25**	**0.40**	**-**	**0.40**
Total assets		**2,547.65**	**9.25**	**2,556.90**	**103.40**	**0.00**	**103.40**

	As at 31.03.2016			As at 01.04.2015		
	Previous GAAP *	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP *	Effect of transition to Ind AS	As per Ind AS balance sheet
	(Rs. Millions)	(Rs. Millions)	(Rs. Millions)	(Rs. Millions)	(Rs. Millions)	(Rs. Millions)
Equity						
a. Equity share capital	0.50	-	0.50	0.50	-	0.50
b. Other equity	(6.53)	9.27	2.74	(6.43)	2.11	(4.32)
Total Equity (shareholders funds under	**(6.03)**	**9.27**	**3.24**	**(5.93)**	**2.11**	**(3.82)**
Non-current liabilities						
(a) Financial liabilities						
(i) Borrowings	2,540.00	-	2,540.00		-	-
Total non-current liabilities	**2,540.00**	**-**	**2,540.00**	**-**	**-**	**-**
Current liabilities						
(a) Financial liabilities						
(i) Borrowings		-	-	20.50	(2.11)	18.39
(ii) Current maturities of long term borrowing		-	-			-
(ii) Trade payables	0.10	-	0.10	0.03	-	0.03
(iii) Other financial liabilities	5.84	(0.01)	5.83	88.72	-	88.72
(b) Other current liabilities	7.73	-	7.73	0.08	-	0.08
Total current liabilities	**13.68**	**(0.01)**	**13.66**	**109.33**	**(2.11)**	**107.22**
Total liabilities	**2,553.68**	**(0.01)**	**2,553.66**	**109.33**	**(2.11)**	**107.22**
Total equity and liabilities	**2,547.65**	**9.25**	**2,556.90**	**103.40**	**0.00**	**103.40**

***Previous GAAP figures have been reclassified to conform Ind AS presentation requirements for the purpose of this note.**

M. RAJU & CO. * CHARTERED ACCOUNTANTS MUMBAI

29.1 First time IND AS adoption reconciliation

a) Reconciliation of total equity as at 31.03.2016 and 1.04.2015

	Note	As at 31.03.2016 (Rs. Millions)	As at 1.04.2015 (Rs. Millions)
Total equity (shareholders funds) under Previous GAAP		(6.03)	(5.93)
EIR Adjustment on account of borrowings		9.27	2.11
Liability components		-	-
Total adjustment to equity		9.27	2.11
Total equity under Ind-AS		3.24	(3.82)

Effect of Ind AS Adoption on the condensed Statement of Profit and Loss for the quarter ended 30.09.2015

b) Effect of Ind-AS Adoption on the Statement of Profit and Loss for the year ended 31.03.2016

	Year ended 31.03.2016		
	Previous GAAP (Rs. Millions)	Effect of transition to Ind AS (Rs. Millions)	As per Ind AS balance sheet (Rs. Millions)
Revenue from operations	-	-	-
Total Income	-	-	-
Expenses			
Project Expenses	-	-	-
Other expenses	0.10	-	0.10
Total expenses	**0.10**	-	**0.10**
Profit before tax	(0.10)	(0.00)	(0.10)
Tax expense			
Current tax	-	-	-
Net current tax expense	-	-	-
Deferred tax	-	-	-
Net tax expense	-	-	-
Profit for the period	(0.10)	(0.00)	(0.10)
Total other comprehensive income	-	-	-
Total comprehensive income for the period	(0.10)	(0.00)	(0.10)

c) Reconciliation of total comprehensive income for the year ended 31.03.2016

	Year ended 31.03.2016 (Rs. Millions)
Loss after tax as per previous GAAP	(0.10)
Adjustments :	
EIR Adjustment on account of processing fees	
Fair valuation adjustment	
Total effect of transition to Ind-AS	-
Profit for the year as per Ind-AS	**(0.10)**
Other comprehensive income for the year (net of tax)	-
Equity component of financial instruments	
Total comprehensive income under Ind-AS	(0.10)

d) Effect of Ind-AS adoption on the statement of cash flows for year ended 31.03.2016

	As at 31.03.2016		
	Previous GAAP (Rs. Millions)	Effect of transition (Rs. Millions)	As per Ind-AS (Rs. Millions)
Net Cash flows from operating activities	1.84	(0.00)	1.84
Net Cash flows from investing activities	(2,542.28)	-	(2,542.28)
Net Cash flows from financing activities	2,559.17	-	2,559.17
Net decrease in cash and cash equivalents	**18.73**	-	**18.73**
Cash and Cash equivalents at the beginning of the year	**0.40**	-	**0.40**
Cash and Cash equivalents at the end of the year	19.13	-	19

Analysis of cash and cash equivalents as at 31.03.2016 and as at 1.04.2015 for the purposes of statement of cash flow under Ind-AS

	As at 31.03.2016 (Rs. Millions)	As at 1.04.2015 (Rs. Millions)
Cash and Cash equivalents for the purposes of statement of cash flows	19.13	0.40
Balance held as margin money shown seperately in Ind-AS	-	-
Cash and Cash equivalents for the purposes of statement of cash flows	19.13	0.40

N. M. RAIJI & CO. MUMBAI CHARTERED ACCOUNTANTS

Note 30 - Equity reconciliation

Particulars	Note	31-Mar-17	31-Mar-16	01-Apr-15
Equity as per Previous GAAP (Indian GAAP)		(6.50)	(6.03)	(5.93)
Increase in Other Equity on account of Ind AS adjustments				
EIR Adjustment on account of processing fees				
Equity component of loan		16.54	9.27	2.11
Total of Increase in Other Equity		**16.54**	**9.27**	**2.11**
Decrease in Other Equity on account of Ind AS adjustments				
EIR Adjustment on account of processing fees/interest cost on bank loans				
Total of Decrease in Other Equity		-	-	-
Adjusted Other Equity as per Ind-AS		**10.04**	**3.24**	**(3.82)**

PROFIT & LOSS RECONCILIATION

Particulars		31-Mar-17		31-Mar-16
Profit/(Loss) as per Previous GAAP (Indian GAAP)		(0.47)		(0.10)
Increase in Profit on account of Ind AS adjustments				
EIR Adjustment on account of processing fees				
Decrease in Profit on account of Ind AS adjustments				
EIR Adjustment on account of processing fees/interest cost on bank loans				
		-		-
Adjusted Profit/(Loss) as per Ind-AS		**(0.47)**		**(0.10)**
Other Comprehensive Income		-		-
Adjusted total Profit/(Loss) as per Ind-AS		**(0.47)**		**(0.10)**

Notes -

1) Compound Financial Instrument -

Under Previous GAAP, Compulsorily Convertible Cumulative Preference shares were classified as part of total equity and dividend payable thereon was treated as distribution of profit. However under Ind AS, convertible Preference shares are seperated into liability and equity components based on the terms of the contract.

2) Transaction Costs -

Under Indian GAAP, the transaction costs related to Borrowings are charged to Statement of Profit and Loss in the year in which it is incurred. Under Ind AS, the transaction costs are included in the initial amount of financial liability and charged to profit or loss using in the effective interest rate method. Interest on liability component is recognised using effective interest rate method (EIR) in the statement of profit and loss account. EIR is the rate that exactly discounts the estimated future cash payments / receipts over the expected life of financial instrument to the gross carrying amount of financial asset or to the amortized cost of a financial liability. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

3) Under previous GAAP, actuarial gains and losses were recognised in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of re-measurement of net defined benefit liability / asset which is recognised in other comprehensive income in the respective periods. This difference has resulted in increase in net income of Rs 0.6 Mn for the period ended September 30, 2015. However, the same does not result in difference in equity or total comprehensive income.

N. M. RAIJI & CO. ★ CHARTERED ACCOUNTANTS ★ MUMBAI

Note 31 - Approval of financial statement

FOR N M Raiji & Co.
Chartered Accountants
Firm Reg No: 108296W

N. M. RAIJI & CO. MUMBAI CHARTERED ACCOUNTANTS

Vinay D Balse
Partner
Membership No : 39434

Place:
Date: 8 MAY 2017

For and on behalf of the Board of Directors

Director

Director

Place :
Date :