

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHIRPUR POWER PRIVATE LIMITED

Report on the IND-AS Financial Statements:

We have audited the accompanying IND-AS Financial Statements of **M/s. SHIRPUR POWER PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, (including Other Comprehensive Income), the Statement of Cash flows, 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 "IND-AS financial statements").

Management's Responsibility for the IND-AS Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND-AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (IND-AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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 IND-AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these IND-AS Financial Statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the IND-AS Financial Statements. The procedures selected depend on the auditor's



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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the IND-AS Financial Statements.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND-AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its Profits, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other matter:

The Comparative financial information of the Company for the year ended 31st March 17 and the transition date opening balance sheet as at 1 April 2016 included in these IND -AS financial statements, are based on the previously issued statutory financial statements for the years ended on 31st March, 2017 and 31st March, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 which were audited by us, on which we expressed an unmodified opinion dated 31st July, 2017 and 29th August, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to IND-AS, have been audited by us.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure-"A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow 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 IND-AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act,



SHAH & SHAH ASSOCIATES
CHARTERED ACCOUNTANTS

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- (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" 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 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its IND-AS Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



Date : 3rd September, 2018
Place : Ahmedabad

FOR SHAH & SHAH ASSOCIATES
Chartered Accountants
Firm Regn. No. 113742W

Vasant C. Tanna

VASANT C. TANNA
PARTNER
Membership Number: 100422

Annexure A" to the Independent Auditor's Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the IND-AS financial statements of the Company for the year ended March 31, 2018):

- (i) (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the fixed assets are verified in a phased manner by the management, during the year which, in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. The discrepancies noticed on verification between physical stocks and the books of accounts were not material and have been dealt with in books of account.
- (iii) The company has not granted any loans secured or unsecured to Companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) According to the information and explanations given to us, the company has not made any investment or given any loans during the year. The Company has not provided any guarantee or security during the year under review. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit nor has any unclaimed deposit within the meaning of the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed thereunder. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) As explained to us, maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Act. Accordingly, the provisions of Clause (vi) of paragraph 3 of the Order are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including provident fund, employees state Insurance, income-tax, sales tax, value added tax, Goods & Service Tax, duty of customs, duty of excise, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, value added tax, Goods &



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Service Tax, duty of customs, duty of excise ,service tax, cess and other material statutory dues were in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, duty of excise, service tax , value added tax Goods & Service Tax and duty of customs which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the records of the Company examined by us and the information & explanations given to us, as at the year end, the company has defaulted in repayment of dues to Banks as under:

Name of the Bank	Nature of Due	Amount involved in default (Rs.in Crores)	Remarks
State Bank of India	Interest	44.17	Interest remain unpaid from Aug'17 onwards
Bank of Baroda	Interest	47.25	
IDBI Bank	Interest	31.29	

Further, during the year, the Company delayed in repayment of dues to Banks up to 90 days, as detailed below:

Name of the Bank	Nature of Due	Amount involved in default (Rs.in Crores)
State Bank of India	Interest	21.64
Bank of Baroda	Interest	22.64
IDBI Bank	Interest	14.50

The company has not taken any loan or borrowings from Financial Institutions and Government and has not issued any debentures.

- (ix) According to the information & explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year under review. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not paid any managerial remuneration within the meaning of Section 197 read with Schedule V to the Act, hence the provisions of clause (xi) of paragraph 3 of the Order is 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, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, there are no transactions with the related parties and hence the provisions of clause (xiii) of paragraph 3 of the Order is not applicable to the Company
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



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- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR SHAH & SHAH ASSOCIATES
Chartered Accountants
Firm Regn. No. 113742W

N. C. Tanna

VASANT C. TANNA
PARTNER

Membership Number: 100422

Date : 3rd September, 2018
Place : Ahmedabad



"Annexure B" to the Independent Auditor's Report
(Referred to in 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 **M/s SHIRPUR POWER PRIVATE LIMITED** ("the Company") as of 31 March 2018 in conjunction with our audit of the IND-AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 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 IND-AS 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 IND-AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on IND-AS 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, to the best of our information & according to the explanations given to us, 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 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Date : 3rd September, 2018
Place : Ahmedabad



FOR SHAH & SHAH ASSOCIATES
Chartered Accountants
Firm Regn. No. 113742W

V. C. Tanna

VASANT C. TANNA
PARTNER
Membership Number: 100422

SHIRPUR POWER PVT LTD
AUDITED BALANCE SHEET AS AT 31st March, 2018

	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
ASSETS				
Non-current assets				
a) Property, Plant and Equipment	2	12,879,162,042	259,201,705	266,028,844
b) Capital work-in-progress		10,244,519,559	22,135,524,282	19,505,611,942
c) Intangible assets	3	197,492,061	-	286,068
d) Financial Assets				
i) Other Financial Assets	4	2,602,187	23,660,075	22,623,093
e) Other non-current assets	5	3,000,000	99,033,939	114,562,883
		23,326,775,849	22,517,420,001	19,909,112,830
Current assets				
a) Inventories	6	52,747,284	-	-
b) Financial Assets				
i) Cash and cash equivalent	7	4,485,382	11,464,598	28,315,174
ii) Bank balances other than (iii) above	8	63,695,434	64,636,041	579,181,160
b) Current Tax Assets (net)		1,865,367	1,431,488	652,147
c) Other current assets	5	6,716,983	3,089,165	20,000
		129,510,450	80,621,292	608,168,481
Total Assets		23,456,286,299	22,598,041,293	20,517,281,311
EQUITY AND LIABILITIES				
EQUITY				
a) Equity Share capital	9	410,425,080	410,425,080	399,901,360
b) Other Equity	10	6,388,813,650	6,759,225,007	5,102,676,196
		6,799,238,730	7,169,650,087	5,502,577,556
LIABILITIES				
Non-current Liabilities				
a) Financial liabilities				
i) Borrowings	11	15,060,306,492	14,403,300,173	13,560,131,654
b) Provisions	13	783,130	5,670,109	5,973,766
		15,061,089,622	14,408,970,282	13,566,105,420
Current liabilities				
a) Financial Liabilities				
i) Other financial liabilities	12	1,587,668,519	1,016,231,001	1,429,443,992
b) Other current liabilities	14	1,608,691	2,128,186	17,605,892
c) Provisions	13	6,680,737	1,061,737	1,548,451
		1,595,957,947	1,019,420,924	1,448,598,335
Total Equity and Liabilities		23,456,286,299	22,598,041,293	20,517,281,311

See accompanying notes forming part of financial statements 1 - 36

The Notes referred to above form an Integral part of this statement
As per our attached report of even date

For Shah & Shah Associates
Chartered Accountants
Firm Registration No. 113742W

Vasant C Tanna
(Partner)
Membership No. : 100422



For and on behalf of the Board of Directors of
Shirpur Power Pvt. Ltd.

Vidyut A Sheth
(Director)
Din: 00239371

Ashok Maitra
(Director)
Din: 07246375

D.C. Shal
CFO

Place: Ahmedabad
Date: 3 SEP 2018

Place: Ahmedabad
Date: 3 SEP 2018



SHIRPUR POWER PVT LTD
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

	Note No.	For the Year ended on 31st March, 2018 Amount Rs.	For the Year ended on 31st March, 2017 Amount Rs.
1. INCOME			
Revenue from Operations	15	14,170,483	-
Other Income	16	12,273,378	9,850,450
TOTAL REVENUE		26,443,861	9,850,450
2. EXPENSES			
Cost of Material	17	17,127,200	-
Employee Benefits Expense	18	36,803,409	1,324,357
Finance Costs	19	764,316,522	-
Depreciation and Amortization expense	20	176,084,681	-
Other Expenses	21	72,377,051	5,762,358
Total Expenses		1,066,708,863	7,086,715
3. PROFIT / (LOSS) BEFORE TAX		(1,040,265,002)	2,763,735
4. TAX EXPENSE			
Current Tax			
- Related to Current Year		-	1,000,000
- Related to Prior Year		(973,579)	-
Deferred Tax		-	-
5. PROFIT / (LOSS) FOR THE PERIOD		(1,039,291,423)	1,763,735
Other Comprehensive Income			
i) Reclassifiable to profit or loss in subsequent periods			
ii) Not reclassifiable to profit or loss in subsequent periods			
- Remeasurements of the defined benefit obligation		(261,526)	(484,831)
- Income Tax effect on above			
Total Comprehensive Income for the year		(1,039,552,949)	1,278,904
Earnings per equity share of face value of Rs. 10 each			
Basic / Diluted Earnings Per Share (Rs.)		(25.33)	0.03

See accompanying notes forming part of financial statements

1 - 36

The Notes referred to above form an Integral part of this statement

As per our attached report of even date

For Shah & Shah Associates
Chartered Accountants
Firm Registration No. 113742W

Vasant C Tanna
(Partner)
Membership No. : 100422

Place: Ahmedabad
Date: 3 SEP 2018

For and on behalf of the Board of Directors of
Shirpur Power Pvt. Ltd.

Vidyut A Sheth
(Director)
Din: 00239371

Place: Ahmedabad
Date: 3 SEP 2018

Ashok Maitra
(Director)
Din: 07246375

CFO



SHIRPUR POWER PVT LTD
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

	2017-18 (` in Lakhs)	2016-17 (` in Lakhs)
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	(1,040,265,002)	2,278,904
ADJUSTMENTS FOR		
- Depreciation	176,084,681	-
- Interest Income	(8,020,448)	-
- Gain on Redemption of Mutual Fund	(3,499,850)	-
- OCI Adjustment	(261,526)	-
- Interest and Financial Charges	764,316,522	-
Operating Profit before working capital changes	(111,645,622)	2,278,904
ADJUSTMENTS FOR		
- Other Non - Current, Other Current & Financial Assets	60,716,720	(872,912)
- Long Term & Short Term Provisions	732,024	(790,371)
- Other Current Liabilities	(454,400,043)	(244,935,026)
Cash generation from Operations	(504,596,921)	(244,319,406)
- Net Income Tax (Paid) / Refunds	539,700	(1,779,342.00)
Net Cash from Operating Activities	(504,057,221)	(246,098,748)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
- Purchase of fixed assets (Including Capital WIP)	(1,102,532,354)	(2,368,749,260)
- Interest Income	8,020,448	2,206,712
- Gain on Redemption of Mutual Fund	3,499,850	-
- Long Terms Loan & Advances	-	7,733,678
Net cash used in investing activities	(1,091,012,057)	(2,358,808,870)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
- Proceeds from Share Capital incl share premium	-	105,237,200
- Quasi Equity received from Holding Co	669,141,591	-
- Acceptance of Borrowings	1,682,324,385	1,969,588,523
- Repayment of Borrowings	-	-
- Interest Paid	(764,316,522)	-
Net Cash used in Financing Activities	1,587,149,454	2,074,825,723
(D) NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	(7,919,823)	(530,081,895)
(E) Cash & Cash Equivalents- Opening Balance	76,100,639	606,182,534
(F) Cash & Cash Equivalents- Closing Balance	68,180,816	76,100,639

Components of Cash & Cash Equivalents:

1 Cash & Cash Equivalents include the following:

	As at 31.03.2018	As at 31.03.2017
Cash in hand	200,034	8,089
Balances with Schedule Banks		
In Current Accounts	4,285,348	11,456,509
In Fixed Deposits	63,695,435	64,636,041
	68,180,816	76,100,639

As per our attached report of even date

For Shah & Shah Associates
Chartered Accountants
Firm Registration No. 113742W

Vasant C Tanna
(Partner)
Membership No. : 100422

Place: Ahmedabad
Date: 3 SEP 2018



For and on behalf of the Board of Directors of
Shirpur Power Pvt. Ltd.

Vidyut A Sheth
(Director)
Din: 00239371

Place: Ahmedabad
Date: 3 SEP 2018

Ashok Maitra
(Director)
Din: 07246375



T.C. Shah
CFO

SHIRPUR POWER PRIVATE LIMITED
Notes to the Special Purpose Financial Statements

STATEMENT OF CHANGES IN EQUITY

(a) Equity Share Capital

Particulars	(Amount in `)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balance at the beginning of the year	410,425,080	399,901,360	399,901,360
Changes in equity share capital during the year	-	10,523,720	-
Balance at the end of the year	410,425,080	410,425,080	399,901,360

(b) Instruments entirely equity in nature

Particulars	(Amount in `)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Quasi Equity :			
<u>Unsecured Loan From Holding Company*</u>			
Balance at the beginning of the year	3,284,267,275	1,539,955,176	1,531,432,918
Add: Interest accrued on above	-	183,755,671	8,522,258
Add: Amount received During the Year	669,141,591	1,560,556,428	-
Balance at the end of the year	3,953,408,866	3,284,267,275	1,539,955,176

(c) Other Equity

Particulars	Reserves & Surplus			Other Comprehensive	Total Equity
	Sec Premium	Retained earnings			
Balance at the beginning of April 1, 2017	3,669,525,720	(1,805,227)	(484,831)	3,667,235,662	
Profit \ (Loss) for the year	-	(1,039,291,423)	(261,526)	(1,039,552,949)	
Balance at the end of March 31, 2018	3,669,525,720	(1,041,096,650)	(746,357)	2,627,682,713	

As on 31st March, 2017

Particulars	Reserves & Surplus		Other Comprehensive Income	Total Equity
	Security Premium	Retained Earnings		
Balance at the beginning of April 1, 2016	3,574,812,240	(3,568,962)	-	3,571,243,278
Received During the Year	94,713,480	-	-	94,713,480
Profit \ (Loss) for the year	-	1,763,735	(484,831)	1,278,904
Balance at the end of March 31, 2017	3,669,525,720	(1,805,227)	(484,831)	3,667,235,662

*Loan received from Holding Company along with interest accrued thereon is accounted as equity contribution as it is perpetual in the nature and settlement of the same is neither planned nor likely in the foreseeable future. In the event of liquidation of the company, settlement of the same will be based on the residual interest in the assets of an entity after deducting all of its liabilities.

For Shah & Shah Associates
Chartered Accountants
Firm Registration No. 113742W

Vasant C Tanna
(Partner)
Membership No. : 100422

Place: Ahmedabad

Date: - 3 SEP 2018

For and on behalf of the Board of Directors of
Shirpur Power Pvt. Ltd.

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(Director)
Din: 00239371

Ashok Maithra
(Director)
Din: 07246375

CFO

Place: Ahmedabad

Date: - 3 SEP 2018



2) Property, Plant and Equipment

Particulars	Plant and Machinery	Furniture and fixtures	Vehicles	Office equipment	Computers, laptops and printers	Laboratory Equipment	Road	Leasehold Land (Incl. Site Devp)	Electrical Fittings and Fixtures	Building	Total
Gross Carrying Value as of April 01, 2016	35,446,750	3,307,187	3,873,861	12,485,262	577,130	-	-	156,692,141	2,354,898	60,408,187	275,145,416
Ind As Transition Adjustment	-	-	-	-	-	-	-	-	-	-	-
Additions	236,472	30,088	-	177,332	230,458	-	-	1,860,007	57,559	-	9,116,572
Deletions	-	-	-	-	-	-	-	-	-	-	2,591,916
Gross carrying value as of March 31, 2017	35,683,222	3,337,275	3,873,861	12,662,594	807,588	-	-	149,435,576	2,412,457	60,408,187	268,620,760
Additions	11,765,472,461	21,632,147	-	136,736	-	47,695,774	119,139,580	420,000	558,298,052	281,273,016	12,794,067,766
Deletions	-	-	-	-	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2018	11,801,155,683	24,969,422	3,873,861	12,799,330	807,588	47,695,774	119,139,580	149,855,576	560,710,509	341,681,203	13,062,688,526
Accumulated Depreciation as of April 01, 2016	-	-	-	-	-	-	-	-	-	-	-
Depreciation	955,407	400,236	604,264	3,602,804	315,682	-	-	1,724,027	296,907	1,519,728	9,419,055
Accumulated Depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as on March 31, 2017	955,407	400,236	604,264	3,602,804	315,682	-	-	1,724,027	296,907	1,519,728	9,419,055
Depreciation	121,174,018	1,251,078	604,263	3,604,448	228,531	1,874,509	15,609,472	-	22,241,469	7,519,641	174,107,429
Accumulated Depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as on March 31, 2018	127,129,425	1,651,314	1,208,527	7,207,252	544,213	1,874,509	15,609,472	1,724,027	22,538,376	9,039,369	183,576,484
Carrying Value as of March 31, 2017	34,727,815	2,937,039	3,269,597	9,059,790	491,906	-	-	147,711,549	2,115,550	58,888,459	259,202,705
Carrying Value as of March 31, 2018	11,679,026,258	23,318,108	2,665,334	5,592,078	263,375	45,821,265	103,530,108	148,131,549	538,172,133	332,641,834	12,879,162,042

IGAAP Note for property plant & equipments

Particulars (01-April-2016)	Plant and Machinery	Furniture and fixtures	Vehicles	Office equipment	Computers, laptops and printers	Leasehold Land (Incl. Site Devp)	Electrical Fittings and Fixtures	Building	Total
Gross Block	37,864,008	3,987,861	4,871,456	18,116,127	1,925,940	168,494,580	3,013,236	63,097,368	301,370,556
Accumulated Depreciation	2,417,258	680,674	997,575	5,630,865	1,348,810	11,802,439	658,338	2,689,181	26,225,140
Net Block	35,446,750	3,307,187	3,873,861	12,485,262	577,130	156,692,141	2,354,898	60,408,187	275,145,416

Addition during the year includes interest capitalized of Rs.337,74,69,029/- (previous year Rs.Nil) to the cost of Property, Plant & Equipments in accordance with the requirement of IND-AS 23 Borrowing Costs.

3) Intangible Assets

Particulars	Software	Right to use Assets - Transmission line
Gross Carrying Value as of April 01, 2016	286,068	-
Additions	-	-
Deletions	-	-
Gross carrying value as of March 31, 2018	395,588	199,359,792
Accumulated Depreciation as of April 01, 2016	-	-
Depreciation	286,068	1,962,902
Accumulated Depreciation on deletions	-	-
Accumulated Depreciation as on March 31, 2018	286,068	1,962,902
Carrying Value as of March 31, 2017	14,349	197,396,890
Carrying Value as of March 31, 2018	95,171	197,396,890

IGAAP Note for Intangible Assets (01-April-2016)

Particulars (01-April-2016)	Software	Right to use Assets - Transmission line
Gross Block	1,095,872	-
Accumulated Depreciation	809,804	-
Net Block	286,068	-



4) Other Financial Assets

Particulars	March 31, 2018		March 31, 2017		April 01, 2016	
	Current	Non-current	Total	Current	Non-current	Total
a) Unsecured, considered good						
(i) Security deposits	-	2,602,187	2,602,187	-	23,660,075	23,660,075
Total	-	2,602,187	2,602,187	-	23,660,075	23,660,075
					22,623,093	22,623,093



5) Other Non current & Current Assets

Particulars	31st March, 2018		31st March, 2017		1st April, 2016	
	Current	Non-current	Total	Current	Non-current	Total
Balance with Govt. Agencies	4,373,533	-	4,373,533	-	-	-
Advances to supplier Capital Goods & Land	-	3,000,000	3,000,000	-	-	-
Advances recoverable in cash or in kind or for value to be received	(14,838)	-	(14,838)	-	-	-
Prepayment for Leasehold Land	2,358,288.00	-	2,358,288	3,089,165	2,358,288	5,447,453
Total	6,716,983	3,000,000	9,716,983	3,089,165	99,033,939	102,123,104
				20,000	114,562,883	114,582,883



6) <u>Inventory</u>	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	Stock in Trade	52,747,285	-	-
	Total	52,747,285	-	-

7) <u>Cash and cash equivalents</u>	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	a) Balances with banks			
	Balance with Scheduled Banks	4,285,348	11,456,509	27,734,642
	b) Cash on hand	200,034	8,089	580,532
	Total	4,485,382	11,464,598	28,315,174

8) <u>Other Bank balance</u>	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	Fixed deposits with original maturity of more than 3 months but less than 12 months (including interest accrued thereon)	63,695,435	64,636,041	579,181,160
	Total	63,695,435	64,636,041	579,181,160

Above fixed deposits with banks are held as margin money against Letter of Credit / Bank Guarantee.



Share Capital	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
9.1 EQUITY SHARE CAPITAL				
Authorised Share Capital:				
5,00,00,000 Equity Shares of Rs. 10 each		500,000,000	500,000,000	500,000,000
Issued, Subscribed and Paid up				
		<u>500,000,000</u>	<u>500,000,000</u>	<u>500,000,000</u>
Equity Share Capital				
4,10,42,508 Equity Shares of Rs 10 each fully paid-up		410,425,080	410,425,080	399,901,360
Total		<u>410,425,080</u>	<u>410,425,080</u>	<u>399,901,360</u>

Right, preferences and restrictions attached to the shares.

Equity Share

The company has one class of equity share having par value of Rs. 10 each. Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to shareholding.

9.2 The details of shareholders holding more than 5 % shares

Equity Share Capital

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Sixvents Power & Engineering Limited merged with Zep Infratech Ltd. (Formerly Known as Sintex Power Ltd.)	41,042,508	100.00%	41,042,508	100.00%	39,990,136	100.00%

9.3 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Equity Shares at the beginning of the year	41,042,508		39,990,136		27,846,000	
Add : Shares issued during the year	-		1,052,372		12,144,136	
Less : Shares bought back during the year	-		-		-	
Equity Shares outstanding at the end of year	41,042,508		41,042,508		39,990,136	



10) Other Equity as on 31.03.2018

Particulars	Profit / Loss	Equity Component of Unsecured Loan	Security Premium	Total
Balance at the beginning of the reporting period 1st April, 2017	(2,290,058)	3,091,989,346	3,669,525,720	6,759,225,007
Share Application Money Received	-	-	-	-
Quasi Equity from Holding Company*	-	669,141,591	-	669,141,591
Profit/(Loss) for the year	(1,039,552,949)	-	-	(1,039,552,949)
Balance at the beginning of the reporting period 31st March, 2018	(1,041,843,007)	3,761,130,937	3,669,525,720	6,388,813,650

Other Equity as on 31.03.2017

Particulars	Profit / Loss	Equity Component of Unsecured Loan	Security Premium	Total
Balance at the beginning of the reporting period 1st April, 2016	(3,568,962)	1,531,432,918	3,574,812,240	5,102,676,196
Share Application Money Received	-	-	94,713,480	94,713,480
Quasi Equity from Holding Company*	-	1,560,556,428	-	1,560,556,428
Profit/(Loss) for the year	1,278,904	-	-	1,278,904
Balance at the beginning of the reporting period 31st March, 2017	(2,290,058)	3,091,989,346	3,669,525,720	6,759,225,007

*Interest free loan received from Holding Company is accounted as equity contribution as it is perpetual in nature and settlement of the same is neither planned nor likely in the foreseeable future. In the event of liquidation of the company, settlement of the same will be based on the residual interest in the assets of an entity after deducting all of its liabilities.



11) Borrowings

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Current	Non current	Current	Non current	Current	Non current
Secured borrowings						
a) Term Loan						
i) From banks	-	15,060,306,492	-	14,403,300,173	-	13,560,131,654
ii) From other financial institutions	-	-	-	-	-	-
Total	-	15,060,306,492	-	14,403,300,173	-	13,560,131,654

i) Term Loan Facilities from Banks Secured by First charge on all the immovable and Movable assets of the company both Present and Future.

ii) Terms of Repayment :

Term Loan 1 of Rs. 1322 Crores -Repayable in forty two equal quarterly installment commencing from 30.06.2018 till 30.09.2028 & carrying interest rate in the range of 11% p.a. to 12.50%p.a.

Term Loan 2 of Rs. 192 Crores -Repayable in fifty structural quarterly installment commencing from 30.06.2018 till 30.09.2030 & carrying interest rate in the range of 11.3% p.a. to 12.60%p.a.

12) Other financial liabilities

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Current	Non current	Current	Non current	Current	Non current
Current maturity of long term loan	1,025,318,066	-	1,025,318,066	-	-	-
Payable for Capital Goods	547,357,012	-	547,357,012	-	1,001,761,181	1,417,395,589
Payable to Employees	14,993,441	-	14,993,441	-	14,469,820	12,048,403
Total	1,587,668,519	-	1,587,668,519	-	1,016,231,001	1,429,443,992

13) Provisions

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Current	Non current	Current	Non current	Current	Non current
Provisions for Gratuity	2,796,912	397,787	662,471	3,327,261	1,036,592	3,378,160
Provisions for Leave Encashment	3,883,828	385,343	399,266	2,342,848	511,859	2,595,606
Total	6,680,740	783,130	1,061,737	5,670,109	1,548,451	5,973,766

14) Other liabilities

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Current	Non current	Current	Non current	Current	Non current
Statutory Dues	1,608,691	-	2,128,186	-	17,605,892	-
Total	1,608,691	-	2,128,186	-	17,605,892	-



15) Revenue from Operations

Particulars	2017-18	2016-17
Sale of Scrap / Non-essential Hazardous Items	14,170,483	-
TOTAL	14,170,483	-

16) Other Income

Particulars	2017-18	2016-17
Interest income	8,020,448	9,823,811
Gain on Redemption of Mutual Fund	3,499,850	-
Provision no longer required Written Back	753,081	26,639
TOTAL	12,273,378	9,850,450

17) Cost of Material

Particulars	2017-18	2016-17
Purchase of Material	69,874,485	-
Less: Closing stocks as at the end of the year	52,747,285	-
TOTAL	17,127,200	-



18) Employee Benefits Expense

Particulars	2017-18	2016-17
Salaries and Wages	33,121,169	-
Contributions to Provident and other Funds	1,126,535	-
Staff welfare Expenses	2,103,120	1,809,188
Gratuity	714,111	-
TOTAL	37,064,935	1,809,188

18.1 The disclosure of Employee benefits as defined in the Indian Accounting Standard-19 "Employee Benefits" are as given below:

I. Defined Benefit Plans - Gratuity (Non Funded)

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets gratuity on retirement at 15 days of last drawn salary for each completed year of service. The aforesaid liability is provided for on the basis of an actuarial valuation made at the end of the financial year.

(a) The amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	2017-18	2016-17
Current Service Cost	507,723	954,065
Interest Cost	184,330	222,420
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognised during the year	22,058	-
Amount included under the head Gratuity Expenses in Note 17 "Employee Benefit Expenses"	714,111	1,176,485

(b) The amounts recognised in the Balance Sheet are as follows:

Particulars	2017-18	2016-17
Present value of non-funded obligation	3,194,699	2,742,114
Less : Fair value of plan assets	-	-
Net Liability included under the head Provision for Gratuity in Notes 8 "Provisions"	3,194,699	2,742,114

(c) Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening defined benefit obligation	2,742,114	3,107,465
Interest cost	184,330	222,420
Current service cost	529,781	954,065
Benefits paid	-	(1,057,005)
Actuarial (gains) / loss on obligation	(261,526)	(484,831)
Closing defined benefit obligation	3,194,699	2,742,114

(d) The amounts recognised in Other Comprehensive Income are as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Actuarial (Gains)/Losses on obligation for the period	(261,526)	(484,831)
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense for the period recognised in OCI	(261,526)	(484,831)

(e) The principal actuarial assumptions at the Balance Sheet date are as follows:

Particulars	2017-18	2016-17
Discount rate	7.65%	7.25%
Expected rate of salary increase	6.00%	6.00%
Mortality table	0.09% to 1.15%	0.09% to 1.15%
Proportion of employees opting for early retirement	-	-

(f) Maturity Profile of defined benefit obligation:

Particulars	Amount
within 1 year	40,158
1-2 years	15,467
2-3 years	16,307
3-4 years	17,120
4-5 years	19,152
5-10 years	97,739

(g) A quantitative sensitivity analysis for significant assumption as at 31 March 2018

Particulars	Change in Assumptions Increase/(Decrease)	Impact on Defined Benefit Obligation Increase/(Decrease)
Discount Rate	0.5%	3,168,402
	-0.5%	3,223,578
Salary Growth Rate	0.5%	3,221,164
	-0.5%	3,170,148
Employee Turnover	0.5%	3,197,059
	-0.5%	3,192,193

II. Defined Contribution Plan: (Provident Fund)

The Provident Fund is operated by the Regional Provident Fund Commissioner and is recognized by the Income Tax authorities. The Company has recognized Rs. 11,26,535/- (Previous year Rs. Nil) in the Profit and Loss for the year.



19) Finance Costs		
Particulars	2017-18	2016-17
Interest Expenses		
On Borrowings	749,510,469	-
Unwinding of discount and implicit interest expense on fair value	5,413,958	-
Other Cost	9,392,094	-
TOTAL	764,316,522	-
20) Depreciation and Amortization Expenses		
Particulars	2017-18	2016-17
Depreciation (Refer Note 3)	174,107,430	-
Amortization Expenses (Refer Note 3)	1,977,251	-
TOTAL	176,084,681	-
21) Other Expenses		
Particulars	2017-18	2016-17
Rates and Taxes	443,093	600,648
Amortisation of Leasehold Land	643,576	-
Consumable Stores & Spares	1,128,201	-
Raw Water Expenses	408,453	-
Electricity Charges	21,878,948	-
Labour Charges	8,896,211	-
Site Expenses	5,065,167	-
Repairs & Maintenance	463,740	178,703
Postage & Courier Expense	9,843	8,815
Boarding and Lodging Expenses	328,991	440,382
Legal & Professional Charges	9,346,590	-
Payment to Auditors (Refer Note 21.1)	146,131	295,500
Plantation Expenses	23,568	73,492
CSR Expenses	20,464,897	-
Advertisement Exps	1,228,743	-
Miscellaneous Expense	1,900,900	4,164,818
TOTAL	72,377,051	5,762,358
21.1 Payment to Auditors		
For Statutory Audit fee	115,000	115,000
For Other Services	31,131	50,600
TOTAL	146,131	165,600



22) Disclosure pursuant to Ind AS 33 "Earnings per share"

Basic and Diluted Earnings per share (EPS) computed in accordance with Ind AS 33 "Earnings per share".

Particulars		2017-18	2016-17
Basic earnings per equity share:			
Profit for the year attributable to owners of the Company for calculating	A	(1,039,291,423)	1,763,735
Weighted average number of equity shares outstanding for calculating	B	41,042,508	40,661,924
Basic earnings per equity share (₹)	A / B	(25.32)	0.04
Diluted earnings per equity share:			
Profit for the year attributable to owners of the Company for calculating	A	(1,039,291,423)	1,763,735
Add : Interest on convertibles (net of tax)	B	-	-
Profit for the year attributable to owners of the Company for the	C = A+B	(1,039,291,423)	1,763,735
Weighted average number of equity shares outstanding for calculating	D	41,042,508	40,661,924
Add : Shares deemed to be issued for no consideration in respect of :	E	-	-
Compulsorily convertible preference share capital	F	-	-
Compulsorily convertible debentures	G	-	-
Weighted average number of equity shares outstanding for calculating	H = D + E	41,042,508	40,661,924
Diluted earnings per equity share (₹)		(25.32)	0.04
Face value per equity share (₹)		10.00	10.00

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year. Diluted EPS are calculated by dividing the profit for the year attributable to the equity holders of the company by weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.



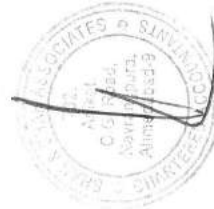
23) Related Party Disclosure as per Ind AS 24

(i) In accordance with the requirements of Ind AS 24 on Related Party Disclosures, the names of the related parties where control exists and with whom transactions have taken place during the year and description of relationships as identified and certified by the management are given below:

Sr. No.	Nature of relationship	Name of Related Parties
1	Key Management Personnel	Mr. Manven Dubey, Manager Mr. Nikunj Shah, Chief Financial Officer Mr. Nilay Modi, Company Secretary
2	Holding Company	M/s. Sixvents Power & Engineering Limited (Formerly Known as Sintex Power Limited)

ii) Transactions carried out with related parties referred to in (i) above is as under:

Description of the nature of the transactions	Sixvents Power & Engineering Limited		
	2017-18	2016-17	2015-16
Unsecured Loan obtained (Net)	669,141,591	1,376,800,756	476,485,800
Shares issued (incl. Share premium received)	-	105,237,200	1,214,413,600
Unsecured Loan outstanding at end of year	3,568,853,008	2,899,711,417	1,522,910,660



24) Disclosure pursuant to Ind AS 36 "Impairment of Assets"

Based on a review of the future discounted cash flows of the project facility, the recoverable amount is higher than the carrying amount and hence no provision for impairment is made for the year.

25) Disclosure of segment information pursuant to Ind AS 108 "Operating Segments"

The Company is engaged in business of power generation which is a single business segment. Hence reporting of operating segments does not arise. The Company does not have operations outside India. Hence, disclosure of geographical segment information does not arise.

26) Disclosures pursuant to Ind AS 1 - "Presentation of Financial Statements"

For the purpose of the company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the company's capital management is to maximise shareholder value.

(Ind AS 1 requires the company to make quantitative and qualitative disclosures regarding objectives policies and processes for managing capital. Also, if comparative amounts are reclassified, nature amount and reason to be disclosed and not just the fact of reclassification.)

27) First time adoption of Ind AS

These financial statements, for the year ended 31 March 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS. This note explains exemptions availed by the Company in restating its Previous GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

a) Exemptions availed

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS.

The company has elected to opt for the deemed cost exemption in respect of all the property, plant and equipment whereby the carrying amount as at the transition date is considered as Deemed cost.

The company has also elected to opt for the exemption to continue with the policy adopted for amortization of intangible assets (computer software) recognised the financial statements for the period ending before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

The company has leases of land. The classification of each land as finance lease or operating lease at the date of transition to Ind As is done based on the basis of facts and circumstances existing as at that date.

28) The following is a brief summary of the GAAP adjustments made by the Company on account of transition to IndAS from the previous GAAP.

i Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised over the tenor of the loan. For transition to IndAS, such transaction costs are adjusted with the fair value of the borrowings on initial recognition. Interest on the borrowings is accounted under the Effective Interest Rate method (EIR). Accordingly borrowings as at 1st April, 2016 have been reduced by Rs. 23,08,71,767/- and consequently the same has been derecognised from Capital Work in Progress.

ii Interest free Loan received from Holding company amounting to Rs. 1,52,29,10,660/- was grouped under Long Term Borrowings under IGAAP. For transition to Ind As, the same has been shown in other equity as it is perpetual in nature and settlement of the same is neither planned nor likely in the foreseeable future. In the event of liquidation of the company, settlement of the same will be based on the residual interest in the assets of an entity after deducting all of its liabilities.

iii Under IGAAP, upfront amount paid for Lease Rent was recorded as Lease-hold Land under Property, Plant & Equipments. Whereas, under Ind As, it is classified as an operating lease and prepayment for the operating lease is recognised as non-current assets and amortised over the period of lease.

iv Company has made several presentation differences between previous GAAP and Ind- AS. These differences have no impact on reported profit or total equity.



29) Financial Instruments

Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument.

Financial Instruments - Accounting Classification and Fair Value Measurements

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

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

1. Fair value of cash and short terms deposits, trade and other short receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameter such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

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

- Level: 1 Quoted (unadjusted) prices in active markets for identical assets or liabilities.
 Level: 2 Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
 Level: 3 Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Disclosure of Financial Instruments by Category

Financial Instruments by categories	Note no.	31.03.2018		31.03.2017		01.04.2016	
		FVTPL	FVTOCI	FVTPL	FVTOCI	FVTPL	FVTOCI
Financial asset							
Loans	4	-	2,602,187	-	23,660,075	-	22,623,093
Cash and Bank Balances	6	-	4,485,381	-	11,464,598	-	28,315,174
Other Bank Balances	7	-	63,695,434	-	64,636,041	-	579,181,160
Total Financial Asset		-	70,783,002	-	99,760,714	-	630,119,427
Financial liability							
Borrowings	10	-	15,060,306,492	-	14,403,300,173	-	13,560,131,654
Other Financial Liability	12	-	1,587,668,519	-	1,016,231,001	-	1,429,443,992
Total Financial Liabilities		-	16,647,975,011	-	15,419,531,174	-	14,989,575,646

30) Fair value of Financial asset and liabilities at amortized cost

Particular	Note no.	31.03.2018		31.03.2017		01.04.2016	
		Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets							
Loans	4	2,602,187	2,602,187	23,660,075	23,660,075	22,623,093	22,623,093
Cash and Bank Balances	6	4,485,381	4,485,381	11,464,598	11,464,598	28,315,174	28,315,174
Other Bank Balances	7	63,695,434	63,695,434	64,636,041	64,636,041	579,181,160	579,181,160
Total Financial Assets		70,783,002	70,783,002	99,760,714	99,760,714	630,119,427	630,119,427
Financial Liability							
Borrowings	10	15,060,306,492	15,060,306,492	14,403,300,173	14,403,300,173	13,560,131,654	13,560,131,654
Other financial liabilities	12	1,587,668,519	1,587,668,519	1,016,231,001	1,016,231,001	1,429,443,992	1,429,443,992
Total Financial Liabilities		16,647,975,011	16,647,975,011	15,419,531,174	15,419,531,174	14,989,575,646	14,989,575,646

The carrying amount of current financial assets and current trade and other payables measured at amortized cost are considered to be the same as their fair values, due to their short term nature.

The carrying amount of Security Deposit measured at amortized cost is considered to be the same as its fair value due to its insignificant value.

The carrying value of Cash Credit facility approximate fair value as the instruments are at prevailing market rate.



31) Fair Value Measurement

All financial assets and liabilities are measured at amortised cost hence disclosure of fair value measurement in Level 1, Level 2 & Level 3 categories are not required.

32) Asset pledged as security

Particulars	Note no	31.03.2018	31.03.2017	01.04.2016
Non Financial Asset				
Property, Plant & Equipment (including CWIP)	2	23,123,681,601	22,394,725,987	19,771,640,786
Other non-current assets	5	3,000,000	99,033,939	114,562,883
Other current assets	5	6,716,983	3,089,165	20,000
Financial Asset				
Loans	4	2,602,187	23,660,075	22,623,093
Cash and Bank Balances	6	4,485,381	11,464,598	28,315,174
Other Bank Balances	7	63,695,434	64,636,041	579,181,160
Total		23,204,181,586	22,596,609,805	20,516,343,096



33) Financial Risk Management

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

i Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

ii Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.

The company is not exposed to foreign currency risk as it has no borrowing in foreign currency.

iii Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Interest risk arises to the company mainly from Long term borrowings with variable rates. The company measures risk through sensitivity analysis.

Currently, Lending by Commercial Banks is at variable rate only, which is the inherent business risk.

The company's exposure to interest rate risk due to variable interest rate borrowings is as follows:

Particulars	31.03.2018	31.03.2017	01.04.2016
Term Loan from Banks	15,060,306,492	14,403,300,173	13,560,131,654

Sensitivity analysis based on average outstanding of Cash Credit Facility

Interest Rate Risk Analysis	Impact on profit/ loss after tax	
	FY 2017-18	FY 2016-17
Increase or decrease in interest rate by 25 basis point	36,829,508	34,954,290

Note: Profit will increase in case of decrease in interest rate and vice versa

iv Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. However as of now the Company's exposure to the risk of changes in foreign currency rates is Nil as there are no transactions entered by the company in foreign currency.

v Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company is exposed to liquidity risk due to bank borrowings and trade and other payables.

The company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

The following are the contractual maturities of financial liabilities

As at March 31, 2018	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability					
Term Loans from Banks	16,085,624,558	1,025,318,066	1,367,090,754	4,172,641,275	9,520,574,463
Payable for Capital Goods	547,357,012	547,357,012	-	-	-
Payable to Employees	14,993,441	14,993,441	-	-	-
Total	16,647,975,011	1,587,668,519	1,367,090,753.90	4,172,641,275.00	9,520,574,463

Derivative Financial Liability NIL NIL NIL NIL NIL

As at March 31, 2017	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability					
Term Loans from Banks	14,403,300,173	-	1,025,318,065	1,367,090,754	12,010,891,354
Payable for Capital Goods	1,001,761,181	1,001,761,181	-	-	-
Payable to Employees	14,469,820	14,469,820	-	-	-
Total	15,419,531,174	1,016,231,001	1,025,318,065	1,367,090,754	12,010,891,354

Derivative Financial Liability NIL NIL NIL NIL NIL

As at April 01, 2016	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability					
Term Loans from Banks	13,560,131,654	-	-	1,025,318,065	12,534,813,589
Payable for Capital Goods	1,417,395,589	1,417,395,589	-	-	-
Payable to Employees	12,048,403	12,048,403	-	-	-
Total	14,989,575,646	1,429,443,992	-	1,025,318,065	12,534,813,589

Derivative Financial Liability NIL NIL NIL NIL NIL

v Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.



34) Capital Management

The Company considers the following components of its Balance Sheet to be managed capital:

1. Total equity – Share Capital, Retained Profit/ (Loss) and Other Equity.
2. Working capital.

The Company manages its capital so as to safeguard its ability to continue as a going concern. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditor, and market confidence and to sustain future development and growth of its business. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the requirement of capital to meet the operational cost of the company from time to time and infuse the capital through sub-ordinate debt, which is classified as other equity.

Summary of quantitative data of the capital of the company	As at March 31, 2018	As at March 31, 2017
Equity - Issued and paid up capital	410,425,080	410,425,080
Other Equity	6,388,813,650	6,759,225,007
Total	6,799,238,730	7,169,650,087

35) Leasing Arrangements: The Company being a lessee

Operating Lease arrangements

The company has entered into operating lease arrangements for land. The leases are cancellable and are for a period of 5 to 30 years and may be renewed for further period, based on mutual agreement of the parties.

Payment recognised as an expense in note no 22

Particulars	FY 2017-18	FY 2016-17
Minimum Lease Payments	643,576	-

36) Other Notes

36.1 Capital Commitments outstanding as on March 31, 2018 is Rs. Nil (PY Rs. Nil).

36.2 Contingent Liabilities not provided for (excluding interest, penalty etc.):
Contracts remaining to be executed on capital account and not provided for Rs. 70 Crore (Previous year Rs. 70 crores)

36.3 The non current financial assets, current financial assets and other current assets are good and recoverable and are approximately of the values, if realized in the ordinary course of business unless and to the extent stated otherwise in the accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated above.

36.4 Balancesheet, Statement of Profit & Loss, Cash Flow Statement and Statement of Changes in Equity read together with Notes to Accounts thereon, are drawn up so as to disclose the information required under the Companies Act 2013 as well as give a true and fair view of the statement of affairs of the company as at the end of the year and financial performance of the Company for the year under review.

36.5 Capital Work-in-Progress includes amount of interest during construction period aggregating to Rs.337,74,00,000/- to be capitalized and allocated to the cost of respective assets in accordance with the requirement of IND-AS 23 Borrowing Costs.

36.6 The Company has commenced commercial operation in respect of 1 X150 MW Power Plant effective from 1st November,2017. However, in view of commercial expediency and market condition for thermal power, the business of power generation is not commercially viable and therefore the Company has stopped the generation of power at the said plant. In spite of the same fact, the accounts have been prepared following going concern.

36.7 There has been deferred tax assets considering the unabsorbed depreciation. However, in absence of virtual certainty and convincing evidences of its being reversed in the near future, the same has not been recognised in the books of accounts of the Company.

36.8 The figures for the previous year have been regrouped / reclassified, wherever necessary, to make them comparable with the figures for the current year.

36.9 These financial statements were authorized for issue by the Board of Directors on _____ September, 2018.

The Notes referred to above form an Integral part of this statement
As per our attached report of even date

For Shah & Shah Associates
Chartered Accountants
Firm Registration No. 113742W

Vasant C Tanna
(Partner)
Membership No. : 100422

Place: Ahmedabad
Date: - 3 SEP 2018

For and on behalf of the Board of Directors of
Shirpur Power Pvt. Ltd.

Vidyut A Sneth
(Director)
Din: 00239371

Place: Ahmedabad
Date: - 3 SEP 2018

Ashok Maltra
(Director)
Din: 07246375



SHIRPUR POWER PRIVATE LIMITED
Effect of Ind AS adoption on the Standalone Balance sheet as at 31st March 2017

First-time Ind AS adoption reconciliations

a) Effect of Ind AS adoption on the balance sheet as at 31 March, 2017

Particulars	(Amount in `)		
	As at 31 March, 2017		
	Previous GAAP**	Effect of Transition to Ind AS*	As per Ind AS
A. ASSETS			
1. Non-current assets			
a) Property, Plant and Equipment	264,649,158	5,447,453	259,201,705
b) Capital work-in-progress	22,116,015,296	(19,508,986)	22,135,524,282
c) Intangible assets	-	-	-
d) Financial Assets			
i) Other Financial Assets	-	(23,660,075)	23,660,075
e) Deferred tax assets (net)	-	-	-
f) Other non-current assets	120,335,726	21,301,787	99,033,939
Current assets			
a) Inventories		-	
b) Financial Assets		-	
i) Investments		-	
ii) Trade Receivables		-	
iii) Cash and cash equivalent		-	
iv) Bank balances other than (ii) above	73,893,927	62,429,329	11,464,598
c) Current Tax Assets (net)	-	(64,636,041)	64,636,041
d) Short-Term Loans & Advances	1,431,488	(1,431,488)	1,431,488
e) Other current assets	2,206,712	(882,453)	3,089,165
TOTAL Assets	22,578,532,307	(19,508,986)	22,598,041,293
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	410,425,080	-	410,425,080
(b) Other Equity	3,667,235,662	(3,091,989,346)	6,759,225,007
LIABILITIES			
Non-current Liabilities			
a) Financial liabilities			
i) Borrowings	17,283,502,604	2,880,202,431	14,403,300,173
b) Provisions	5,670,109	-	5,670,109
Current liabilities			
a) Financial Liabilities			
i) Borrowings		-	
ii) Trade payables		-	
iii) Other financial liabilities		(1,016,231,001)	1,016,231,001
b) Other current liabilities	1,210,637,116	1,208,508,930	2,128,186
c) Provisions	1,061,737	-	1,061,737
	22,578,532,307	(19,508,986)	22,598,041,293

0.09

Notes

Figures as per I-GAAP & Ind AS are same under respective heads as there is no Transition difference.

* Figure as per previous I GAAP has been regrouped in line with the reclassification requirement of IND As and has not been considered in "Effect of Transition to Ind AS" due to Ind As.



SHIRPUR POWER PRIVATE LIMITED
Effect of Ind AS adoption on the Standalone Balance sheet as at 1st April 2016

First-time Ind AS adoption reconciliations

a) Effect of Ind AS adoption on the balance sheet as at 1st April, 2016

(Amount in `)

Particulars	As at 1st April, 2016		
	Previous GAAP**	Effect of Transition to Ind AS*	As per Ind AS
A. ASSETS			
1. Non-current assets			
a) Property, Plant and Equipment	275,145,416	9,116,572	266,028,844
b) Capital work-in-progress	19,736,483,709	230,871,767	19,505,611,942
c) Intangible assets	286,068	-	286,068
d) Financial Assets			
i) Other Financial Assets	-	(22,623,093)	22,623,093
e) Deferred tax assets (net)		-	-
f) Other non-current assets	128,069,404	13,506,521	114,562,883
Current assets			
a) Inventories		-	
b) Financial Assets		-	
i) Investments		-	
ii) Trade Receivables		-	
iii) Cash and cash equivalent	606,182,534	577,867,360	28,315,174
iv) Bank balances other than (ii) above		(579,181,160)	579,181,160
c) Current Tax Assets (net)		(652,147)	652,147
d) Short Term Loans & Advances	672,146	672,146	-
d) Other current assets	1,313,800	1,293,800	20,000
TOTAL Assets	20,748,153,077	230,871,767	20,517,281,311
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	399,901,360	-	399,901,360
(b) Other Equity	3,571,243,278	(1,531,432,918)	5,102,676,196
LIABILITIES			
Non-current Liabilities			
a) Financial liabilities			
i) Borrowings	15,313,914,081	1,753,782,427	13,560,131,654
b) Provisions	5,973,766	-	5,973,766
Current liabilities			
a) Financial Liabilities			
i) Borrowings		-	
ii) Trade payables		-	
iii) Other financial liabilities	-	(1,429,443,992)	1,429,443,992
b) Other current liabilities	1,455,572,142	1,437,966,250	17,605,892
c) Provisions	1,548,451	-	1,548,451
	20,748,153,078	230,871,767	20,517,281,311

Notes

Figures as per I-GAAP & Ind AS are same under respective heads as there is no Transition difference.

* Figure as per previous I GAAP has been regrouped in line with the reclassification requirement of IND As and has not been considered in "Effect of Transition to Ind AS" due to Ind As.



SHIRPUR POWER PRIVATE LIMITED
Effect of Ind AS adoption on the Standalone Profit & Loss for the year ended on 31st March 2017

Particulars	Year ended 31 March, 2017		
	Previous GAAP	Effect of Transition to Ind AS *	Ind AS
1. Revenue			
(a) Revenue from operations	-	-	-
(b) Other income	9,850,450	-	9,850,450
2. Total revenue	9,850,450	-	9,850,450
3. Expenses			
(a) Cost of Material Consumed	-	-	-
(b) Changes in inventories of finished goods and WIP	-	-	-
(c) Employee Benefit Expense	1,809,188	484,831	1,324,357
(c) Depreciation and amortisation expense	-	-	-
(f) Other expenses	5,762,358	-	5,762,358
4. Total expenses	7,571,546	484,831	7,086,715
5. Profit before exceptional items and tax expense (2-4)	2,278,904	(484,831)	2,763,735
6. Exceptional items	-	-	-
6. Profit before tax (5-6)	2,278,904	(484,831)	2,763,735
7. Tax expense			
(a) Currunt tax	1,000,000	-	1,000,000
(b) Deferred tax	-	-	-
	1,000,000	-	1,000,000
8. Profit after tax (7-8)	1,278,904	(484,831)	1,763,735
9. Other Comprehensive Income			
(i) Items that will not be reclassified to Profit and Loss	-	484,831	(484,831)
(ii) Income tax relating to items that will not be reclassified to Profit and Loss - Defined benefit obligation	-	-	-
10. Total other comprehensive income	-	484,831	(484,831)
11. Total comprehensive profit for the year (9+11)	1,278,904	-	1,278,904

Reconciliation of total equity as at 31st March, 2017 and 1st April, 2016:

Particulars	31st March, 2017	1st April, 2016
Balance of Equity as per previous IGAAP	4,077,660,742	3,971,144,638
Quasi Equity from Holding Company	3,284,267,275	1,539,955,176
Balance of Equity as per previous Ind As	7,361,928,016	5,511,099,814

