

## INDEPENDENT AUDITORS' REPORT

To the Members of Surguja Power Private Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Surguja Power Private Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity



**INDEPENDENT AUDITORS' REPORT**

To the Members of Surguja Power Private Limited

Report on the Financial Statements

Page 2 of 2

with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its profit and its cash flows for the year ended on that date

**Report on Other Legal and Regulatory Requirements**

1. As required by 'the Companies (Auditor's Report) Order, 2016' ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
  - (e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, 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".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position;
    - 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

Ahmedabad  
May 2, 2016



For M B D & Co.  
Firm Registration Number: 135129W  
Chartered Accountants

*Bhavi Shah*

Bhavik Shah  
Partner  
Membership Number: 129674

### **Annexure to Auditors' Report**

Referred to in Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of Surguja Power Private Limited on the financial statements as of and for the year ended March 31, 2016

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable
- (c) Company does not own any immovable properties and thus the provisions of Clause 3(i)(c) of the said Order are not applicable.
- ii) As the business of the Company has not yet commenced, it does not have inventories and accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company
- iii) The Company has not granted any loans secured or unsecured to any parties covered in the register mentioned under Section 189 of the Act. Therefore, the provisions of Clause 3(iii) (a), (b) & (c) of the said Order are not applicable to the Company.
- iv) The company has complied with provisions of section 185 and 186 of the companies Act, 2013 in respect of loans, investments, guarantees and security.
- v) The Company has not accepted any deposits and thus reporting under clause 3(v) of the Order is not applicable to the Company.
- vi) According to the information and explanations given to us, as the company has not yet commenced the business operation, maintenance of cost records under clause 148(1) of the Companies Act, 2013 is not applicable to the company
- vii (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including income tax, service tax, cess and other statutory dues, as applicable, with the appropriate authorities and there are no amount of statutory dues that were outstanding, at the period end, for a period of more than six months from the date they became payable. The company is not liable to pay Provident Fund, employees' State Insurance, sales tax and custom duty
- (b) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, there are no amount outstanding with respect to income tax or sales tax or service tax or duty of excise or value added tax on account of any dispute.
- viii As the Company does not have any borrowings from any financial institution or bank nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company
- ix. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) any term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year nor have we been informed of any such case by the Management.
- xi The company has not paid or provided any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.



#### **Annexure to Auditors' Report**

Referred to in Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of Surguja Power Private Limited on the financial statements as of and for the year ended March 31, 2016

Page 2 of 2

xii. The company is not a Nidhi Company. Accordingly, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. All transaction with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financials Statements as required by the applicable accounting standards;

xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xv. According to the information and explanations given to us and the records of the Company examined by us, the company has not entered into any non-cash transactions with directors or any person connected to him.

xvi. The company is not required to be registered under sections 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company

Ahmedabad  
May 2, 2016



For M B D & Co.  
Firm Registration Number: 135129W  
Chartered Accountants

*Bhavik Shah*

Bhavik Shah  
Partner  
Membership Number: 129674

## **Annexure A to Independent Auditors' Report**

Referred to in Annexure referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of Surguja Power Private Limited on the financial statements as of and for the year ended March 31, 2016

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

We have audited the internal financial controls over financial reporting of Surguja Power Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone 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 deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only





## Annexure A to Independent Auditors' Report

Referred to in Annexure referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of Surguja Power Private Limited on the financial statements as of and for the year ended March 31, 2016

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, 2016, 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.

Ahmedabad  
May 2, 2016



For M B D & Co.  
Firm Registration Number: 135129W  
Chartered Accountants

*Bhavik Shah*

Bhavik Shah  
Partner  
Membership Number: 129674

# SURGUJA POWER PRIVATE LIMITED

Balance Sheet as at 31st March, 2016

Particulars	Notes	As at 31st March, 2016 (Amount in ₹)	As at 31st March, 2015 (Amount in ₹)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	1,00,000	1,00,000
Reserves and surplus	4	(1,13,01,312)	(1,01,54,807)
		(1,12,01,312)	(1,00,54,807)
<b>Non Current liabilities</b>			
Long-term borrowings	5	-	3,89,01,395
		-	3,89,01,395
<b>Current liabilities</b>			
Short-term borrowings	6	6,00,86,916	-
Other current liabilities	7	15,41,402	4,73,534
		6,16,28,318	4,73,534
<b>Total</b>		<b>5,04,27,006</b>	<b>2,93,20,122</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	8	6,68,731	7,19,179
Expenditure during construction, pending allocation	9	4,85,48,259	2,85,18,443
		4,92,16,990	2,92,37,622
<b>Current assets</b>			
Current Investment	10	11,40,000	-
Cash and bank balance	11	66,216	78,700
Short term loans and advances	12	3,800	3,800
		12,10,016	82,500
<b>Total</b>		<b>5,04,27,006</b>	<b>2,93,20,122</b>
Statement of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For M B D & Co.

Firm Registration Number : 135129W

Chartered Accountants

*BL-v-u-shu*

Bhavik K. Shah

Partner

Membership No. 129674



Place : Ahmedabad

Date : 2nd May, 2016

For and on behalf of the board of directors of

Surguja Power Private Limited



*Santosh Kumar Singh*

Santosh Kumar Singh

Director

DIN : 06860234

Place : Ahmedabad

Date : 2nd May, 2016

*Kandarp Patel*

Kandarp Patel

Director

DIN : 02947643

# SURGUJA POWER PRIVATE LIMITED

Statement of Profit and Loss for the year ended 31st March, 2016

Particulars	Notes	For the year ended 31st March, 2016 (Amount in ₹)	For the year ended 31st March, 2015 (Amount in ₹)
<b>Expenses</b>			
Depreciation	8	-	60,341
Finance Cost	13	10,65,785	41,53,787
Other expenses	14	80,720	58,70,909
<b>Total</b>		<b>11,46,505</b>	<b>1,00,85,037</b>
<b>Loss for the year</b>		<b>(11,46,505)</b>	<b>(1,00,85,037)</b>
<b>Earning per equity share (nominal value of share Rs.10 each)</b>			
Basic and Diluted		(114.65)	(1,008.50)
Statement of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For M B D & Co.

Firm Registration Number : 135129W

Chartered Accountants

*Bhavik K. Shah*

**Bhavik K. Shah**

Partner

Membership No. 129674



For and on behalf of the board of directors of

**Surguja Power Private Limited**



*Santosh Kumar Singh*

**Santosh Kumar Singh**

Director

DIN : 06860234

*Kandarp Patel*

**Kandarp Patel**

Director

DIN : 02947643

Place : Ahmedabad

Date : 2nd May, 2016

Place : Ahmedabad

Date : 2nd May, 2016



# SURGUJA POWER PRIVATE LIMITED

Cash flow statement for the year ended 31 March 2016

	For the year ended 31 March 2016 (Amount in ₹)	For the year ended 31 March 2015 (Amount in ₹)
<b>Cash flow from operating activities</b>		
<b>Loss before tax</b>	(11,46,505)	(1,00,85,037)
Adjustments for :		
Depreciation for the year	-	60,341
Interest Expense on loan	10,65,785	41,53,787
<b>Operating Loss before working capital changes</b>	<b>(80,720)</b>	<b>(58,70,909)</b>
Increase / (decrease) in current liabilities	57,865	4,21,956
<b>Cash generated from operations</b>	<b>(22,855)</b>	<b>(54,48,953)</b>
Less: Taxes paid	-	-
<b>Net cash flow from operating activities (A)</b>	<b>(22,855)</b>	<b>(54,48,953)</b>
<b>Cash flow from investing activities</b>		
Increase in capital work-in-progress	(1,89,69,365)	-
Purchase of Current Investments	(81,40,000)	-
Sale of Current Investments	70,00,000	-
<b>Net cash flow used in investing activities (B)</b>	<b>(2,01,09,365)</b>	<b>-</b>
<b>Cash Flow From Financing Activities</b>		
Proceeds from borrowings	2,01,19,736	54,89,621
<b>Net cash flow from financing activities (C)</b>	<b>2,01,19,736</b>	<b>54,89,621</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(12,484)</b>	<b>40,668</b>
Cash & cash equivalents at the beginning of the period	78,700	38,032
<b>Cash &amp; cash equivalents at the end of the period (Refer note 11)</b>	<b>66,216</b>	<b>78,700</b>

## Note :

- 1 Cash and cash equivalents above comprises only of balances held with banks.
- 2 The Cash Flow Statement has been prepared under the Indirect method as set out in Accounting Standard-3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.
- 3 Figures in brackets represent cash outflow.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For M B D & Co.

Firm Registration Number : 135129W

Chartered Accountants

*Bh. K. Shah*

Bhavik K. Shah

Partner

Membership No. 129674



Place : Ahmedabad

Date : 2nd May, 2016



For and on behalf of the board of directors of  
Surguja Power Private Limited

*Santosh Kumar Singh*

Santosh Kumar Singh

Director

DIN : 06860234

Place : Ahmedabad

Date : 2nd May, 2016

*Kandarp Patel*

Kandarp Patel

Director

DIN 02947643

# SURGUJA POWER PRIVATE LIMITED

## Notes to financial statements for the year ended 31st March, 2016

### 1. Nature of Operation/Corporate information

#### Background

Surguja Power Private Limited (SPPL) was incorporated on January 24, 2012 under the Companies Act, 1956. The company is in process of setting up 600 MW (150 MW x 4 units) Thermal Power Plant based on CFBC Boiler using the Coal washery rejects at Dist. Surguja, Chhattisgarh. SPPL has re-started the development work in current year which was suspended in the previous year due to technical reasons.

### 2. Basis of Preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Section 133 of the Companies Act, 2013 ("the 2013 Act") read with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on accrual basis under historical cost convention and going concern basis. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

#### Summary of Significant Accounting Policies

##### a. Use of Estimates

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

##### b. Current & Non-current Classification

All the assets and liabilities have been classified as current or non-current as per the normal operating cycle of the Company and other criteria set out in Schedule III to the Companies Act 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities

##### c. Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

##### d. Expenditure during construction period/Project development expenditure

Expenditure related to and incurred during implementation of capital projects is included under "Capital Work in Progress" or "Project Development Expenditure" as the case may be. The same is allocated to the respective fixed assets on completion of construction/ erection of the capital project/ fixed assets. However, if there is interruption in development work of the project or company temporary keeps project on hold no amount shall be transferred to expenditure during construction

#### Depreciation

Depreciation on fixed assets has been provided on straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except in case of the power plant assets, in whose case the life of the



# SURGUJA POWER PRIVATE LIMITED

## Notes to financial statements for the year ended 31st March, 2016

assets has been assumed based on technical advice, taking into account the nature of the assets, the estimated usage of the asset, the operating condition of the asset, anticipated technological changes, manufacturer warranties and maintenance support etc.

**f. Provisions, Contingent Liabilities & Contingent Assets**

A provision is recognised when an enterprise has a present obligation as a result of past event; 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. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements

**g. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

**h. Cash and Cash Equivalents**

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

**i. Impairment of assets**

The carrying values of assets / cash generating units are reviewed for impairment at each balance sheet date. If any indication of impairment exists, the recoverable amount is estimated. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is identified as impaired. The impairment loss, if any, recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**j. Borrowing Cost**

Borrowing costs includes interest on borrowings. Such costs to the extent not directly related to the acquisition of qualifying assets are charged to the consolidated Statement of Profit and Loss over the tenure of the borrowings. Borrowing costs that are attributable to construction / acquisition of qualifying assets are capitalized as part of the cost of such assets up to the date the assets are ready for their intended use.

**k. Taxes on Income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the other provisions of the Income Tax Act, 1961 and other applicable tax laws

**l. Investments**

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.



# SURGUJA POWER PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2016

## 3 Share Capital

	As at 31st March, 2016 (Amount in ₹)	As at 31st March, 2015 (Amount in ₹)
Authorised shares 10,000 Equity shares of Rs. 10/- each	1,00,000	1,00,000
Issued, subscribed fully paid-up shares 10,000 Equity shares of Rs. 10/- each fully paid	1,00,000 1,00,000	1,00,000 1,00,000

### a. Terms / rights attached to equity shares

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, the liquidator may divide amongst the members, in piece or kind, the whole or any part of the assets of the company

### b. Shares held by holding company

	As at 31st March, 2016		As at 31st March, 2015	
Equity Shares	Numbers	Amount in ₹	Numbers	Amount in ₹
Holding Company Adani Enterprises Limited (Refer Note 17) (together with its nominees)	10,000	1,00,000	10,000	1,00,000
	10,000	1,00,000	10,000	1,00,000

### c. Details of shareholders holding more than 5% shares in the company

	As at 31st March, 2016		As at 31st March, 2015	
Equity Shares	Numbers	% holding in the class	Numbers	% holding in the class
Adani Enterprises Limited (Refer Note 17) (together with its nominees)	10,000	100%	10,000	100%
	10,000	100%	10,000	100%

## 4 Reserves and surplus

	As at 31st March, 2016 (Amount in ₹)	As at 31st March, 2015 (Amount in ₹)
Deficit in the statement of profit and loss		
Balance as per last financial statements	(1,01,54,807)	(69,770)
Loss for the year	(11,46,505)	(1,00,85,037)
Net deficit in the statement of profit and loss	(1,13,01,312)	(1,01,54,807)
	(1,13,01,312)	(1,01,54,807)

## 5 Long-term borrowings

	As at 31st March, 2016 (Amount in ₹)	As at 31st March, 2015 (Amount in ₹)
Interest bearing loan from holding company (unsecured) (For the purpose of meeting out business needs)	-	3,89,01,395
	-	3,89,01,395

## 6 Short-term borrowings

	As at 31st March, 2016 (Amount in ₹)	As at 31st March, 2015 (Amount in ₹)
Interest bearing loan from holding company (unsecured)* (For the purpose of meeting out business needs)	6,00,86,916	-
	6,00,86,916	-

\*Pursuant to change in the holding company, as explained in Note 17, company has entered into revised loan agreement with renewed term of one year, consequently erstwhile long term borrowing has also been converted to short term borrowing

## 7 Other Current liabilities

	As at 31st March, 2016 (Amount in ₹)	As at 31st March, 2015 (Amount in ₹)
Statutory obligations	1,69,848	1,11,983
Retention Money	7,21,607	2,82,899
Hold for other Recoveries	1,52,729	67,416
Other Payable	4,97,218	11,236
	15,41,402	4,73,534





# SURGUJA POWER PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2016

## 8 Tangible assets

Particulars	Gross block as at			Depreciation <sup>2</sup>			Net block as at	
	As at 1st April, 2015	Additions	Deductions	As at 31st March, 2016	For the year	Deductions	As at 31st March, 2016	As at 31st March, 2015
Buildings <sup>1</sup>	7,11,104	-	-	7,11,104	-	-	-	-
Plant and machinery	7,44,030	-	-	7,44,030	42,280	-	6,00,593	6,42,873
Furniture and fixtures	1,05,276	-	-	1,05,276	8,168	-	68,138	76,306
<b>Total</b>	<b>15,60,410</b>	<b>-</b>	<b>-</b>	<b>15,60,410</b>	<b>50,448</b>	<b>-</b>	<b>6,68,731</b>	<b>7,19,179</b>
Previous year	15,60,410	-	-	15,60,410	60,341	-	7,19,179	7,79,520

(Amount in ₹)

### Notes:

- Buildings consist of temporary structures at project sites and the same is accordingly depreciated @ 100% in the year of purchase itself.
- Depreciation during the year amounting to ₹ 50,448 (Previous Year ₹ Nil) has been transferred to Expenditure during construction period in Note No. 9





# SURGUJA POWER PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2016

## 9 Expenditure during construction, pending allocation

	As at 31st March, 2016 (Amount in ₹)	As at 31st March, 2015 (Amount in ₹)
Opening balance brought forward	2,85,18,443	2,85,18,443
<b>Administrative and Finance charges</b>		
Consultancy services	1,57,80,225	-
Administrative and office expenses	3,07,359	-
Interest and Finance Charges	39,15,078	-
<b>Total (a)</b>	<b>2,00,02,662</b>	<b>-</b>
Depreciation (b)	50,448	-
Less: Income during Construction (c)	23,294	-
<b>Total (a+b-c)</b>	<b>2,00,29,816</b>	<b>-</b>
	<b>4,85,48,259</b>	<b>2,85,18,443</b>

Company has re-started the development work in current year which was suspended in the previous year due to technical reasons and thus expenses have been debited to expenditure during construction.

## 10 Current Investment

(At lower of Cost and Net Realisable Value)

	As at 31st March, 2016 (Amount in ₹)	As at 31st March, 2015 (Amount in ₹)
Investment in Mutual Fund - (Quoted)	11,40,000	-
	<b>11,40,000</b>	<b>-</b>
Aggregate value of quoted investments		
- Cost	11,40,000	-
- Market Value	11,41,102	-

## 11 Cash and bank balance

	As at 31st March, 2016 (Amount in ₹)	As at 31st March, 2015 (Amount in ₹)
Cash and cash equivalents		
Balance with banks	66,216	78,700
In current accounts	<b>66,216</b>	<b>78,700</b>

## 12 Short Term Loans & Advance (Unsecured considered good)

	As at 31st March, 2016 (Amount in ₹)	As at 31st March, 2015 (Amount in ₹)
Security deposit	3,800	3,800
	<b>3,800</b>	<b>3,800</b>

## 13 Finance Cost

	For the year ended 31st March, 2016 (Amount in ₹)	For the year ended 31st March, 2015 (Amount in ₹)
Interest Expense on loan	10,65,785	41,53,787
	<b>10,65,785</b>	<b>41,53,787</b>

## 14 Other expenses

	For the year ended 31st March, 2016 (Amount in ₹)	For the year ended 31st March, 2015 (Amount in ₹)
Rates and taxes	3,000	2,400
Professional fees	52,486	55,96,992
Audit fees - for statutory audit	14,477	11,461
Legal and licence charges	-	3,00,000
Bank Charges	2,787	56
Miscellaneous Expenses	7,970	-
	<b>80,720</b>	<b>58,70,909</b>



# SURGUJA POWER PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2016

## 15 Capital commitments

	As at 31st March, 2016 (Amount in ₹)	As at 31st March, 2015 (Amount in ₹)
Estimated amount of contract (Net of advances) remaining to be executed on capital account and not provided for	7,29,31,739	1,03,68,797

- 16 There are no Micro, Small and Medium Enterprises, to whom the company owes dues and which are outstanding as at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
- 17 W.e.f. 1st April, 2015, erstwhile holding company Adani Mining Private Limited has been merged with ultimate holding company Adani Enterprises Limited. Accordingly, all references to Adani Mining Private Limited in financials and notes to accounts have been replaced with Adani Enterprises Limited.

## 18 Related Parties

Holding Company  
Key Management Personnel

Adani Enterprises Limited (Refer Note 17)  
Mr. Kandarp Patel  
Mr. Vinod Bhandawat (Up to 20th April, 2015)  
Mr. Vneet Jaain (Up to 12th August, 2015)  
Mr. Karn Srinivasa Nagendra (w.e.f. 19th April, 2015)  
Mr. Santosh Kumar Singh (w.e.f. 11th August, 2015)

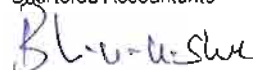
### Transactions with Related Parties

Particulars	Holding Company	
	For the year ended 31st March, 2016 (Amount in ₹)	For the year ended 31st March, 2015 (Amount in ₹)
Unsecured Loan received Adani Enterprises Limited	2,11,85,521	96,43,408
Interest Expenses Adani Enterprises Limited	49,80,863	41,53,787

### Balance with Related Parties

Particulars	As at 31st March, 2016 (Amount in ₹)	As at 31st March, 2015 (Amount in ₹)
Balance Outstanding of Unsecured Loan Adani Enterprises Limited	6,00,86,916	3,89,01,395

As per our report of even date  
For M B D & Co.  
Firm Registration Number : 135129W  
Chartered Accountants



Bhavik K. Shah  
Partner  
Membership No. 129674

Place : Ahmedabad  
Date : 2nd May, 2016



For and on behalf of the board of directors of  
Surguja Power Private Limited

  
Santosh Kumar Singh  
Director  
DIN : 06860234

Place : Ahmedabad  
Date : 2nd May, 2016

  
Kandarp Patel  
Director  
DIN : 02947643

