

# **DHARMESH PARIKH & CO.**

## **CHARTERED ACCOUNTANTS**

303/304, "Milestone", Nr. Drive-in-Cinema, Opp. T.V. Tower, Thaltej,  
Ahmedabad-380 054. **Phone: 91-79-27474466 Fax: 91-79-27479955**

### **Independent Auditor's Report**

#### **To the Members of Ramnad Renewable Energy Limited**

##### **Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS Financial Statements of Ramnad Renewable Energy Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of 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 and presentation 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 the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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



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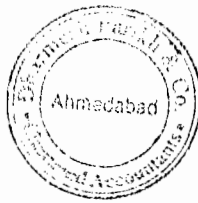
### Independent Auditor's Report

#### To the Members of Ramnad Renewable Energy Limited (Continue)

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" statement on the matters specified in the paragraph 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 purposes of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the Balance Sheet, the Statement of Profit and Loss, the Statement Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B';
  - 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 has made provision as at 31<sup>st</sup> March, 2017, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts. - Refer Note 19 & 28 to the financial statements;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
    - iv. The company did not hold or transact in cash during the entire year. Accordingly requisite disclosure as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 in its Ind AS Financial Statements is not done.

Place : Ahmedabad  
Date : 22<sup>nd</sup> May 2017



For, **DHARMESH PARIKH & CO.**

Chartered Accountants

Firm Reg. No. 112054W

*Kanti Gothi*

**Kanti Gothi**

Partner

Membership No. 127664

# DHARMESH PARIKH & CO.

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### **Annexure – A to the Independent Auditor's Report** **RE: Ramnad Renewable Energy Limited**

(Referred to in Paragraph 1 of our Report of even date)

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Ind AS Financial Statements for the year ended 31<sup>st</sup> March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, in a phased verification programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business.
- (c) The title deeds of immovable properties, as disclosed in Note 5.1 on property, plant and Equipment, to the financial statements, are held in the name of the company.
- (ii) The company carries only Capital Inventory. Accordingly the provisions of paragraph 3 (ii) (a) & (b) of the Order is not applicable.
- (iii) According to the information and explanation given to us and the records produced to us for our verification, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly the provisions of paragraph 3 (iii) (a) to (c) of the Order are not applicable.
- (iv) According to the information and explanations given to us and representations made by the Management, the Company has not done any transactions covered under section 185 and 186 in respect of loans, investments, guarantees and security. Accordingly the provisions of paragraph 3 (iv) of the Order are not applicable.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) According to the information and explanations given to us, in our opinion, the maintenance of cost records under section 148(1) of the Act as prescribed by the Central Government 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, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues have generally been deposited regularly during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance, provident fund and duty of excise.  
  
According to the information and explanations given to us, no undisputed amounts payable in respect of applicable statutory dues as referred to above were in arrears as at 31<sup>st</sup> March 2017 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company and representations made by the Management, there are no statutory dues as mentioned in paragraph 3(vii)(a) which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, it has not defaulted in repayment of loans or borrowings from Banks and Financial Institutions. The Company has not taken any loan from government and has not issued any debentures.



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### **Annexure to the Independent Auditor's Report (Continue)**

#### **RE: Ramnad Renewable Energy Limited**

(Referred to in Paragraph 1 of our Report of even date)

- (ix) Based upon the audit procedures performed, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. In our opinion and as per the information and explanations given by the management, the Funds raised through term loans have been applied for the purpose they were raised.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid /provided. Accordingly the provisions of Clauses 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a nidhi Company. Accordingly the provisions of Clauses 3 (xii) of the Order are not applicable.
- (xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of the Act and all the details have been disclosed in Ind AS Financial Statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any debenture during the year under review. Accordingly the provisions of paragraph 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records, Company has not entered into any non-cash transactions with any director or any person connected with him. Accordingly the provisions of Clauses 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable.

Place : Ahmedabad  
Date : 22<sup>nd</sup> May 2017



For, **DHARMESH PARIKH & CO.**

Chartered Accountants

Firm Reg. No. 112054W

**Kanti Gothi**

Partner

Membership No. 127664

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### **Annexure – B to the Independent Auditor's Report**

#### **RE: Ramnad Renewable Energy Limited**

(Referred to in paragraph 2 (f) of our Report of even date)

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

We have audited the internal financial controls over financial reporting of the Company as of 31<sup>st</sup> March, 2017 in conjunction with our audit of the Ind AS Financial Statements of the company for the year ended on that date.

#### **Management's Responsibilities for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

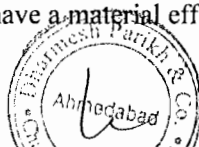
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

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



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### **Annexure – B to the Independent Auditor's Report (Continue)**

**RE: Ramnad Renewable Energy Limited**

(Referred to in paragraph 2 (f) of our Report of even date)

#### **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 31<sup>st</sup> March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Ahmedabad  
Date : 22<sup>nd</sup> May 2017



For, **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

A handwritten signature in black ink, appearing to read "Kanti Gothi".

**Kanti Gothi**  
Partner  
Membership No. 127664

Particulars	Notes	As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)
<b>ASSETS</b>			
<b>Non-current Assets</b>			
(a) Property, Plant and Equipment	5.1	44,381.80	243.02
(b) Capital Work-In-Progress	5.2	176.01	41,339.89
(c) Other Intangible Assets	5.3	13.74	-
(d) Financial Assets			
(i) Other Non-current Financial Assets	6	5,190.00	-
(e) Deferred Tax Assets (Net)	7	796.30	-
(f) Other Non-current Assets	8	11.40	763.64
(g) Income Tax Assets (Net)		6.07	2.38
<b>Total Non-current Assets</b>		<b>50,575.32</b>	<b>42,348.93</b>
<b>Current Assets</b>			
(a) Financial Assets			
(i) Trade Receivables	9	2,490.67	-
(ii) Cash and Cash Equivalents	10	2,186.77	113.87
(iii) Bank balances other than (ii) above	11	122.71	844.48
(iv) Other Financial Assets	12	1,034.31	448.63
(b) Other Current Assets	13	16.78	9.27
<b>Total Current Assets</b>		<b>5,851.24</b>	<b>1,416.25</b>
<b>Total Assets</b>		<b>56,426.56</b>	<b>43,765.18</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	14	12,700.00	5.00
(b) Other Equity	15	(1,008.20)	(306.54)
<b>Total Equity</b>		<b>11,691.80</b>	<b>(301.54)</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	29,742.73	31,891.16
<b>Total Non-current Liabilities</b>		<b>29,742.73</b>	<b>31,891.16</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	13,654.38	4,070.88
(ii) Trade Payables	18	59.01	0.09
(iii) Other Financial Liabilities	19	1,262.11	8,097.92
(b) Other Current Liabilities	20	16.53	6.67
<b>Total Current Liabilities</b>		<b>14,992.03</b>	<b>12,175.56</b>
<b>Total Liabilities</b>		<b>44,734.76</b>	<b>44,066.72</b>
<b>Total Equity and Liabilities</b>		<b>56,426.56</b>	<b>43,765.18</b>

See accompanying notes to the financial statements

In terms of our report attached

For Dharmesh Parikh & CO.

Chartered Accountants

Firm Registration Number : 112054W

*Kanti Gothi*

Kanti Gothi

Partner

Membership No. 127664



Place : Ahmedabad

Date : 22nd May, 2017

For and on behalf of the board of directors of  
Ramnad Renewable Energy Limited

*Rajiv Rustagi*

Rajiv Rustagi

Director

DIN:- 07193069

*M R Krishna Rao*

M R Krishna Rao

Director

DIN:- 06495315

Place : Ahmedabad

Date : 22nd May, 2017

Particulars	Notes	For the year ended 31st March, 2017	For the period from 5th June, 2015 to 31st March, 2016
		(₹ in Lakhs)	(₹ in Lakhs)
<b>Revenue</b>			
Revenue from Operations	21	2,974.35	-
Other Income	22	37.11	-
<b>Total Income</b>		<b>3,011.46</b>	-
<b>Expenses</b>			
Finance Costs	23	1,865.81	305.89
Depreciation and Amortisation Expenses	5.1 to 5.3	2,312.30	-
Other Expenses	24	331.26	0.65
<b>Total Expenses</b>		<b>4,509.37</b>	<b>306.54</b>
<b>(Loss) before exceptional items and tax</b>		<b>(1,497.91)</b>	<b>(306.54)</b>
Exceptional items		-	-
<b>(Loss) before tax</b>		<b>(1,497.91)</b>	<b>(306.54)</b>
<b>Tax Expense:</b>			
Current Tax	25	-	-
Adjustment of tax relating to earlier periods		0.05	-
Deferred Tax	7	(796.30)	-
		<b>(796.25)</b>	-
<b>(Loss) for the year/period</b>	<b>Total A</b>	<b>(701.66)</b>	<b>(306.54)</b>
<b>Other Comprehensive Income</b>			
Other Comprehensive Income		-	-
<b>Other Comprehensive Income (After Tax)</b>	<b>Total B</b>	-	-
<b>Total comprehensive (Loss) for the year/period</b>	<b>Total (A+B)</b>	<b>(701.66)</b>	<b>(306.54)</b>
<b>Earnings Per Equity Share (EPS)</b> <b>(Face Value ₹ 10 Per Share)</b>			
<b>Basic and Diluted EPS (₹)</b>	31	<b>(2.80)</b>	<b>(613.08)</b>

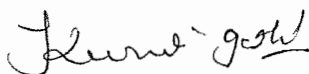
See accompanying notes to the financial statements

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For Dharmesh Parikh &amp; CO.

Chartered Accountants

Firm Registration Number : 112054W



Kanti Gothi

Partner

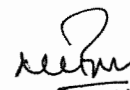
Membership No. 127664

For and on behalf of the board of directors of  
Ramnad Renewable Energy Limited

Rajiv Rustagi

Director

DIN:- 07193069



M R Krishna Rao

Director

DIN:- 06495315

Place : Ahmedabad

Date : 22nd May, 2017

Place : Ahmedabad

Date : 22nd May, 2017



## Statement of changes in equity for the year ended 31st March, 2017

## A. Equity Share Capital

Particulars	No. Shares	(₹ in Lakhs)
Balance as at 5th June, 2015	-	-
Changes in equity share capital during the period :		
i) Shares issued during the period	50,000	5.00
Balance as at 31st March, 2016	50,000	5.00
Changes in equity share capital during the year :		
i) Shares issued during the year	12,69,50,000	12,695.00
Balance as at 31st March, 2017	12,70,00,000	12,700.00

## B. Other Equity

For the year ended 31st March, 2017

(₹ in Lakhs)

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance as at 1st April, 2016	(306.54)	(306.54)
(Loss) for the year	(701.66)	(701.66)
Total Comprehensive Income for the year	(701.66)	(701.66)
Balance as at 31st March, 2017	(1,008.20)	(1,008.20)

For the year ended 31st March, 2016

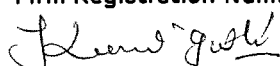
(₹ in Lakhs)

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance as at 5th June, 2015	-	-
(Loss) for the period	(306.54)	(306.54)
Other comprehensive income	-	-
Total Comprehensive Income for the period	(306.54)	(306.54)
Balance as at 31st March, 2016	(306.54)	(306.54)

See accompanying notes to the financial statements

In terms of our report attached

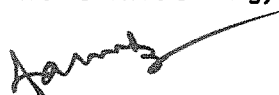
For Dharmesh Parikh & CO.  
Chartered Accountants  
Firm Registration Number : 112054W



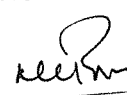
Kanti Gothi  
Partner  
Membership No. 127664



For and on behalf of the board of directors of  
Ramnad Renewable Energy Limited



Rajiv Rustagi  
Director  
DIN:- 07193069



M R Krishna Rao  
Director  
DIN:- 06495315

Place : Ahmedabad  
Date : 22nd May, 2017

Place : Ahmedabad  
Date : 22nd May, 2017

Particulars	For the year ended 31st March, 2017	For the period from 5th June, 2015 to 31st March, 2016
	(₹ in Lakhs)	(₹ in Lakhs)
<b>(A) Cash flow from operating activities</b>		
<b>(loss) before tax</b>	(1,497.91)	(306.54)
Adjustment for:		
Interest Income	(37.07)	-
Profit on Sale/Retirement of Assets (Net)	(0.04)	-
Depreciation and amortisation expenses	2,312.30	-
Finance Costs	1,865.81	305.89
Operating profit before working capital changes	<b>2,643.09</b>	<b>(0.65)</b>
Changes in working capital:		
<b>(Increase) / Decrease in Operating Assets</b>		
Inventories		
Trade Receivables	(2,490.67)	-
Other Current Assets	(7.52)	(9.27)
Other Financial Assets	(599.62)	(425.50)
<b>Increase / (Decrease) in Operating Liabilities</b>		
Trade Payables	58.92	0.09
Other Current Liabilities	9.87	6.67
	<b>(3,029.02)</b>	<b>(428.01)</b>
Cash used in operations	<b>(385.93)</b>	<b>(428.66)</b>
Less : Tax Paid	(3.74)	(2.37)
<b>Net cash used in operating activities (A)</b>	<b>(389.67)</b>	<b>(431.03)</b>
<b>(B) Cash flow from investing activities</b>		
Capital expenditure on Property, Plant and Equipment, including capital advances and capital work-in-progress and on intangible assets	(11,358.09)	(35,204.22)
Bank deposits /Margin Money Placed (Net)	(4,468.23)	(844.48)
Interest received	38.78	-
<b>Net cash (used in) investing activities (B)</b>	<b>(15,787.54)</b>	<b>(36,048.70)</b>
<b>(C) Cash flow from financing activities</b>		
Proceeds from issue of Equity shares	12,695.00	5.00
Proceeds from Long-term borrowings	4,564.31	34,917.72
Repayment of Long-term borrowings	(5,806.20)	(2,400.00)
Proceeds from Short-term borrowings (net)	9,583.51	4,070.88
Finance Costs Paid	(2,786.51)	-
<b>Net cash generated from financing activities (C)</b>	<b>18,250.11</b>	<b>36,593.60</b>
<b>Net increase in cash and cash equivalents (A)+(B)+(C)</b>	<b>2,072.90</b>	<b>113.87</b>
<b>Cash and cash equivalents at the beginning of the year/period</b>	<b>113.87</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the year/period</b>	<b>2,186.77</b>	<b>113.87</b>



Particulars	For the year ended 31st March, 2017 (₹ in Lakhs)	For the period from 5th June, 2015 to 31st March, 2016 (₹ in Lakhs)
<b>Notes to Cash flow Statement :</b>		
1 Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note: 11)	2,186.77	113.87
	<b>2,186.77</b>	<b>113.87</b>

**Note:**

- 1 The Cash Flow Statement has been prepared under the 'Indirect Method' set out in IND AS 7 'Cash Flow Statement'.

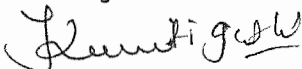
See accompanying notes forming part of the financial statements.

In terms of our report attached

For Dharmesh Parikh & CO.

Chartered Accountants

Firm Registration Number : 112054W



Kanti Gothi

Partner

Membership No. 127664

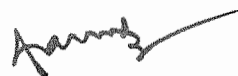


Place : Ahmedabad

Date : 22nd May, 2017

For and on behalf of Board of Directors

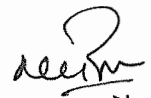
Ramnad Renewable Energy Limited



Rajiv Rustagi

Director

DIN:- 07193069



M R Krishna Rao

Director

DIN:- 06495315

Place : Ahmedabad

Date : 22nd May, 2017

**1 Corporate information**

Ramnad Renewable Energy Limited ("the Company"), is a public limited company domiciled in India and incorporated on 5th June, 2015 as a 100 % subsidiary of Adani Green Energy (Tamilnadu) Limited and forms part of Adani Group. Adani group having its presence in thermal power generation, ports, mining and agri business, has also forayed into development of solar parks, solar power generation and wind power generation projects. The company has installed solar power plant having capacity of 72 MW in the state of Tamilnadu. The Company sells the power generated from these projects under long term Power Purchase Agreements with TANGEDCO. The Company gets synergetic benefit of the integrated value chain of Adani group.

**2 Significant accounting policies****2.1.a Statement of compliance**

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

Up to the period ended 31st March, 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements.

**2.1.b Standards Issued but not yet Effective:**

Ind - AS 115 "Revenue from Contract with Customers" :The MCA had notified Ind - AS 115 "Revenue from Contract with Customers" in February, 2015. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

**2.2 Basis of preparation and presentation**

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

**2.3 Summary of significant accounting policies****a Property, plant and equipment**

Property, plant and equipment are stated at acquisition less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognised impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalised along with respective asset.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the Written Down Value method. The useful life of property, plant and equipment is considered based on life prescribed in Schedule II to the Companies Act, 2013, except in case of the Plant and machinery, in whose case the life of the assets has been estimated at 30 years based on technical assessment taking into account the nature of assets, the estimated usage of the assets, the operating condition of the assets, anticipated technical changes, manufacturer warranties and maintenance support. In case of major components identified, depreciation is provided based on the useful life of each such component based on technical assessment, if materially different from that of the main asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit and loss.

**b Intangible Assets**

Intangible assets acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a Written Down Value basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition are recognised in profit or loss. Estimated useful life of the Computer Software is 5 years.

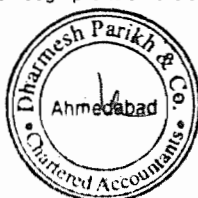
**c Project Development Expenditure/ Capital Work in Progress**

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.

**d Financial Instruments**

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.



**e Financial assets**

**Initial recognition and measurement**

All financial assets, except investment in subsidiaries are recognised initially at fair value.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified:

**i) At amortised cost**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and which are not classified as financial assets at fair value through profit or loss or financial assets available-for-sale. Subsequently, these are measured at amortised cost using the effective interest method less any impairment losses. These include trade receivables, finance receivables, balances with banks, short-term deposits with banks, other financial assets and investments with fixed or determinable payments.

**ii) At fair value through profit or loss (FVTPL)**

Financial assets which are not measured at amortised cost are measured at FVTPL.

Fair value changes related to such financial assets including derivative contracts like forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps to hedge its foreign currency risks and interest rate risks, are recognised in the statement of profit and loss.

**Derecognition of financial assets**

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

**Foreign exchange gains and losses**

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

**Impairment of Financial assets**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that will result if default occurs within the 12 months after the reporting date and this, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are expedient as permitted under Ind AS 109, This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

**Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction cost and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at fair value through profit and loss (FVTPL). Interest income is recognised in profit or loss and is included in the "other income" line item.

**f Financial liabilities and equity instruments**

**Classification as debt or equity**

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

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

**Financial liabilities**

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.



**Financial liabilities at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

**Financial liabilities at FVTPL**

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

Fair value changes related to such financial liabilities including derivative contracts like forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps to hedge its foreign currency risks and interest rate risks, are recognised in the statement of profit and loss.

**Foreign exchange gains and losses**

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

**Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**g Derivative financial instruments**

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivatives financial instruments are disclosed in note 28.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

**Embedded derivatives**

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

**h Inventories**

Inventories are stated at the lower of weighted average cost or net realisable value. Costs include all non-refundable duties and all charges incurred in bringing the goods to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

**i Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**j Foreign currencies**

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

Exchange differences on monetary items are recognised in profit and loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.



**k Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- In the principal market, or
- In the absence of a principal market, in the most advantageous market

The principal or the most advantageous market must be accessible by the Company.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's - accounting policies.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**l Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

**i) Revenue from Power Supply**

Revenue from Power Supply is recognised on the basis of sales to State Distribution Companies in terms of the Power Purchase Agreements (PPA). Such Revenue is measured at the value of the consideration received or receivable, net of trade discounts if any.

**ii) Interest income is recognised on a time proportion basis.**

Dividend income from investments recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

**iii) Delayed payment charges and interest on delayed payment for power supply are recognized based on reasonable certainty to expect ultimate collection.**

**m Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

**n Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

**Company as a lessor**

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

**Company as a lessee**

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.



**o Taxation**

Tax on income comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

**Current tax**

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. Deferred tax liability are generally recorded for all temporary timing differences. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilised. Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss, either in other comprehensive income or directly in equity. The carrying amount of deferred tax assets is reviewed at each reporting date.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

**p Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for the effects of dividend, interest and other charges relating to the dilutive potential equity shares by weighted average number of shares plus dilutive potential equity shares.

**q Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

**r Impairment of tangible and intangible assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.





**3 Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Estimates and assumptions**

The estimates as at 31st March, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

**Key Sources of Estimation uncertainty:**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**i) Fair value measurement of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using ECL model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**ii) Taxes**

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Deferred tax assets recognised to the extent of the corresponding deferred tax liability.

**iii) Useful lives of property, plant and equipment**

In case of the plant and machinery, in whose case the life of the assets has been estimated at 30 years based on technical assessment, 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, except for major components identified during the year, depreciation on the same is provided based on the useful life of each such component based on technical assessment, if materially different from that of the main asset.



**4 First-time adoption of Ind-AS**

These are Company's first financial statements prepared in accordance with Ind AS. For the period ended 31st March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013.

The Company has prepared these financial statements for the year ending on 31st March 2017, together with the comparative period data, by applying Ind AS compliant policies described in the "Summary of Significant Accounting Policies". Since the Company was incorporated on 5th June, 2015 there is no transition date to which the provision of Ind AS 101 are required to be applied. This note explains the options availed on first time adoption of Ind AS 101 and the principal adjustments made by the Company in restating its Indian GAAP financial statements, as at and for the period ended 31st March, 2016.

**a) Options availed on the first time adoption of Ind AS 101****i) Estimates**

The estimates as at 31st March, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

> Impairment of financial assets based on the risk exposure and application of ECL model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at 31st March, 2016.

**ii) Exchange differences on long term foreign currency borrowings**

The Company has elected to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items outstanding and recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

**iii) Determining whether an arrangement contains a lease**

The Company has applied Appendix C of Ind AS 17 – "Determining whether an arrangement contains a Lease" to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing as at that date.

**iv) Classification and measurement of financial assets :**

The Company has assessed classification and measurement of financial assets on the basis of facts and circumstances that exist as on transition date.

**v) Impairment of financial assets**

The Company has applied impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

**vi) Derecognition of financial assets and financial liabilities**

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after transition date.

**vii) Assessment of embedded derivatives**

The Company has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

**b) Reconciliations between previous GAAP and Ind AS**

The following tables represent the reconciliations from previous GAAP to Ind AS of equity as at 31st March, 2016 and Total Comprehensive Income for the period then ended.

**Reconciliation of changes in Equity as at 31st March, 2016:**

(₹ In Lakhs)

Particulars	Notes	As at 31st March 2016 (End of last period presented under previous GAAP)
Equity Share Capital as per previous GAAP		5.00
Other Equity as per previous GAAP		(0.65)
<b>Adjustments</b>		
Capital work in progress	(a) (i)	(305.89)
<b>Total Adjustment to the Equity</b>		<b>(305.89)</b>
<b>Total equity under IND AS</b>		<b>(301.54)</b>



## Reconciliation of Total Comprehensive Income for the period ended 31st March, 2016:

(₹ in Lakhs)

Particulars	For the period ended 31st March, 2016 (End of last period presented under previous GAAP)
Loss as per Previous GAAP	(0.65)
Ind AS: Adjustments increase (decrease):	
Effect of measuring derivative contracts at fair value (refer note (a)(i))	(305.89)
<b>Total Adjustment to Profit or Loss</b>	<b>(305.89)</b>
Loss under Ind AS	(306.54)
Other Comprehensive Income	-
<b>Total Comprehensive Loss under Ind AS</b>	<b>(306.54)</b>

## Footnotes to the reconciliation of Total equity for the year ended 31st March, 2016 and statement of other comprehensive income for the period ended 31st March, 2016 :

a) Fair valuation for Financial Assets and Financial Liabilities : i) The Company has valued financial assets and Financial Liabilities, at fair value. Impact of fair value changes is recognised in Statement of Profit and Loss Account.

ii) Borrowings (part of financial liabilities) : Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised over the tenure of borrowings and charged to profit or loss for the period. Under IND AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

b) Statement of cash flows : The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.



## (₹ in Lakhs)

(₹ in Lakhs)

**Note:**  
i) For securities refer note 16.



5.2 Capital Work In Progress		As at 31st March, 2017 (₹ in Lakhs)	As at 31st March 2016 (₹ in Lakhs)
Project expenditure	(A)	-	33,229.03
Capital Inventory	(B)	176.01	7,508.98
Expenditure during construction ("EDC") period *	(C)	-	601.88
<b>Total (A+B+C)</b>		<b>176.01</b>	<b>41,339.89</b>
* Details of EDC are as under:-			
<b>EDC brought forward from previous period</b>		601.88	-
<b>Addition during the year:</b>			
Finance Cost		968.33	608.93
Depreciation		1.39	0.37
Other expenses		12.43	15.17
<b>Total (i)</b>		<b>1,584.03</b>	<b>624.47</b>
<b>Less : Income</b>			
Interest Income		(32.91)	(22.10)
Other Income		(123.83)	(0.49)
<b>Less: Capitalised During the year</b>		<b>(1,427.29)</b>	
<b>Total (ii)</b>		<b>(1,584.03)</b>	<b>(22.59)</b>
<b>Total Expenditure during construction period</b>	<b>Total C (i+ii)</b>	<b>-</b>	<b>601.88</b>

**Note:**

i) For securities refer note 16.

5.3 Other Intangible Assets		As at 31st March, 2017 (₹ in Lakhs)	As at 31st March 2016 (₹ in Lakhs)
<b>Carrying amount of:</b>			
<b>Intangible assets</b>			
Computer software		13.74	-
<b>Total</b>		<b>13.74</b>	<b>-</b>
<b>Description of Assets</b>			
<b>I. Cost</b>			
<b>Balance as at 5th June, 2015</b>		-	-
Additions		-	-
disposals		-	-
<b>Balance as at 31st March, 2016</b>		-	-
Additions		26.18	-
disposals		-	-
<b>Balance as at 31st March, 2017</b>	<b>Total</b>	<b>26.18</b>	<b>-</b>
<b>II. Accumulated depreciation and impairment</b>			
<b>Balance as at 5th June, 2015</b>		-	-
Amortisation expense		-	-
Eliminated on disposal of assets		-	-
<b>Balance as at 31st March, 2016</b>		-	-
Amortisation expense		12.44	-
Eliminated on disposal of assets		-	-
<b>Balance as at 31st March, 2017</b>	<b>Total</b>	<b>12.44</b>	<b>-</b>

**Note:**

i) For securities refer Note 16

6 Other Non-current Financial Assets		As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)
Balances held as Margin Money or security against borrowings		5,190.00	-
<b>Total</b>		<b>5,190.00</b>	<b>-</b>

**Notes :**

i) For securities refer note 16.

ii) The fair value of other non current financial assets is not materially different from the carrying value presented.



7 Deferred Tax Assets (Net)		As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)	
<b>Deferred Tax Liabilities</b>				
Timing difference between book and tax depreciation		393.74	-	
<b>Gross deferred tax liabilities</b>	<b>(a)</b>	<b>393.74</b>	<b>-</b>	
<b>Deferred Tax Assets</b>				
Provision for Employee benefits		-	-	
Tax Losses		-	-	
On unabsorbed depreciation		1,190.04	-	
<b>Gross Deferred Tax Assets</b>	<b>(b)</b>	<b>1,190.04</b>	<b>-</b>	
<b>Net Deferred Tax Asset</b>	<b>Total (b-a)</b>	<b>796.30</b>	<b>-</b>	
<b>(a) Movement in deferred tax liabilities (net) for the Financial Year 2016-17</b>				
Particulars	Opening Balance as at 1st April, 2016	Recognised in profit and Loss	Recognised in OCI	Closing balance as at 31st March, 2017
<b>Tax effect of items constituting deferred tax liabilities:</b>				
Property, Plant and Equipment	-	393.74	-	393.74
<b>Total</b>	<b>-</b>	<b>393.74</b>	<b>-</b>	<b>393.74</b>
<b>Tax effect of items constituting deferred tax assets :</b>				
Employee Benefits	-	-	-	-
Tax losses	-	-	-	-
Unabsorbed depreciation	-	1,190.04	-	1,190.04
<b>Total</b>	<b>-</b>	<b>1,190.04</b>	<b>-</b>	<b>1,190.04</b>
<b>Net Deferred Tax Asset</b>	<b>-</b>	<b>796.30</b>	<b>-</b>	<b>796.30</b>
<b>(b) Movement in deferred tax liabilities (net) for the Financial Year 2015-16</b>				
Particulars	Opening Balance as at 1st April, 2015	Recognised in profit and Loss	Recognised in OCI	Closing balance as at 31st March, 2016
<b>Tax effect of items constituting</b>				
Property, Plant and Equipment	-	-	-	-
Intangible Assets	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Tax effect of items constituting deferred tax assets :</b>				
Employee Benefits	-	-	-	-
Other Items	-	-	-	-
Unabsorbed depreciation	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Deferred Tax Asset</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
8 Other Non-current Assets		As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)	
Capital advances		11.40	763.64	
<b>Total</b>		<b>11.40</b>	<b>763.64</b>	



9 Trade Receivables	As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)
Unsecured, considered good	2,490.67	-
<b>Total</b>	<b>2,490.67</b>	<b>-</b>

**Notes:**

i) For securities : Refer note 16

ii) Credit concentration

As at 31st March 2017, of the total trade receivables 100% pertains to dues from State Distribution Companies under Long Term Power Purchase Agreements ("PPAs").

iii) Expected Credit Loss (ECL)

The Company is having total receivables from TANGEDCO which are Government undertaking. The Company is regularly receiving its normal power sale dues from TANGEDCO and in case of any disputed amount not being received; the same is recognised on conservative basis which carries interest as per the terms of agreements. Hence they are secured from credit losses in the future.

iv) The fair value of Trade receivables is not materially different from the carrying value presented.

10 Cash and Cash equivalents	As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)
Balances with banks In current accounts	2,186.77	113.87
<b>Total</b>	<b>2,186.77</b>	<b>113.87</b>

**Note:**

i) As per the amendment to Schedule III of the Companies Act, 2013 by MCA notification G.S.R 308(E) dated 30th March 2017, every company is required to disclose the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016. Since the company did not hold or transact in cash during the entire year, the said disclosure is not applicable.

11 Bank balance (other than Cash and Cash equivalents)	As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)
Balances held as Margin Money	122.71	844.48
<b>Total</b>	<b>122.71</b>	<b>844.48</b>

**Notes:**

i) For securities : Refer note 16

ii) The fair value of Bank Balances (other than Cash and Cash equivalents) is not materially different from the carrying value presented.

12 Other Financial Assets	As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)
Interest receivable	9.19	10.90
Unbilled Revenue	599.62	-
Earnest Money Deposits	425.50	425.50
Forward Cover Receivables	-	12.23
<b>Total</b>	<b>1,034.31</b>	<b>448.63</b>

**Note:**

i) The fair value of other financial assets is not materially different from the carrying value presented.

13 Other Current Assets	As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)
Advance for expenses	6.68	9.27
Prepaid Expenses	10.10	-
<b>Total</b>	<b>16.78</b>	<b>9.27</b>



## 14 Share Capital

	As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)
Authorised Share Capital		
12,70,00,000 (As at 31st March, 2016 - 50,000) equity shares of ₹ 10/- each	12,700.00	5.00
<b>Total</b>	<b>12,700.00</b>	<b>5.00</b>
Issued, Subscribed and fully paid-up equity shares		
12,70,00,000 (As at 31st March, 2016 - 50,000) equity shares of ₹ 10/- each	12,700.00	5.00
<b>Total</b>	<b>12,700.00</b>	<b>5.00</b>

## a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year/period

## Equity Shares

	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
At the beginning of the year	50,000	5.00	-	-
Issued during the year	12,69,50,000	12,695.00	50,000	5.00
Outstanding at the end of the year	<b>12,70,00,000</b>	<b>12,700.00</b>	<b>50,000.00</b>	<b>5.00</b>

## b. Terms/rights attached to equity shares

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

## c. Shares held by Parent company

Out of equity shares issued by the Company, shares held by its parent company are as under:

	As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)
Adani Green Energy (Tamilnadu) Limited		
12,70,00,000 (As at 31st March, 2016 - 50,000) equity shares of ₹ 10/- each (together with its nominees)	12,700.00	5.00

## d. Details of shareholders holding more than 5% shares in the Company

	As at 31st March, 2017		As at 31st March, 2016	
	No. Shares	% holding in the class	No. Shares	% holding in the class
<b>Equity shares of ₹ 10 each fully paid</b>				
Adani Green Energy (Tamilnadu) Limited, Parent company (together with its nominees)	12,70,00,000	100.00%	50,000	100.00%
	<b>12,70,00,000</b>	<b>100.00%</b>	<b>50,000</b>	<b>100.00%</b>

## 15 Other Equity

	As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)
Retained earnings		
Opening Balance	(306.54)	-
Add : (Loss) for the year/period	(701.66)	(306.54)
<b>Closing Balance</b>	<b>(1,008.20)</b>	<b>(306.54)</b>

## Note:

i) Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013. No dividends are distributed given the accumulated losses incurred by the Company.





16 Long-term Borrowings (At amortised cost)	Non-current portion		Current maturities	
	As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)	As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)
<b>Secured borrowings</b>				
Trade Credits				
From Banks	28,890.22	29,709.73	-	-
	<b>28,890.22</b>	<b>29,709.73</b>	-	-
<b>Term Loans</b>				
From Related Parties	852.51	2,181.43	-	-
(Refer note 2(i) below and note 32)	<b>852.51</b>	<b>2,181.43</b>	-	-
<b>Total</b>	<b>29,742.73</b>	<b>31,891.16</b>	-	-

**Notes:****1. The Security details for the balances as at 31st March, 2017**

i) Trade credits of Rs 29,079.70 Lakhs (as at 31st March, 2016 ₹ 29,709.72) to be converted to Rupee term loan are secured by first mortgage and charge on all immovable and / or movable assets, present and future of this project of the Company on first paripassu charge also by pledge of 51% equity shares. The interest rates in range of 9% to 13% P.A on Rupee term borrowings and 1% to 4% on Foreign currency Trade credit.

ii) As per loan sanctioned terms, the amount repayable within 1 year against the sanctioned long term debt is ₹ 986.96 Lakhs. In the absence of Rupee Term Loan liability, current maturity has been shown as Nil.

**2. Repayment schedule for the balances as at 31st March, 2017.**

i) Unsecured term loans from related party of ₹ 852.51 Lakhs (as at 31st March, 2016 ₹ 2181.43 lakhs) are repayable on mutually agreed dates after a period of 45 months from balance sheet date and carry an interest rate in range of 10% - 12% p.a.

ii) Borrowing from Bank in the form of Rupee Term Loan and Trade Credit (LC/BC) are payable in 76 structured quarterly instalments within 19 to 21 Years tenure.

17 Short-term Borrowings			As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)
<b>Unsecured Borrowings</b>				
From Related Parties (refer note (i) below and note 32)			13,654.38	4,070.88
<b>Total</b>			<b>13,654.38</b>	<b>4,070.88</b>

**Note:**

i) Loans from related parties are repayable within one year from the date of agreement and carry an interest rate ranging from 0% to 10.05%.

18 Trade Payables			As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)
Trade Payables				
Other than Acceptances			59.01	0.09
<b>Total</b>			<b>59.01</b>	<b>0.09</b>

**Notes:**

(i) There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises 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.

(ii) Since the average credit period is less than 12 months, the trade payable amount has been classified as current.

iii) The fair value of trade payables is not materially different from the carrying value presented.

19 Other Financial Liabilities			As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)
Interest accrued but not due on borrowings			57.70	92.92
Retention money payable			62.54	502.95
Capital Creditors			278.11	6,647.12
Derivatives not designated as hedges			863.76	854.93
<b>Total</b>			<b>1,262.11</b>	<b>8,097.92</b>

**Note:**

i) The fair value of other financial liabilities is not materially different from the carrying value presented, except in case of Derivatives not designated as hedges.

20 Other Current Liabilities			As at 31st March, 2017 (₹ in Lakhs)	As at 31st March, 2016 (₹ in Lakhs)
Statutory liabilities (Includes TDS and service tax)			16.53	6.67
<b>Total</b>			<b>16.53</b>	<b>6.67</b>



21	Revenue from Operations		For the year ended	For the period from
			31st March, 2017	5th June, 2015 to 31st
			(₹ in Lakhs)	March, 2016
				(₹ in Lakhs)
	Revenue from Operations			
	Revenue from Power Supply		2,974.35	-
	<b>Total</b>		<b>2,974.35</b>	<b>-</b>
22	Other Income		For the year ended	For the period from
			31st March, 2017	5th June, 2015 to 31st
			(₹ in Lakhs)	March, 2016
				(₹ in Lakhs)
	Interest Income		37.07	-
	Profit on Sale/Retirement of Assets (Net)		0.04	-
	<b>Total</b>		<b>37.11</b>	<b>-</b>
23	Finance costs		For the year ended	For the period from
			31st March, 2017	5th June, 2015 to 31st
			(₹ in Lakhs)	March, 2016
				(₹ in Lakhs)
	(a) Interest Expenses on :			
	Interest on Loans		342.35	-
	Interest on Trade Credits and others		324.64	-
			<b>666.99</b>	<b>-</b>
	(b) Other borrowing costs :			
	Loss on Derivatives Contracts		1,832.63	305.89
	Bank Charges and Other Borrowing Costs		293.78	-
			<b>2,126.41</b>	<b>305.89</b>
	(c) Net loss on foreign currency transactions and translation		(927.59)	-
	(considered as finance costs)		<b>(927.59)</b>	<b>-</b>
	<b>Total</b>		<b>1,865.81</b>	<b>305.89</b>
24	Other Expenses		For the year ended	For the period from
			31st March, 2017	5th June, 2015 to 31st
			(₹ in Lakhs)	March, 2016
				(₹ in Lakhs)
	Repairs and Maintenance			
	Plant and Equipment		8.30	-
	Others		16.57	-
	Rates and Taxes		15.66	-
	Legal and Professional Expenses		198.84	0.33
	Directors' Sitting Fees		0.45	-
	Payment to Auditors			
	Statutory Audit Fees		0.17	0.23
	Tax Audit Fees		0.17	-
	Others		-	0.09
	Travelling and Conveyance Expenses		8.87	-
	Insurance Expenses		5.81	-
	Electricity Expenses		6.01	-
	Miscellaneous Expenses		70.41	-
	<b>Total</b>		<b>331.26</b>	<b>0.65</b>



## Notes to financial statements for the year ended on 31st March, 2017

## 25 Income Tax

The major components of income tax expense for the years ended 31st March, 2017 and 31st March, 2016 are:

## Income Tax Expense :

	For the year ended 31st March, 2017	For the period from 5th June, 2015 to 31st March, 2016
	(₹ in Lakhs)	(₹ in Lakhs)
<b>Current Tax:</b>		
Current Income Tax Charge	-	-
Adjustment of tax relating to earlier periods	0.05	-
<b>Total (a)</b>	<b>0.05</b>	<b>-</b>
<b>Deferred Tax</b>		
In respect of current year origination and reversal of temporary differences	(796.30)	-
<b>Total (b)</b>	<b>(796.30)</b>	<b>-</b>
<b>Total (a+b)</b>	<b>(796.25)</b>	<b>-</b>

## OCI section

Deferred tax related to items recognised in OCI during in the year:

	For the year ended 31st March, 2017	For the period from 5th June, 2015 to 31st March, 2016
	(₹ in Lakhs)	(₹ in Lakhs)
<b>Accounting profit / (loss) before tax</b>	(1,497.91)	(306.54)
<b>Income tax using the company's domestic tax rate @ 30.90%</b>	(462.85)	(94.72)
<b>Tax Effect of :</b>		
i) Incremental depreciation allowable on assets	(2,403.83)	-
ii) Provisions disallowed	-	-
iii) Non-deductible expenses	-	-
iv) Income and expenses not allowed under income tax	-	94.72
v) Current year losses on which deferred tax asset is not created	2,866.68	-
vi) Tax adjustment of earlier periods	0.05	-
<b>Income tax recognised in profit and loss account at effective rate</b>	<b>0.05</b>	<b>-</b>
Deferred tax recognised in profit and loss account at effective rate (refer note 7)	(796.30)	-



**26 Contingent Liabilities and Commitments ( to the extent not provided for) :****(i) Contingent Liabilities :**

Based on the information available with the Company, there is no contingent liability as at the year ended 31st March, 2017 ( As at 31st March, 2016 Nil).

**(ii) Commitments :**

Capital Commitment

	As at 31st March, 2017 ( ₹ in Lakhs)	As at 31st March, 2016 ( ₹ in Lakhs)
	-	2,080.00
<b>Total</b>	<b>-</b>	<b>2,080.00</b>

**27 Financial Instruments and Risk Review :**

The Company's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk.

In the ordinary course of business, the Company is exposed to Market risk, Credit risk, and Liquidity risk.

**Market risk**

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

**i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings.

The sensitivity analysis have been carried out based on the exposure to interest rates for instruments not hedged against interest rate fluctuations at the end of the reporting period. The said analysis has been carried on the amount of floating rate long term liabilities outstanding at the end of the reporting period. A 50 basis point increase or decrease represents the management's assessment of the reasonably possible change in interest rates.

In case of fluctuation in interest rates by 50 basis points and all other variable were held constant, the company's profit for the year would increase or decrease as follows:

	For the year ended 31st March 2017	For the period from 5th June, 2015 to 31st March, 2016
Impact on profit or loss for the year	72.70	-

**ii) Foreign currency 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. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company manages its foreign currency risk by hedging transactions that are expected to realise in future.

**Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Company is having majority of receivables from TANGEDCO which are Government undertakings and hence they are secured from credit losses in the future. In addition as per the terms of the agreement the receivables are secured by standby letter of credits in favor of the Company.

**Liquidity risk**

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through continued support from lenders, trade creditors and issue of equity shares.

**Maturity profile of financial liabilities:**

The table below provides details regarding contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments

As at 31st March, 2017	Less than 1 year	1 to 5 year	More than 5 Years	Total
Borrowings	13,654.38	852.51	28,890.22	43,397.11
Trade Payables	59.01	-	-	59.01
Other Financial Liabilities	1,262.11	-	-	1,262.11

**Capital Management**

The Company's objectives for managing capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation, and other long term/short term borrowings. The Company's policy is to use short-term and long-term borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio.

No changes were made in the objectives, policies or processes for managing capital during the years ended as at 31st March, 2017 and as at 31st March, 2016.



28 The Company has taken various derivatives to hedge its loans. The outstanding position of derivative instruments is as under:

Nature	Purpose	As at 31st March, 2017		As at 31st March, 2016	
		(₹ in Lakhs)	Foreign Currency (USD in Million)	(₹ in Lakhs)	Foreign Currency (USD in Million)
Forward covers	Hedging of Buyer's credit	13,643.43	21.04	18,114.33	27.34
Option structure	Hedging of Buyer's credit	15,436.27	23.80	10,932.26	16.50
<b>Total</b>		<b>29,079.70</b>	<b>44.84</b>	<b>29,046.59</b>	<b>43.84</b>

The details of foreign currency exposures not hedged by derivative instruments are as under :-

	As at 31st March, 2017		As at 31st March, 2016	
	(₹ in Lakhs)	Foreign Currency (USD in Million)	(₹ in Lakhs)	Foreign Currency (USD in Million)
1. Buyer's Credit	-	-	663.14	1.00
2. Interest accrued but not due	57.70	0.09	92.92	0.14
<b>Total</b>	<b>57.70</b>	<b>0.09</b>	<b>756.06</b>	<b>1.14</b>

29 Fair Value Measurement :

a) The carrying value of financial instruments by categories as of 31st March, 2017 is as follows :

Particulars	(₹ in Lakhs)		
	Fair Value through profit or loss	Amortised cost	Total
<b>Financial Assets</b>			
Cash and cash equivalents	-	2,186.77	2,186.77
Bank balances other than cash and	-	122.71	122.71
Trade Receivables	-	2,490.67	2,490.67
Other Financial assets	-	6,224.31	6,224.31
<b>Total</b>	<b>-</b>	<b>11,024.46</b>	<b>11,024.46</b>
<b>Financial Liabilities</b>			
Borrowings	-	43,397.12	43,397.12
Trade Payables	-	59.01	59.01
Derivatives not designated as hedges	863.76	-	863.76
Other Financial Liabilities	-	398.35	398.35
<b>Total</b>	<b>863.76</b>	<b>43,854.48</b>	<b>44,718.24</b>

b) The carrying value of financial instruments by categories as of 31st March, 2016 is as follows :

Particulars	(₹ in Lakhs)		
	Fair Value through profit or loss	Amortised cost	Total
<b>Financial Assets</b>			
Cash and cash equivalents	-	113.87	113.87
Bank balances other than cash and	-	844.48	844.48
Other Financial assets	-	448.63	448.63
<b>Total</b>	<b>-</b>	<b>1,406.98</b>	<b>1,406.98</b>
<b>Financial Liabilities</b>			
Borrowings	-	35,962.04	35,962.04
Trade Payables	-	0.09	0.09
Derivatives not designated as hedges	854.93	-	854.93
Other Financial Liabilities	-	7,242.99	7,242.99
<b>Total</b>	<b>854.93</b>	<b>43,205.12</b>	<b>44,060.05</b>



## 30 Fair Value hierarchy :

		(₹ in Lakhs)		
		As at 31st March, 2017		
Particulars		Level 2	Level 3	Total
<b>Assets</b>				
Investments		-	-	-
Derivative instruments		-	-	-
<b>Total</b>		-	-	-
<b>Liabilities</b>				
Derivative instruments		863.76	-	863.76
<b>Total</b>		<b>863.76</b>	<b>-</b>	<b>863.76</b>
		As at 31st March, 2016		
Particulars		Level 2	Level 3	Total
<b>Assets</b>				
Investments		-	-	-
Derivative instruments		-	-	-
<b>Total</b>		-	-	-
<b>Liabilities</b>				
Derivative instruments		854.93	-	854.93
<b>Total</b>		<b>854.93</b>	<b>-</b>	<b>854.93</b>

The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

## 31 Pursuant to the Indian Accounting Standard (Ind AS- 33) – Earnings per Share, the disclosure is as under:

		For the year ended 31st March 2017	For the period from 5th June, 2015 to 31st March, 2016
<b>Basic and Diluted EPS</b>			
(Loss) attributable to equity shareholders	(₹ in Lakhs)	(701.66)	(306.54)
Weighted average number of equity shares outstanding during the year	No	2,50,37,534	50,000
Nominal Value of equity share	₹	10	10
Basic and Diluted EPS	₹	(2.80)	(613.08)

## 32 Related party transactions

## a. List of related parties and relationship

The Management has identified the following entities and individuals as related parties of the Company for the year ended 31st March, 2017 for the purpose of reporting as per IND AS 24 - Related Party Disclosure which are as under:-

Ultimate Controlling Entity	:	S. B. Adani Family Trust ( SBAFT )
Ultimate Parent Company	:	Adani Enterprises Limited
Intermediate Parent Company	:	Adani Green Energy Limited
Immediate Parent Company	:	Adani Green Energy (Tamilnadu) Limited
Fellow Subsidiary	:	Ramnad Solar Power Limited
Entities under common control	:	Adani Infra ( India) Limited Parampujya Solar Energy Private Limited Adani Properties Private Limited Prayatna Developers Private Limited
(with whom transactions done)	:	
Key Management Personnel	:	Mr. K S Nagendra, Director Mr. M R Krishna Rao, Director Mr. Rajiv Rustagi, Director Mr. Santosh Kumar Mall, Additional Director



## 32 b. Transactions with Related Party for the year ended 31st March, 2017

(₹ in Lakhs)

Sr No.	Nature of Transaction	Related Party	For the year ended 31st March 2017	For the period from 5th June, 2015 to 31st March, 2016
1	Equity Shares Issued	Adani Green Energy (Tamilnadu) Limited	12695.00	5.00
2	Loan Taken	Adani Enterprises Limited	15390.67	8760.88
		Adani Green Energy Limited	3540.63	-
		Parampujya Solar Energy Private Limited	1511.20	-
		Adani Properties Private Limited	4477.28	4581.43
3	Loan Repaid Back	Adani Enterprises Limited	7930.00	4690.00
		Adani Green Energy Limited	1429.00	-
		Parampujya Solar Energy P Ltd	1500.00	-
		Adani Properties Private Limited	5806.20	2400.00
4	Interest Expense on Loan	Adani Enterprises Limited	448.84	174.10
		Adani Green Energy Limited	20.70	-
		Adani Properties Private Limited	285.13	37.17
5	Purchase of Goods	Adani Infra (India) Limited	68.72	9768.54
6	Other Balances Transfer from	Adani Green Energy (Tamilnadu) Limited	-	425.50
		Adani Infra (India) Limited	4.46	-
7	Receiving of Services	Adani Infra (India) Limited	3111.84	338.16
8	Reimbursement of Expenses Paid	Adani Green Energy Limited	-	0.33
		Adani Green Energy (Tamilnadu) Limited	-	61.72
		Adani Infra (India) Limited	162.23	-
9	Advance Paid for Land	Ramnad Solar Power Limited	2.00	-
10	Advance for Land transferred from	Adani Green Energy (Tamilnadu) Limited	305.86	84.76
11	Sale of Land	Prayatna Developers Private Limited	84.85	-

## 32 c. Transactions with Related Party for the year ended 31st March, 2017

Sr No.	Type of Balance	Related Party	As at 31st March, 2017	As at 31st March, 2016
1	Borrowings (Loan)	Adani Enterprises Limited	11531.55	4070.88
		Adani Green Energy Limited	2111.63	-
		Parampujya Solar Energy Private Limited	11.20	-
		Adani Properties Private Limited	852.51	2181.43
2	Accounts Payables (Incl Provisions)	Adani Green Energy Limited	-	0.33
		Adani Green Energy (Tamilnadu) Limited	52.33	146.47
		Adani Infra (India) Limited	274.54	6345.39
3	Accounts Receivable	Ramnad Solar Power Limited	2.00	-

**33** The Company's activities during the year revolve around solar power generation. Considering the nature of Company's business, as well as based on reviews by the chief operating decision maker to make decisions about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirements of Ind AS - 108 - "Operating Segments", prescribed under Companies (Indian Accounting Standards) Rules, 2015.

**34** The Company has determined the recoverable amounts of the Power Plants over its useful life under Ind AS 36, Impairment of Assets based on the estimates relating to tariff, operational performance of the Plants, life extension plans, inflation, terminal value etc. which are considered reasonable by the Management.

On a careful evaluation of the aforesaid factors, the Management of the Company has concluded that the Recoverable Amounts of the Power Plants are higher than their carrying amounts as at 31st March, 2017.

**35** Previous year's figures have been recast, regrouped and rearranged, wherever necessary to confirm to this year's classification.



**36 Approval of financial statements**

The financial statements were approved for issue by the board of directors on 22nd May, 2017

In terms of our report attached

**For Dharmesh Parikh & CO.**  
**Chartered Accountants**

Firm Registration Number : 112054W

*Kanti Gothi*

**Kanti Gothi**  
Partner  
Membership No. 127664



**Place : Ahmedabad**  
**Date : 22nd May, 2017**

**For and on behalf of the board of directors of**  
**Ramnad Renewable Energy Limited**

*Rajiv Rustagi*

**Rajiv Rustagi**  
Director  
DIN:- 07193069

*M R Krishna Rao*

**M R Krishna Rao**  
Director  
DIN:- 06495315

**Place : Ahmedabad**  
**Date : 22nd May, 2017**