

Scrip Code- 533122

September 25, 2017

BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
MUMBAI - 400 001

**Sub: Submission of the Annual Report of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the financial year ended March 31, 2017.**

Dear Sir,

Pursuant to the provisions of the Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of RattanIndia Power Limited ("the Company") for the financial year ended March 31, 2017, which had been approved and adopted in the Tenth Annual General Meeting (AGM) of the shareholders of the Company held on Tuesday, September 19, 2017 at 10:00 A.M. at Centaur Hotel, IGI Airport, Delhi - Gurgaon Road, New Delhi - 110 037.

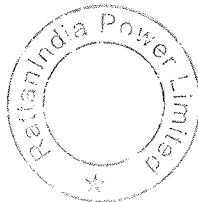
This is for your record.

Thanking you,

Yours faithfully,  
For **RattanIndia Power Limited**



Gaurav Toshkhani  
Company Secretary



Encl : a/a

## **RattanIndia Power Limited**

(Formerly Indiabulls Power Ltd.)

**Registered Office:** 5th Floor, Tower-B, Worldmark 1, Aerocity, New Delhi -110037

Tel: +91 11 66612666 Fax: +91 11 66612777

Website: [www.rattanindia.com](http://www.rattanindia.com)

CIN: L40102DL2007PLC169082

# RattanIndia Power Limited

## Annual Report 2016-17



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# Corporate Information

**RattanIndia Power Limited** (Formerly known as Indiabulls Power Limited.)

## BOARD OF DIRECTORS

1.	Mr. Rajiv Rattan	2.	Mrs. Anjali Nashier
3.	Mr. Yashish Dahiya	4.	Mr. Debashis Gupta
5.	Mr. Narayanasany Jeevagan	6.	Mr. Sanjiv Chhikara
7.	Mr. Pranab Kumar Sinha	8.	Mr. Jayant Shriniwas Kawale
9.	Mr. Sharad Behal	10.	Mr. Himanshu Mathur

## BANKING AND FINANCIAL RELATIONS

HDFC Bank	Punjab National Bank
Yes Bank	Canara Bank
Bank of India	State Bank of India
Axis Bank Limited	United Bank of India
Central Bank of India	UCO Bank
State Bank of Bikaner & Jaipur	Syndicate Bank
State Bank of Travancore	Indusind Bank
Deutsche Bank	IDBI Bank
Power Finance Corporation Limited	Life Insurance Corporation of India
Rural Electrification Corporation Limited	

## COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Gaurav Toshkhani

## CHIEF FINANCIAL OFFICER

Mr. Samir Taneja

## STATUTORY AUDITORS

Walker Chandok & Co. LLP,  
Chartered Accountants,  
L - 41, Connaught Circus,  
New Delhi - 110 001

## SECRETARIAL AUDITORS

S. Khandelwal & Co.,  
Companies Secretaries,  
C – 65, LGF, Malviya Nagar,  
New Delhi – 110 017

## COST AUDITOR

Nisha Vats & Co.,  
Cost Accountants

## INTERNAL AUDITOR

HVS & Associates,  
Chartered Accountants

## REGISTRAR AND TRANSFER AGENT

Karvy Computershare Private Limited,  
Karvy Selenium Tower-B, Plot No. 31 & 32, Financial District,  
Gachibowli, Nanakramguda, Serilingampally,  
Hyderabad – 500 032

## REGISTERED & CORPORATE OFFICE

5<sup>th</sup> Floor, Tower B,  
Worldmark 1, Aerocity, New Delhi – 110 037

**CIN:** L40102DL2007PLC169082

**WEBSITE:** [www.rattanindia.com](http://www.rattanindia.com)

Dear Shareholders,

Power is one of the most critical components of infrastructure crucial for the economic growth and welfare of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy. At an electricity-GDP elasticity ratio of 0.8, electricity will continue to remain a key input for India's economic growth. Power supply position in the country has improved during the current year. Considering the period of Apr-2016 to Dec-2016, the demand supply gap in terms of Energy in India has reduced to 0.7% from 2.2% during the corresponding period of the previous year. The generation during same period this year was 872.96 BU as against 830.17 BU during the corresponding period of the previous year. Thus there is a growth of around 5.15% in generation. India also has a huge latent and suppressed demand. Schemes targeting at rural electrification and delivering 24X7 power to the nation will result in increased demand for power that can only be satisfied by ensuring that the country keeps on steadily adding new generation capacity. Although the current focus of government policy is on renewable energy, more than 59% of total installed generation capacity is still in the form of thermal power. Thermal power plants are base load plants and are going to play an important role in future too. All India generation during FY 2016-17 was 1236 BUs, out of which only 81 BUs i.e. approx. 7% of total generation was from renewable sources. Now, even if additional 100 GW renewable capacity is commissioned over the next 5 years, generation from renewables is expected to increase to approx. 300 BUs against the expected all India generation of approx. 1650 BUs assuming the current growth rate of 6% p.a. This means the generation from renewables shall be approx. 18% of total generation five years hence. However if the addition from renewables is only 50GW then the corresponding share of Renewables shall be 200 BUs (12% share). Accordingly, it can be reasonably concluded that in India, coal fired power plants will continue to serve as the primary source providing electricity to more than a billion people in the Country.



**Mr. Rajiv Rattan**  
*Chairman*

India's energy sector has witnessed rapid growth over the last one year, thanks to policy interventions, reforms and investments. Various policy initiatives such as the introduction of UDAY, amendments to the Tariff Policy, new solar RPO targets for states, the bio fuel policy, the small hydro policy, the offshore wind policy, and the new hydrocarbon policy have all contributed to creating an environment conducive to investments while attracting many new investors and global power players to India. The future of the energy sector looks optimistic. Ample coal is now available at power plants to fuel this growth. Government decision for allowing flexibility in utilisation of domestic coal has helped in reducing the cost of power generation. However, the legacy issues of stressed and stranded generating assets due to cost under-recovery and lack of demand still persist for want of adequate policy and regulatory steps. Currently, dwindling plant load factor is one of the biggest concerns of the power sector. We have a well formulated strategy to tackle the challenges that the sector is facing today.

I am happy to share that Phase 1 of Nashik with generation capacity of 1350 MW (Nashik TPP) has now been fully commissioned. Phase 1 of Amravati Power Plant (Amravati TPP) with similar generation capacity is already operational since past two years. With 2700 MW commissioned capacity, the Company is amongst the top 10 IPP generators in the Country. It is also having 22 mtpa coal linkages for its 5400 MW capacity (both Phase 1 & phase 2 of Amravati and Nashik TPP) which is one of the largest quantum of Coal Linkage amongst IPPs. In the light of the recent announcement of SHAKTI (Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India) on 17th May 2017 under which coal will be made available to power plants only through auction wherein generators with long term PPA will have to offer discount in their tariff, and plants without PPA will have to offer premium over the reserve price. Thus under both the options, coal costs is expected to be higher in comparison to the coal costs that your Company would be paying under the earlier coal allocation regime. Considering this, 22 mtpa linkage that your company is holding is of crucial importance.

Amravati TPP is supplying power to Maharashtra State Electricity Distribution Company Limited (MSEDCL) through a long term power purchase agreement. In spite of the plant being fully operational since March 2015, lenders have still not reduced interest rates on term loan from existing approx. 13.25%. Currently efforts are also going on to decrease the interest cost of Amravati TPP and hence the Board has appointed a committee to evaluate various refinancing/restructuring schemes (including S4A) under guidelines issued by RBI from time to time.

Nashik TPP has PPA approval for 950 MW power procurement from Govt of Maharashtra, subject to approval from MERC but allotment of 650 MW to be procured by MSEDCL is put on hold due to litigation. Currently the matter is pending in the Supreme Court.

## Chairman's message (contd.)

Your company is leaving no stone unturned to face the challenges ahead of us and bring out the best return for our shareholders. The Company has a battery of experienced and dedicated human resources to track the plant performance 24/7, and a system of corrective and preventive maintenance which is in place ensures the highest availability of operating plants. We strive to make our plant one of the most efficient ones in the country.

Lastly I take this opportunity to warmly thank all our Shareholders, Customers, Employees, Bankers and Financial Institutions for reposing their faith in us and motivating us to excel in all facets of our businesses.

Thank you

**Rajiv Rattan**  
**Chairman**





Amravati Power Plant



Amravati Power Plant



Nashik Power Plant



Nashik Power Plant



Nashik Power Plant

# Management Discussion and Analysis

## ECONOMIC SCENARIO

India is one of the fastest growing economies in world today. The International Monetary Fund has projected a growth rate of 7.2% for the year 2017-18. This is in line with FICCI's (Federation of Indian Chambers of Commerce and Industry) projection for growth of India's gross domestic product (GDP) that is anticipated to be around 7.4 percent for fiscal 2017-18, with a minimum and maximum level of 7 percent and 7.6 percent respectively. While the agricultural sector is estimated to clock 3.5 percent growth in 2017-18; industry and services sectors are expected to grow by 6.9 percent and 8.4 percent respectively in 2017-18.

India's medium-term growth prospects are favorable, with growth expected to rise to about 8% over the medium term due to implementation of key reforms, loosening of supply-side bottlenecks, and appropriate fiscal and monetary policies. A focus is needed on implementing reforms for improving the investment climate in the country, enhancing hard and soft infrastructure and continuing the efforts on tackling the issue of non-performing assets. The Union Budget 2017 has given a major push to the infrastructure sector by allocating Rs 3.96 lakh crore to the sector. The investment in infrastructure will spur economic activities.

A developing country like India continues to rely on bank loans for the development of infrastructure and hence the stability of public banks becomes the prime focus to sustain economic growth of the country. One of the impediments being faced in sustainable development by Indian economy is the large number of big ticket infra projects having become Non Performing Assets (NPAs) or on the verge of becoming NPAs. Largely these projects are funded by public sector banks and are estimated to the tune of approximately 8 to 9 lakhs crores. India is already facing significant infrastructure deficit and requires huge investment in infrastructure to keep up economic growth. The regulatory hurdles and sector specific bottlenecks are leading to significant time over run leading to inability of the projects to be viable on its own and also affecting developer's ability to service their debts on time. There have been continuous initiatives to save these infrastructure assets through various guidelines issued by RBI in recent past. Measures such as 5/25, S4A etc. will certainly give flexibility to banks in their efforts to save the projects from becoming NPAs.

## SECTOR AND POLICY OVERVIEW

Power or electricity is a very essential constituent of infrastructure, affecting economic growth and welfare of the country. At an electricity-GDP elasticity ratio of 0.8, electricity will continue to remain a key input for India's economic growth. Electricity demand is likely to reach 217 GW by 2021-22, whereas the peak demand reach 226 GW over the same period.

On coal supply side, although ample coal is now available, power plants continued to suffer shortage during the peak of the previous summer when the demand of power was at its highest level. Government decision for allowing flexibility in utilization of domestic coal has not only helped in reducing the cost of power generation but has also helped in reducing the carbon footprints for generated power. However, the legacy issues of stressed and stranded generating assets due to cost under-recovery and lack of demand still persist for want of adequate policy and regulatory steps. Dwindling plant load factor is one of the biggest concerns in the power sector. For coal based thermal power plants it was 62.21% in the year 2015-16, which has fallen to 59.64% in 2016-17.

The country's installed capacity on 31st March, 2017 was 326.85 GW, out of which 218.33 GW is thermal, 57.26 GW renewable, 44.47 GW hydel, and the rest is nuclear. During the 12th Plan period, a target of 88,537 MW of conventional power generation capacity plus 30,000 MW of Renewal Energy capacity had been fixed. Against this, cumulative capacity addition of 91,730.45 MW has been achieved as on 31.03.2017. The Overall generation in the country has increased from 1168.36 BU during 2015-16 to 1236.39 BU during the year 2016-17.

Apart from cost under recoveries due to time over run and increasing coal costs, another major challenge faced by the Indian Power sector relates to the financial health of Distribution Companies (DISCOMS). The poor financial strength of the discoms due to high AT&C (Aggregate transmission and commercial) losses and non-increase in tariffs remains the key impediment in reviving the sector. Considering this, the Ujwal DISCOM Assurance Yojana (UDAY) was launched by the Government of India on 20-11-2015 for operational and financial turnaround of State owned Power Distribution Companies (DISCOMs). Under this scheme, State governments have taken over 75 percent of the distribution companies' debt and banks would convert that portion of the debt as has not been taken over by the State government into loans or bonds. This scheme which was aimed at engineering a financial turnaround of electricity distribution utilities is beginning to yield results on two fronts. One, power producers are finding that their cost of generation is coming down. Two, distribution utilities, whose finances are in a better shape now, are buying more power. A total of 27 States and UTs have joined this scheme which has yielded savings of nearly Rs 12,000 Crores to the state power distribution companies. Almost 85% UDAY Bonds have already been issued (₹ 2.32 lakhs crore out of total ₹ 2.69 lakhs crore) leading to less rate of interest for DISCOMs.



Appropriate measures have also been initiated in the power transmission sector. The transmission sector witnessed as much as 40% (more than one third) increase in transmission capacity from 5,30,546 MVA in Mar 14 to 7,40,765 MVA in Mar 17. Alongside, the transmission lines have increased from 2,91,336 circuit kilometres (ckm) in March 14 to 3,67,851 ckm in March 17.

A scheme for Rural Electrification, Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), was announced in 2014 to connect un-electrified villages and transform the lives of rural people. The number of un-electrified villages in 2014 stood at 18,452, out of which more than 13,469 villages have been electrified as on May 12, 2017.

Although the health of the power sector is gradually improving, due to lower/suppressed demand of power, thermal plants are grappling with the issue of lower plant load factor. Lower off-take by state-owned distribution companies is still one of the major challenges faced by generation companies. The Government needs to take immediate steps to address this issue, otherwise large capacity of commissioned projects will remain stranded and would lead to plants becoming NPAs. Efforts have been taken at the policy front to create an enabling regulatory framework but these efforts will take some time to bear fruit. Currently under-recovery of fixed and variable costs is leading to stressed assets on Banks' and Developers' balance sheets.

To conclude, along with the focus on coal supply issues, we need to also resolve the 'Legacy' and 'Suppressed Demand' issues to put the sector back on a sustainable growth path.

## DEMAND - SUPPLY POSITION

We have been progressively moving in the direction of achieving the aim of "Power for all". The gross energy generation target for 2017-18 is 1,229 BU. It is anticipated that this year will also be power surplus with availability of 1.337 million units against the demand of 1.229 million units with a total energy surplus of 8.8% while the peak surplus is expected to be 6.8%. Surplus energy is anticipated of the order of 9.8%, 3%, 7.4% and 13% in the Northern, North-Eastern, Southern and Western Regions respectively. Eastern region is likely to face energy shortage of 0.2%.

During the year 2016-17, total ex-bus energy availability increased by 4.1% over the previous year and the peak met increased by 5.7%. The energy requirement registered a growth of 2.6% during the year against the projected growth of 9.0% and Peak demand registered a growth of 4.0% against the projected growth of 7.8%.

The planned capacity expansion along with reduction in transmission and distribution losses will further reduce the supply demand gap in the future. A big share of original capacity addition would come from the private sector. As per the report of the working group on power for 12th plan, the energy requirement during the terminal year of the plan (i.e. 2016-17) would be 1,160 billion units while the energy requirement at the end of the 13th plan (2021-22) would be 1,566 billion units considering the estimated GDP growth rate of 9% during the 12th and 13th plans respectively. The corresponding peak loads, as per 19th EPS projections, at the end of the 12th and 13th plan would be 162 GW and 226 GW respectively. To meet the above targets, the government has to be quick and effective steps have to be taken to instill confidence in the investors.

All India generation during FY 2016-17 was 1236 BUs out of which only 81 BUs i.e. approx. 7% of total generation was from renewable sources. Now, even if additional 100 GW renewable plants are commissioned over next 5 years, the generation from renewables is expected to increase to approx. 300 BUs against the expected all India generation of approx. 1650 BUs assuming current growth rate of 6% p.a. This means the generation from renewables shall be approx. 18% of total generation five years hence. However if the addition from renewables is only 50GW then the corresponding share of Renewables shall be 200 BUs (12% share). Accordingly, it can be reasonably concluded that in India, coal fired power plants will continue to serve as the primary source providing electricity to more than a billion people in the Country.

## RISKS AND CONCERNS

The growth of the power sector is very critical to the overall growth of the economy. Any slowdown in its performance severely impacts the GDP growth of the country as a whole. India has made huge capacity additions over the last several years, but despite this the Indian power sector faces many challenges such as insufficient fuel supply, delay in forest and environmental clearances, delay in payments from distribution companies, commissioned projects without PPAs etc. These are some of the key challenges that need to be addressed immediately.

In view of the emerging developments, the critical issues impacting the performance of the sector are mentioned below:

### Fuel

The ability to source quality fuel at reasonable prices is one of the key components in the success of our business, which otherwise would affect power plant operation and financial condition. Supply of domestic coal has improved over the past couple of years. Coal India that accounts for 80% of total domestic coal production supplied 420.2 million tonnes of fuel to the power sector in

# Management Discussion and Analysis (contd.)

2016-17. There is an increase of 1.3 percent over the previous year in coal supplies. The government is targeting coal production of 1.5 billion tonnes by 2020, of which Coal India is looking at 1 billion tones. Better coal availability has resulted in improved PLF at power plants. However, issues related to quality of coal still need to be effectively addressed.

## ***Inadequate transmission network***

Large parts of India continue to remain power deficit despite huge capacity additions over the last several years. One of the major reasons for this situation is inadequate transmission capacity that limits the generation capacities to flow to the power deficit areas.

Power evacuation is still a bottleneck in the power supply chain of the country. Plants are not able to generate because of constraints in the evacuation infrastructure and are frequently being asked to back down by SLDC/RLDC (State/Regional Load Dispatch Center). This leads to underutilization of the generation capacity.

With the industry moving towards open access, the demand side capacity is expected to increase further thereby increasing transmission load across the country. If India's transmission capacity is not augmented in a timely manner, this problem is expected to further aggravate.

One of the major reasons for delays in new capacity addition is Right-Of-Way (ROW) issues. Active participation from the private sector and support of government is needed to achieve the objective of building the grid, meeting demand requirements, and optimally utilizing generation capacity.

According to CEA, during the year 2016-17, a total of 26,300 circuit-km of transmission lines and 81,816 MVA transformation capacity was added. This includes a total of 2 nos. of 800kV HVDC lines, 16 nos. of 765kV lines and 83 nos. of 400kV lines. With the commissioning of these transmission lines, the inter-state and intra-state capability of power transfer in the country got enhanced to some extent.

## ***Financial health of state Discoms***

Poor financial health of discoms is one of the major risks faced by power producers. To bail out debt-laden distribution utilities, the Power Ministry has come out with the Ujwal DISCOM Assurance Yojana (UDAY), under which the State governments would take over 75 per cent of the distribution companies' debt, and the banks would convert that portion of the debt as has not been taken over by the State government, into bonds. The UDAY scheme will bring relief through savings in interest costs, reduction in technical and commercial loss, and lower cost of power purchase. This is likely to improve financial health of discoms that are currently not able to pay their suppliers on time. The primary reason for poor financial health are huge AT&C losses, operational inefficiencies and populist schemes that have resulted in huge outstanding debts. This is putting pressure on the working capital of suppliers. We hope that UDAY scheme will be able to resolve this problem.

## ***Distribution Reforms***

The Distribution Sector plays a crucial role in overall functioning of the Power Sector as it provides final connectivity of power to consumers and generates the cash flow for the entire value chain. Government is putting all its effort to improve the financial health of utilities so as to enable them to provide reliable and quality power supply and universal access to power. We hope that the steps taken by government will help in ameliorating the current situation.

## ***Under-procurement of Power by States***

Increasing power generation costs due to poor financial health of State Discoms, high AT&C losses have contributed in suppressed demand projections by State Discoms. With growing GDP, improvement in coal availability and financial health of discoms, demand for electricity is likely to pick up in times to come.

## **BUSINESS REVIEW**

Your company has a well formulated strategy to tackle the challenges that the sector is facing today. We are comfortable with land, fuel linkage, water, financial closure etc. and are on course to building a leadership position in the Sector.

While the Phase-I of Amravati Thermal Power Plant has been fully operational since past two years, your Company has also fully commissioned Phase-I of Nasik. Phase-I of Nashik Thermal Power Plant (Nashik TPP) was completed in June-2017 and all 5 units, each having a generation capacity of 270MW, are commissioned now. Currently work is going on swiftly on construction of an in-plant railway siding for Nashik TPP. All statutory approvals are already in place and the plant has a fuel supply agreement in place. Your company is having 22 mtpa coal linkage for its 5400 MW capacity (Amravati 1350 MW Phase 1 + 1350 MW Phase 2 and Nashik 1350 MW Phase 1 + 1350 MW Phase 2) having the largest quantum of Coal Linkage amongst IPPs which is extremely

valuable as new linkages are available only through auction under SHAKTI (Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India) announced on 17th May 2017 under which the coal costs is expected to be much higher than coal costs under the earlier linkage regime.

With 2700 MW commissioned capacity (Amravati and Nashik Phase 1 each of 1350 MW), the Company is amongst top 10 IPP generators in the Country. You would be happy to note that the Amravati power plant has PPA with Maharashtra State Electricity Distribution Company Ltd (MSEDCL), one of the better distribution utilities of the country having credit rating of A in the 5th Integrated Rating for State Power Distribution Utilities. All the five units of Amravati TPP are available for supplying power. Although Amravati TPP had approx 100% Plant Availability Factor during the FY 2017, MSEDCL did not off-take the entire capacity due to lower demand in Maharashtra, and paid capacity charges in line with the Power Purchase Agreement provisions. Currently efforts are also going on to decrease the interest cost of Amravati TPP. In spite of the plant being fully operational since March 2015, lenders have still not reduced interest rates on term loan from existing approx. 13.25% and hence the Board has appointed a committee to evaluate various refinancing/restructuring schemes (including S4A) under guidelines issued by RBI from time to time.

Although Phase-I of Nashik TPP was fully commissioned in June 2017 and the plant has approval for 950 MW power procurement from Govt of Maharashtra, subject to approval from MERC (650 MW to be procured by MSEDCL while balance 300 MW to be procured by BEST), allotment of 650 MW to be procured by MSEDCL is put on hold due to litigation. Currently the matter is pending in the Supreme Court.

Due to circumstances beyond the control of the Company, the risk-rewards of both power plants have turned out to be very different and distinct from each other. Amravati TPP is completely operational and running with long term PPA with MSEDCL but faced lower PLF inspite of 100% availability in FY 2017 whereas Nashik TPP has locational advantage of being near to load center but has not commenced supplies under a PPA.

In view of this, the Board has constituted a Restructuring Committee, to consider, examine and evaluate the ways and means of bringing about the restructuring through a proposed demerger of Nashik TPP from the Company, in a mode and manner which is in the best interests of the two companies and their shareholders. The Restructuring Committee would take all the necessary steps in this direction and prepare and present a detailed draft scheme and proposal, to be placed before the Board for its approval at a later date.

## **COMPETITIVE STRENGTHS**

Your company has following competitive strengths which will enable it to achieve strong position in Power Sector:

### ***Statutory and Non-statutory Clearances***

Your company is already in possession of land for the projects and water arrangement is also in place. All Statutory/Non Statutory approvals & clearances are in place for the power projects.

### ***Financial Closure***

Both phases of Amravati and Nasik power projects aggregating 5400 MW have achieved financial closure.

### ***Power Purchase Agreement***

Your company is supplying power to MSEDCL from Amravati Phase-I under 1200 MW, PPA signed through Case-I Competitive bidding route.

### ***Fuel Security***

Your company already has a Letter of Assurance for supply of coal, from Coal India Limited (CIL) subsidiary companies. Further, Fuel Supply Agreement (FSA) has been signed for Amravati Phase I with CIL subsidiary South Eastern Coalfields Limited. FSA for RattanIndia Nasik Power Limited has also been signed. This puts your company, which has a firm linkage from CIL, in a very strong competitive position especially with the announcement of SHAKTI (Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India) on 17<sup>th</sup> May 2017 under which the coal will be made available to power plants only through auction wherein generators with long term PPA will have to offer discount in their energy tariff and plants without PPA will have to offer premium over reserve price. Under both the options, coal cost is expected to be higher in comparison to the coal cost that your Company would be paying under earlier coal allocation regime.

# Management Discussion and Analysis (contd.)

## **Execution Team**

In the power sector, large projects are being undertaken in Generation, Transmission and Distribution. As India has not witnessed such a large scale implementation before, project execution capabilities are very essential to ensure that targets are met. This strongly necessitates employing a comprehensive project management structure to address the major challenges of the power sector projects and to be able to deliver them as per the planned targets.

One of key strengths of your company is a team of experts with strong project execution capabilities. These experts, who have vast experience of constructing, commissioning and operating large power projects, are involved in a dedicated manner in the execution and in O&M of Amravati and Nashik Thermal Power Projects.

## **PROJECTS BEING DEVELOPED BY YOUR COMPANY**

Your company is developing two coal based thermal power projects with an aggregate capacity of 5400 MW, being developed in two phases of 2700 MW each, in the State of Maharashtra viz. 2700 MW project at Nandgaonpeth in Amravati district and another 2700 MW project at Sinnar in Nasik district.

### **Amravati Thermal Power Project - Phase-I (1350 MW):**

All five Units have been successfully commissioned and are supplying Power to MSEDCL. You would also be happy to note that Amravati Power Transmission Company Ltd (an erstwhile 100% subsidiary of your company and holding Transmission License) has successfully commissioned the 103.3 km long 400 KV transmission system for evacuation of power from Amravati Thermal Power Plant to Akola. A dedicated Railway Siding has also been made operational which is hauling coal directly to the Plant by rail.

### **Nashik Thermal Power Project - Phase-I (1350 MW):**

The project is fully commissioned; Unit 1 was commissioned earlier, while Unit 2 to Unit 5 were successfully commissioned in CY 2017. The Company through its wholly owned subsidiary, RattanIndia Nasik Power Limited has signed FSA for this Project with MCL & SECL. Government of Maharashtra has approved purchase of 950 MW from Nasik Phase-I by Maharashtra State Electricity Distribution Company Limited (MSEDCL) and BEST. MERC has approved purchase of 650 MW from Nashik Phase-I by MSEDCL and PPA for 300 MW with BEST is expected shortly. Allotment of 650 MW to be procured by MSEDCL is put on hold due to litigation. Currently the matter is pending in the Supreme Court. Work on construction of railway line for plant railway siding is progressing swiftly.

## **STRATEGY**

The key elements of the Company's strategy include:

### ***Capitalizing on the opportunities in Indian power generation sector***

Your company has planned significant long term initiatives to capitalize on the huge potential presented by the power sector. With growth in economy, there will be increase in demand of electricity and therefore significant investment will be required in generation, transmission and distribution to fulfill this demand and fulfill the Government of India's ambitious target of providing 'Power for All'.

### ***Leveraging of project execution and operating skills***

Your company has developed good project planning and project execution capabilities and keeping in mind the complexity of project, your company has hired project managers with the ability to deal with ambiguity and lead strategic initiatives to achieve the set milestones. Your company has robust workforce with good project execution and plant operating skills that will help your company to build world class power plants with highest availability and Plant load factor.

### ***Ensuring fuel security***

Your company had ensured that it has adequate supplies to meet fuel requirements for its power projects by way of coal linkages/ FSA with Coal India Limited. It is using imported coal to meet any shortfall in coal supply.

### ***Engaging in an optimal mix of off-take arrangements with state-owned and industrial consumers***

Your Company intends to maintain an appropriate mix of off-take arrangements. Your Company believes that secure off-take arrangements will provide a level of committed revenues whilst short-term arrangements will enable the Company to realize higher tariff rates from time to time. The Company intends to utilize its marketing and trading capacities to secure off-take arrangements with state-run utility companies and industrial consumers as well as carry out merchant sales of power at market

rates. The merchant sales would be done on a “term-ahead” basis through bilateral contracts as well as on power exchanges. In addition to trading power generated by the Company on a term-ahead basis on power exchanges, the Company also intends to enter into bilateral contracts on a term-ahead basis with industrial consumers and distribution companies through open access. Government of India has recently created a portal through MSTC for short term sale. Your company is also exploring opportunities for short term sale through this portal.

#### ***Operating power plant at the highest availability:***

It is vital that a power station has a high plant availability factor (PAF) which is a necessary pre-condition to achieving a higher Plant Load Factor (PLF). Unplanned outages can result in loss of revenue. Your company has recruited very experienced and skilled O&M team to run its power plants smoothly with the highest possible availability.

#### **HUMAN RESOURCES**

Your company’s human resource policy provides an environment that motivates its employees to realize their full potential. Your Company respects each employee, motivates them and tries to offer opportunities based on their skill-sets, and in this process builds mutually benefiting relations between the Company and its employees. Your company has put in place a policy that not only increases productivity but also increases job satisfaction of its employees.

Your company has put in place a recruitment system in the organization wherein right candidates with the right skills are recruited. Your company has established systems, which aim to provide training to employees at every level of the organization that leads to quality work output in their assigned work, in turn helping in improving the bottom-line of your company.

Your company has put in place systems and process that allow it to recruit and retain staff of the highest competence. In addition to this, proper remuneration, regular appraisal and development opportunities provided to the employees have enabled your company to achieve its goal in the competitive market. Your company believes that its employees are most productive when they have a good work-life balance to enable them to meet their responsibilities outside work.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company has always held firm the belief that the success of any business enterprise as also its growth and progress are to a fairly large extent dependent upon the society it exists in because it is the society which determines to a significant extent as to whether the goods manufactured and/ or services being offered by the enterprise, would find takers in the world outside such enterprise.

Now, it could be argued that it is the quality of what is being offered by an enterprise and the price at which the same is being offered that would be crucial determinants for whether the same would find customers. However building a customer base does not entirely depend on these two factors alone, the public perception of the enterprise and what it is offering in the market plays a very huge role in the process.

Many a times it has been so observed that the most successful of enterprises find their business biting the dust because the enterprise in its dealings with the public in general has been dishonest in its intentions or has conducted its business in a manner which shortchanges the public or gives it a raw deal.

Again, the society contributes to the success of an enterprise through its dealings therewith, which could take many shapes, be it in the shape of its security holders, its employees, its lenders, its suppliers and vendors, all of which apart from being in business deals with such enterprise, are essentially the components of the society which the enterprise operates in, and contribute to its growth and success, in a manner which goes far beyond their business/ contractual obligations, making it imperative for the enterprise to reciprocate in equal measure or beyond.

In other words therefore the well-being and welfare of the society is what sustains an enterprise and enables it to grow and an enterprise therefore has to be responsive to the needs and aspirations of the society it operates in and in the event of its failing to do so, it is seen as being an exploiter, as being an entity which is not willing to give back to the society what it has received from it.

It was a recognition of this vital fact which lead to the discharge of corporate social responsibility being made mandatory for companies with certain specific turnover, networth or profitability.

However notwithstanding this statutory promulgation, CSR has always been an area close to the heart of the Company and an essential ingredient of its philosophy and has post the promulgation of the Companies Act, 2013, been given the shape of a Corporate Social Responsibility Policy (the CSR Policy) drawn up by the CSR Committee of the Board of Directors (Board) of the Company and approved by the Board, for implementation under the control and supervision of the Board .



# Management Discussion and Analysis (contd.)

While the basic objective of the CSR policy is to give shape to the Company's philosophy of being an entity which is ever willing to do its bit for the society, the reason why it has not been able to do so is because, the Power Projects are basically capital intensive in nature sucking up a major chunk of the capital of a company be in the shape of infusions or the earnings of the Company and unless the revenues are of a scale and quantum which enable it to earn sufficient profits to meet its financial and operational obligations and yet be left with sufficient amounts, a part of which could be put to use for the benefit of the society, the discharge of CSR becomes extremely difficult and improbable.

The power industry in the Country especially in the thermal sector has been facing strong headwinds and battling several problems at various levels and in various areas, making it a fight for sustenance as the revenue generations have been fairly low leading to either extremely low profits or the complete lack of the same.

Your Company has been no exception and therefore it has not been possible for the Company to contribute any funds towards the betterment and welfare of the society pursuant to the CSR policy, much though it would have whole heartedly wanted to be one of the frontrunners in the area.

However what is encouraging is the fact that the government has taken cognizance of the problems being faced by the power sector in the country and host of measures/plans are on the anvil to revive the power sector.

The Company being a leading power generator of the country in the private sector, would very naturally be one of the biggest gainers and therefore once the financial situation improves, it would go whole hog in effectuating this aspect of its philosophy.

The CSR Committee of the Company comprises of three Directors namely Mrs. Anjali Nashier, a Non-executive Director who is also the chairperson of the committee and Mr. Sanjiv Chhikara and Mr. Yashish Dahiya, Independent Directors.

## INTERNAL CONTROL SYSTEMS

The Company has a system of internal control commensurate with the nature and size of its operations, which effectively and adequately encompasses every facet of its operations and every functional area.

The system involves a compliance management team with established policies, norms and practices as also the applicable statutes and rules and regulations with an inbuilt system of checks and balances, so that appropriate and immediate corrective actions are initiated in right earnest in the event of any deviations from the stipulated standards and parameters.

The effectiveness and deliverability of the internal control system is reviewed periodically so that measures, if any, needed for strengthening of the same, with the changing business needs of the Company, can be taken.

## CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis Report describing the Company's Objectives, projections, estimates and expectations, may be forward looking statements within the meaning of applicable laws and Regulations and the actual results might differ from those expressed or implied herein.

The Company is not under any obligation to publicly amend, modify or revise any such forward looking statements on the basis of any subsequent developments, information or events.

## Dear Shareholders,

Your Directors have pleasure in presenting to you their Tenth Annual Report and the Audited Statement of Accounts of the Company for year ended March 31, 2017.

## FINANCIAL RESULTS

(₹ In Lakhs)

Particulars	Standalone	
	31 March 2017	31 March 2016
Revenue from operations	133,450.34	254,106.14
Profit from operations before other income, finance costs and exceptional items	52,734.70	77,692.06
Other income	16,921.63	9,883.01
Finance costs	101,708.40	98,400.26
Exceptional items	-	-
Profit/(loss) before tax	(32,052.07)	(10,825.19)
Tax expense	-	-
Net profit/(loss) for the year	(32,052.07)	(10,825.19)
Paid-up equity share capital (Face Value of ₹10 each)	295,293.34	295,293.34
Other equity	200,502.63	232,530.38
Earning per shares (in ₹)	(1.09)	(0.37)

Further, the details of performance of subsidiaries and associates are getting reflected in the consolidated financial statements and form AOC - 3, which forms a part of the Annual Report.

In view of the losses incurred during the financial year ended March 31, 2017, it has not been possible to transfer any amount to general reserve.

## BUSINESS REVIEW

Your company has a well formulated strategy to tackle the challenges that the sector is facing today. We are comfortable with land, fuel linkage, water, financial closure etc. and are on course of building a leadership position in the Sector.

While the Phase-I of Amravati Thermal Power Plant has been fully operational since past two years, your company has commissioned Phase-I of Nasik thermal power plant as well. Phase-I of Nasik Thermal Power Plant (Nasik TPP) was completed in June-2017 and all 5 units, each having a generation capacity of 270 MW, are commissioned now. Currently work is going on swiftly on construction of railway siding for the plant. All statutory approvals are already in place and the plants have fuel supply agreements in place. Your company is having 22 mtpa coal linkage for its 5400 MW capacity (Amravati 1350 MW Phase 1 + 1350 MW Phase 2 and Nashik 1350 MW Phase 1 + 1350 MW Phase 2), having the largest quantum of Coal Linkage amongst IPPs which is extremely valuable as new linkages are available only through auction under SHAKTI (Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India) announced on 17th May 2017.

Although Phase-I of Nasik TPP which has been developed under RattanIndia Nasik Power Limited (a wholly owned subsidiary of the Company) was fully commissioned in June 2017 and the plant has approval for 950 MW power procurement from Govt of Maharashtra, subject to approval from MERC (650 MW to be procured by MSEDCL while balance 300 MW to be procured by BEST); allotment of 650 MW to be procured by MSEDCL is put on hold due to litigation. Currently the matter is pending in Supreme Court.

Due to circumstances beyond the control of Company, the risk-rewards of both power plants have turned out to be very different and distinct from each other. Amravati plant is completely operational and running with a long term Power Purchase Agreement (PPA) with MSEDCL but faced lower PLF inspite of 100% availability in FY 2017, whereas Nashik plant has locational advantage of being near to the load center but has not commenced supplies under a PPA.

In view of this, the Board has constituted a Restructuring Committee, to consider, examine and evaluate the ways and means of bringing about the restructuring through a proposed demerger of Nashik TPP from the Company in a mode and manner which is in the best interests of the two companies and their shareholders. The Restructuring Committee would take all the necessary steps in this direction and prepare and present a detailed draft scheme and proposal, to be placed before the Board for its approval at a later date.

# Board's Report (contd.)

## DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP) DETAILS

During the year under review, Mr. Samir Taneja was appointed as the Chief Financial Officer of the Company in the meeting of the Board of Directors of the Company, held on February 8, 2017. He succeeds Mr. Venugopal Keshanakurthy. Mr. Samir Taneja is associated with RattanIndia since September 2012 and is heading the Project Finance Division. He has over two decades of rich experience in Project and Trade financing, Accounting, Budgeting and MIS, Regulatory framework. Prior to joining RattanIndia Group, he has worked with Moserbaer Group and a Public Sector Undertaking M/s Tehri Hydro Development Corporation (THPC).

He is a Commerce Graduate from Banaras Hindu University and Chartered Accountant from Institute of Chartered Accountants of India and Cost Accountant from the Institute of Cost Accountants of India.

Mrs. Anjali Nashier, Director (DIN: 01942221) and Mr. Jayant Shriniwas Kawale, Managing Director (DIN: 00076038) retire by rotation at the ensuing annual general meeting and being eligible for re-appointment, offer themselves for the same.

## COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

In consonance with the requirements of Section 178 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 together with Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Part D of the Schedule II thereto, the Company has in full force and operation, a well- defined policy for selection, appointment and remuneration of directors, both independent and non-independent and the senior management personnel including in particular the key managerial personnel.

The Policy as framed by the Nomination and Remuneration Committee of the Board of Directors strikes a perfect balance between the need for inducting and retaining the directors and personnel of top caliber, commensurate with the nature and size of the operations of the Company and statutory requirements as applicable to the Company. The basic idea is to have the directorial and managerial talent comparable to the best in the business while at the same time ensuring that in compensating them for the services rendered, compliance with the applicable statutory provisions is not compromised with.

It would be pertinent to mention here that the Policy is subject to periodic review by the Nomination and Remuneration Committee.

For the information of the members of the Company in particular and the investing public in general, the policy as aforesaid stands uploaded on the website of the Company at the weblink <http://www.rattanindia.com/investors.htm>.

## EVALUATION OF PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Company has always followed a policy which seeks to ensure complete accountability for performance at every level and this is more so at the management level meaning thereby the accountability of the Board of Directors as a whole, the various committees constituted by it and the individual directors both independent and non-independent.

Towards this end, the Board of Directors carries out a periodic evaluation of its own performance, the performance of the committees constituted by it and the performance of the individual directors, the basic objective being to ensure that performance adheres to standards and in the event of deviation, the remedial actions to rectify the performance can be taken in the right earnest. While this is an exercise being undertaken in the Company ever since its establishment as a listed entity, it also serves the purpose of ensuring the Company's compliance with the statutory requirements mandated in this regard under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

In continuation of this policy therefore, a detailed performance evaluation exercise was carried out in the financial year 2016-2017, entailing circulation of carefully drawn up questionnaires among the members of the Board and that of its various committees so as to gather their feedback as to the processes of the Board, processes of the individual committees and performance and functional efficacy and activeness of the individual directors, with the nature and size of the Company operations, the operational advantages and bottlenecks, the skill sets, knowledge and expertise of various directors and the Company vision and objectives forming the basic premises for the same.

It would be pertinent to mention here that performance evaluation of the Non-Independent Directors is carried out by Independent Directors who also assess the quantity, quality and timeliness of flow of information between the Company management and Board.

## DECLARATIONS FROM INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(7) of the Companies Act, 2013 read with Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, 6 meetings of the Board of Directors of the Company were held. The details as to the dates of such meetings and the attendance of various directors of the Company thereat, have been provided in the Corporate Governance Report.

Additionally, a meeting of the Independent directors of the Company was held on May 22, 2017, with the participation of all Independent Directors of the Company at the meeting.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has always held firm the belief that the success of any business enterprise as also its growth and progress are to a fairly large extent dependent upon the society it exists in because it is the society which determines to a significant extent as to whether the goods manufactured and/ or services being offered by the enterprise, would find takers in the world outside such enterprise.

Now, it could be argued that it is the quality of what is being offered by an enterprise and the price at which the same is being offered that would be crucial determinants for whether the same would find customers. However building a customer base does not entirely depend on these two factors alone, the public perception of the enterprise and what it is offering in the market plays a very huge role in the process.

Many a times it has been so observed that the most successful of enterprises find their business biting the dust because the enterprise in its dealings with the public in general has been dishonest in its intentions or has conducted its business in a manner which shortchanges the public or gives it a raw deal.

Again, the society contributes to the success of an enterprise through its dealings therewith, which could take many shapes, be it in the shape of its security holders, its employees, its lenders, its suppliers and vendors, all of which apart from being in business deals with such enterprise, are essentially the components of the society which the enterprise operates in, and contribute to its growth and success, in a manner which goes far beyond their business/ contractual obligations, making it imperative for the enterprise to reciprocate in equal measure or beyond.

In other words therefore, the well-being and welfare of the society is what sustains an enterprise and enables it to grow and an enterprise therefore has to be responsive to the needs and aspirations of the society it operates in and in the event of its failing to do so, it is seen as being an exploiter, as being an entity which is not willing to give back to the society what it has received from it.

It was a recognition of this vital fact which lead to the discharge of corporate social responsibility being made mandatory for companies with certain specific turnover, networth or profitability.

However notwithstanding this statutory promulgation, CSR has always been an area close to the heart of the Company and an essential ingredient of its philosophy and has post the promulgation of the Companies Act, 2013, been given the shape of a Corporate Social Responsibility Policy (the CSR Policy) drawn up by the CSR Committee of the Board of Directors (Board) of the Company and approved by the Board, for implementation under the control and supervision of the Board .

While the basic objective of the CSR policy is to give shape to the Company's philosophy of being an entity which is ever willing to do its bit for the society, the reason why it has not been able to do so is because, the Power Projects are basically capital intensive in nature sucking up a major chunk of the capital of a company be in the shape of infusions or the earnings of the Company and unless the revenues are of a scale and quantum which enable it to earn sufficient profits to meet its financial and operational obligations and yet be left with sufficient amounts, a part of which could be put to use for the benefit of the society, the discharge of CSR becomes extremely difficult and improbable.

The power industry in the Country especially in the thermal sector has been facing strong headwinds and battling several problems at various levels and in various areas, making it a fight for sustenance as the revenue generations have been fairly low leading to either extremely low profits or the complete lack of the same.

Your Company has been no exception and therefore it has not been possible for the Company to contribute any funds towards the betterment and welfare of the society pursuant to the CSR policy, much though it would have whole heartedly wanted to be one of the frontrunners in the area.

However what is encouraging is the fact that the government has taken cognizance of the problems being faced by the power sector in the country and host of measures/plans are on the anvil to revive the power sector.

The Company being a leading power generator of the country in the private sector, would very naturally be one of the biggest gainers and therefore once the financial situation improves, it would go whole hog in effectuating this aspect of its philosophy.

# Board's Report (contd.)

The CSR Committee of the Company comprises of three Directors namely Mrs. Anjali Nashier, a non-executive Director who is also the chairperson of the committee and Mr. Sanjiv Chhikara and Mr. Yashish Dahiya, Independent Directors.

More on the policy may be seen at weblink <http://www.rattanindia.com/investors.htm>.

The Annual report on CSR forms a part of the Directors Report and is annexed hereto as Annexure A.

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a well formulated policy on materiality of related party transactions and dealing with related party transactions, as approved by the Board of Directors of the Company. The same is uploaded on the website of the Company at the weblink: <http://www.rattanindia.com/investors.htm>.

Apart from the Related Party Transactions in the ordinary course of business and at an arms- length basis, the details of which are given in the notes to the financial statements, no other transactions of such nature were entered into during the year under review, as would require any disclosure in the Directors Report in compliance with Section 134(3)(h) of the Companies Act, 2013 in the stipulated form AOC-2. Hence, no report in form AOC-2 requires to be given.

As regards the related party transactions sought to be entered into during the financial year 2017-2018, the details of the same were placed before the Audit Committee for review and approval wherever required, at the beginning of the financial year. Subsequently the same were also placed before the Board of Directors of the Company for approval.

It would be pertinent to mention here that as regards the proposed related party transactions falling within the category of Material Related Party Transactions, in terms of the Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or Section 188 of the Companies Act, 2013 and the Rules framed thereunder, approval of the Audit Committee and the Board of Directors was accorded subject to the condition that the same would be effectuated only upon the receipt of approval of the shareholders of the Company.

## INTERNAL FINANCIAL CONTROLS

In terms of the provisions of Section 134 (5) (e) of the Companies Act, 2013 the Directors are enjoined with the responsibility of ensuring that adequate systems of financial control are in place and operational in the Company.

The Board of Directors have devised and effectuated a system of internal control commensurate with the nature and size of operations of the Company, covering within its ambit every sphere of operations and activities including more particularly the financial controls.

The system operational for the financial controls encompasses operating philosophies, policies and procedures, effective IT systems aligned to the business requirements, a robust internal audit framework and risk management framework to ensure that there are adequate checks and balances in the system, as also its evaluation at regular intervals to ascertain the efficacy of operations of the controls employed so that corrective measures if any required, can be taken in the right earnest with the internal audit team working in close coordination with the Audit Committee, for the purpose.

## RISK MANAGEMENT

A well- defined and well formulated risk management policy addressing the risks unique to the nature and size of business of the Company as also the risks associated with the business environment both within the country and at a global level, has been in place in the Company since the inception.

While clearly identifying the possible risks, the policy very clearly lays down the no go areas, the redlines which cannot be crossed or overstepped under any circumstances, while at the same time outlining the mitigating steps to be taken, were the perceived risks to be encountered.

To ensure effective implementation and operationalization of the policy, it provides for a very effective system of reporting, covering within its ambit the risks encountered as well as those which the Company has a strong possibility of running into, as indicated by the prevailing circumstances and developments within and outside the Company. The said system also encompasses a proper analysis and assessment of such risks and the steps that need to be undertaken to obliterate such risks or mitigate their impact.



## DETAILS OF LOANS/GUARANTEES & SECURITIES/INVESTMENTS MADE BY THE COMPANY

Full particulars of the loans given, guarantees extended or securities provided to and the investments made by the Company in various bodies corporate in due compliance with the provisions of Section 186 of the Companies Act, 2013, have been adequately described in the notes to Financial Statements. It would be pertinent to mention here though that being an entity engaged in the Infrastructure business, the Company does not fall within the ambit of section 186 by virtue of the exemption available under sub section (11) thereof read with Schedule IV to the Companies Act, 2013.

## INDIAN ACCOUNTING STANDARD & CONSOLIDATED FINANCIAL STATEMENTS

The Ministry of Corporate Affairs (MCA) on February 16, 2015, notified that Indian Accounting Standards (Ind AS) are applicable to certain classes of companies from April 1, 2016 with a transition date of April 1, 2015. Ind AS has replaced the previous Indian GAAP prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. Ind AS has become applicable to the Company from April 1, 2016.

The reconciliations and descriptions of the effect of the transition from previous GAAP to Ind AS have been set out in Note 43 in the notes to accounts in the standalone financial statement and Note 49 in the notes to accounts in the consolidated financial statement.

In accordance with the Companies Act, 2013 and Ind AS 110 - Consolidated Financial Statements read with Ind AS 28 - Investments in Associates, the audited consolidated financial statement is provided in the Annual Report.

## DIVIDEND

No dividend has been recommended for the financial year 2016-2017.

## EXTRACT OF ANNUAL RETURN

An extract of the Annual Return of the Company as at March 31, 2017, as drawn up in the prescribed form MGT-9 is annexed hereto as Annexure B.

## SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, ten subsidiaries of the Company namely Mabon Power Limited, Poena Power Company Limited, Devona Power Systems Limited, Devona Power Management Limited, Devona Power Supply Limited, Devona Power Solutions Limited, Albina Powergen Limited, Albina Power Utility Limited, Hecate Hydro Electric Power Limited and Hecate Power Company Limited ceased to be so. A report on the performance and financial position of each of the remaining subsidiaries, in the form AOC-1, as per the Companies Act, 2013 is provided as Annexure to the consolidated financial statement and hence not repeated here for the sake of brevity.

The Company does not have any associate company and further, with the exception of a few majority owned subsidiaries all its other subsidiaries are wholly owned. As regards the majority owned subsidiaries, it may be noted that such subsidiaries are not engaged in any project or venture so as to be termed as joint ventures.

The Company's Policy on material subsidiaries may be accessed on the Company's website at the link: <http://www.rattanindia.com/investors.htm>

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required pursuant to Section 197 of the Act read with Rule 5(1) to 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect as to the names and other particulars of the employees drawing remuneration in excess of the stipulated limits, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are therefore being sent to the Members and others entitled thereto, excluding the said information on employees' particulars. However in addition to any member interested in obtaining such information, being provided with a copy of the statement containing such information, as indicated in the foregoing para, the same is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting.

The Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are however being provided in Annexure C, to this Report.

# Board's Report (contd.)

## VIGIL MECHANISM

The Company has a well-defined and well-operated vigil mechanism in place, effectuated through a whistle Blower Policy, which provides for reporting by the employees, of violations if any of various laws, rules, regulations as also any unethical conduct and for the Directors to report their concerns, to the management, so that the required remedial actions can be initiated in the right earnest.

To guard against the victimization of the persons using the vigil mechanism, the Whistle Blower Policy of the Company makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

The Whistle Blower Policy is available on the website of the Company i.e. [www.rattanindia.com](http://www.rattanindia.com) at the link <http://www.rattanindia.com/investors.htm>

## GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as no transactions pertaining thereto were undertaken/there were no developments pertinent to the same during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme including the employee stock option schemes in force in the Company.
4. No significant or materials orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

## EMPLOYEE STOCK OPTIONS

As an essential ingredient of its work policy and work culture, the Company has looked upon its employees as being vitally important in its growth and development and therefore believes that the employee growth and development should be commensurate with that of the Company towards which end it has as one of the several employee welfare measures effectuated therein, had in place several employee stock option schemes namely (i) RattanIndia Power Limited Employee Stock Option Plan 2008 (formerly known as SPCL-IPSL Employee Stock Option Plan, 2008) (ii) RattanIndia Power Limited Employee Stock Option Scheme-2009 (formerly known as Indiabulls Power Limited Employee Stock Scheme 2009) and (iii) RattanIndia Power Limited Employee Stock Option Scheme-2011 (formerly known as India Power Limited Employee Stock Option Scheme-2011), together covering nine million stock options convertible into an equivalent number of equity shares of face value ₹ 10 in the Company.

The applicable disclosures with regard to Employee Stock Option Schemes of the Company under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, are provided in the Annexure D to this Report.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, is presented in a separate section forming part of the Annual Report.

## CORPORATE GOVERNANCE REPORT

Pursuant to the applicable regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V thereto, a detailed report on Corporate Governance is included in the Annual Report. A Practicing Company Secretary's Certificate certifying the Company's compliance with the requirements of listing regulations as set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached to the Report.

## BUSINESS RESPONSIBILITY REPORT

As stipulated under the Listing Regulations, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective is attached as part of the Annual Report.

## STATUTORY AUDITORS & AUDITORS' REPORT

M/s. Walker Chandiok & Co. LLP, Chartered Accountants (Registration no.: 001076N/N500013), Auditors of the Company, were in compliance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit And Auditors) Rules, 2014 appointed as the Statutory Auditors of the Company for the financial year 2016-17 to the financial year 2020-21 so as to hold office as such from the conclusion of the Annual General Meeting held for the financial year 2015 -2016, on September

30, 2016 i.e. the ninth annual general meeting, till the conclusion of the fourteenth Annual General Meeting, subject to the ratification of the same by the shareholders in the annual general meeting for each such financial year. The ratification of their appointment for the financial year 2017-18, is being sought in the ensuing AGM.

There being no reservation, qualification, adverse remark or details of any fraud under Section 143(12) of Companies Act, 2013, in the Auditors' Report, no explanation on part of the Board of Directors is called for.

## AUDIT COMMITTEE

The Audit Committee comprises of five members namely, Mr. Naraynasany Jeevagan, Independent Director as the Chairperson, Mr. Debashis Gupta, Mr. Sanjiv Chhikara, Mr. Yashish Dahiya, independent directors and Mr. Rajiv Rattan, a non-independent director. All the recommendations made by the Audit Committee, as to various matters, during the year under review, were accepted by the Board. A detailed description of the Audit Committee and its scope of responsibility and powers and the number of Audit Committee meetings held during the year under review, is set out in the Corporate Governance Report, which forms a part of the Annual Report.

## COST AUDITORS

The Board has appointed M/s. Nisha Vats & Co., Cost Accountants as the cost auditors for conducting the audit of cost records of the Company for the financial year 2016-17.

## SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT

The Board has appointed M/s. S. Khandelwal & Co., Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed as Annexure E to this Report. The Secretarial Audit Report does not contain any reservation, qualification or adverse remark.

## DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 of the Companies Act, 2013, your Directors confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and the losses of the Company for the year ended on that date;
3. the Directors had taken proper and sufficient care for maintaining of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the Directors had prepared the Annual Accounts of the Company on a 'going concern' basis;
5. the Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
6. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

## PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company can proudly boast of being one of the safest and most healthy working places for both men and women in the Country.

It has in place, very well laid down policies for ensuring gender equality and protection to all employees against any form of sexual harassment whatsoever, with provisions for very harsh punitive action against any kind of misdemeanor.

When it comes to safety and protection of women, the Company is always willing to walk an extra mile to ensure that their honor and dignity is afforded a protective shield in the form of the aforesaid policy and the efforts the Company puts in to ensure that the policy is followed in letter as well as spirit.

All of these coupled with the work culture prevalent in the Company which inculcates in the employees a sense of responsibility towards their fellow employees, is what explains that as in the previous years, during the year under review no cases were filed against the Company or its employees pursuant to Sexual Harassment (Prevention, Prohibition and Redressal) Act, 2013.

# Board's Report (contd.)

## LISTING WITH STOCK EXCHANGES

The shares of the Company continue to remain listed with BSE Limited and National Stock Exchange Limited. The Listing fee payable to the said stock exchanges for the financial year 2017 -2018 has been paid.

## GREEN INITIATIVES

Electronic copies of the Annual Report and the notice of the tenth AGM are being sent to all such members whose e-mail addresses are registered with the Company/its Registrar and Transfer Agent.

To the other members physical copies of the Annual Report Notice of the tenth AGM are sent through the permitted modes of dispatch.

However members who have received the said documents in electronic mode but seek physical copies of the same, can send their requests to the Company Secretary.

The e-voting facility is being provided to the members to enable them to cast their votes electronically on all resolutions set forth in the notice convening the AGM, pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014. The instructions for e-voting are provided in the notice.

## ACKNOWLEDGEMENT

Your directors wish to express their sincere gratitude to the investors, bankers, financial institutions, governmental authorities and the employees of the Company for their continued assistance and support which has enabled the Company to turn into a major Power supplying entity in the private sector. The Company and its Directors hope for and look forward to the continuance of the same in the period ahead.

For and on behalf of Board of Directors

Date: August 23, 2017  
Place: New Delhi

Sd/-  
**Rajiv Rattan**  
Chairman

**ANNEXURE FORMING PART OF THE DIRECTORS' REPORT PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT 2013, READ WITH COMPANIES (ACCOUNTS) RULES, 2014 IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

**A. ENERGY CONSERVATION & TECHNOLOGY ABSORPTION:**

- i. The company is fully committed to energy conservation in its endeavors through technology upgradation. The Main Plant Equipment i.e. Boiler & Turbine-Generator has been sourced from M/s BHEL. The system is designed for optimum power generation with indigenous coal under tropical environmental conditions. Both Amravati & Nashik Plants are equipped with automatic controls for ramping up generation from initial start-up to full load operation through state-of-art digital Distributed Control System (DCS). The Boilers are fitted with highly efficient Electro-Static Precipitators (ESPs with 99.95% efficiency) and low NOx Burners for flue gas emission control.
- ii. The company has tied up with coal washeries for beneficiation of coal at the colliery end. The oversize coal is reduced to proper size and washed for removing excessive Ash content to the tune of 15-20%. This results in prolonging Boiler life by reducing wear & tear of Coal Mills, Boiler Tube erosion and less fly Ash generation leading to higher Plant productivity and savings in auxiliary power consumption.
- iii. Both Amravati & Nashik Plants have been built with 'zero water discharge' concept including Rain Water harvesting and ground water recharging. The water consumption has been further optimized by adopting higher Cycle of Concentration (COC) by chemical additives in the Induced Draft Cooling Tower (IDCT) streams. The effluent water is treated and used for Ash evacuation and Green Belt Development etc. Through these measures the Plant water requirement has been effectively reduced by 15%.
- iv. Apart from the above initiatives, the company has also installed a Tertiary Treatment Plant (TTP) based on 'Nordik' technology for recycling Municipal Sewage Water for meeting the entire plant water requirement. As a further measure of environmental protection, a Flue Gas Desulphurization (FGD) Unit is also being considered for Nashik Plant.

**B. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Particulars	As at March 31, 2017	As at March 31, 2016
	(Rupees)	(Rupees)
Earnings in Foreign Currency		
- Interest income on Inter corporate deposit	13,052,806	10,321,091
Expenditure in Foreign Currency		
- Consultancy fees for software licences		619,306
- Interest on Acceptances	6,286,260	30,43,484
- Legal Consultancy Exp	8,006,242	-



# Annexure 'A' to Board's Report

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web- link to the CSR policy and projects or programs:**

The Company has always held firm the belief that the success of any business enterprise as also its growth and progress are to a fairly large extent dependent upon the society it exists in because it is the society which determines to a significant extent as to whether the goods manufactured and/ or services being offered by the enterprise, would find takers in the world outside such enterprise.

Now it could be argued that it is the quality of what is being offered by an enterprise and the price at which the same is being offered that would be crucial determinants for whether the same would find customers. However building a customer base does not entirely depend on these two factors alone, the public perception of the enterprise and what it is offering in the market plays a very huge role in the process.

Many a times it has been so observed that the most successful of enterprises find their business biting the dust because the enterprise in its dealings with the public in general has been dishonest in its intentions or has conducted its business in a manner which shortchanges the public or gives it a raw deal.

Again the society contributes to the success of an enterprise through its dealings therewith, which could take many shapes be it in the shape of its security holders, its employees, its lenders, its suppliers and vendors all of which apart from being in business deals with such enterprise, are essentially the components of the society which the enterprise operates in, and contribute to its growth and success, in a manner which goes far beyond their business/ contractual obligations, making it imperative for the enterprise to reciprocate in equal measure or beyond.

In other words therefore, the well-being and welfare of the society is what sustains an enterprise and enables it to grow and an enterprise therefore has to be responsive to the needs and aspirations of the society it operates in and in the event of its failing to do so, it is seen as being an exploiter, as being an entity which is not willing to give back to the society what it has received from it.

It was a recognition of this vital fact which lead to the discharge of corporate social responsibility being made mandatory for companies with certain specific turnover, network or profitability.

However notwithstanding this statutory promulgation, CSR has always been an area close to the heart of the Company and an essential ingredient of its philosophy and has post the promulgation of the Companies Act, 2013, been given the shape of a Corporate Social Responsibility Policy ( the CSR Policy) drawn up by the CSR Committee of the Board of Directors (Board) of the Company and approved by the Board, for implementation under the control and supervision of the Board .

While the basic objective of the CSR policy is to give shape to the Company's philosophy of being an entity which is ever willing to do its bit for the society, the reason why it has not been able to do so is because, the Power Projects are basically capital intensive in nature sucking up a major chunk of the capital of a company be in the shape of infusions or the earnings of the Company and unless the revenues are of a scale and quantum which enable it to earn sufficient profits to meet its financial and operational obligations and yet be left with sufficient amounts, a part of which could be put to use for the benefit of the society, the discharge of CSR becomes extremely difficult and improbable.

The power industry in the Country especially in the thermal sector has been facing strong headwinds and battling with several problems at various levels and in various areas, making it a fight for sustenance as the revenue generations have been fairly low leading to either extremely low profits or the complete lack of the same.

Your Company has been no exception and therefore it has not been possible for the Company to contribute any funds towards the betterment and welfare of the society, much though it would have whole heartedly wanted to be one of the frontrunners in the area.

However what is encouraging is the fact that the government has taken cognizance of the problems being faced by the power sector in the country and host of measures/plans are on the anvil to revive the power sector.

The Company being a leading power generator of the country in the private sector, would very naturally be one of the biggest gainers and therefore once the financial situation improves, it would go whole hog in effectuating this aspect of its philosophy.

More on the policy may be seen at weblink <http://www.rattanindia.com/investors.htm>.

**2. The Composition of the CSR Committee:**

The CSR Committee of the Company comprises of three Directors namely Mrs. Anjali Nashier, a non-executive Director who is also the chairperson of the committee and Mr. Sanjiv Chhikara and Mr. Yashish Dahiya, Independent Directors.

**3. Average net profit of the Company for the three financial years:**

The company has at an average been at loss for the last three financial years.

**4. Prescribed CSR Expenditure (two percent of the average net profits for three immediately preceding financial years):**

The Company was not required to allocate any budget towards the mandatory CSR spend under the Companies Act, 2013, since it has been at a loss, at an average, for last three financial years.

**5. Details of CSR spent for the financial year 2016-2017:**

- (a) Total amount spent for the financial year; not applicable
- (b) Amount unspent if any; not applicable
- (c) Manner in which spent; not applicable

**6. Reasons for not spending two percent of the average net profits for the last three financial years or any part thereof:** not applicable as the Company has, at an average, been at a loss, for the last three financial years.

**7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.** The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance (conformity) with CSR objectives and Policy of the Company.

Sd/-  
**Jayant Shriniwas Kawale**  
Managing Director

Sd/-  
**Anjali Nashier**  
Chairperson, CSR Committee

# Annexure 'B' to Board's Report

## Extract of Annual Return

### FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management and Administration) Rules, 2014.]

#### I. REGISTRATION & OTHER DETAILS:

1	CIN	L40102DL2007PLC169082
2	Registration Date	October 8, 2007
3	Name of the Company	RattanIndia Power Limited
4	Category/Sub-category of the Company	Public Limited Company
5	Address of the Registered office & contact details	5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037. Tel: 011-66612666, Fax: 011-66612777, Email: ir@rattanindia.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Private Limited. Karvy Selenium Tower - B, Plot No.31-32, Financial District, Gachibowli, Nanakramguda, Serilingampally, Hyderabad - 500 032. Phone No. 040-67162222, Fax No. 040-23001153, E-mail: einward.ris@karvy.com

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products	NIC Code of the Product	% to total turnover of the company
1	Power Generation and supply	35102	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Albina Water Supply and Waste Management Services Limited (100% subsidiary of RattanIndia Nasik Power Limited) Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U41000DL2006PLC149245	Subsidiary	100%	2(87)
2	Lucina Power And Infrastructure Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U70109DL2006PLC151540	Subsidiary	100%	2(87)
3	Aravali Properties Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U70109DL2006PLC151196	Subsidiary	100%	2(87)
4	Devona Power Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45400DL2007PLC167739	Subsidiary	74% (Equity), 100% (Preference)	2(87)
5	Sentia Hydro Electric Power Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40300DL2007PLC168144	Subsidiary	100%	2(87)
6	Sentia Hydro Energy Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40101DL2007PLC168155	Subsidiary	100%	2(87)
7	Sentia Hydro Power Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40300DL2007PLC168141	Subsidiary	100%	2(87)
8	Sentia Hydro Power Projects Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40300DL2007PLC168148	Subsidiary	100%	2(87)
9	Devona Power Projects Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40108DL2007PLC168156	Subsidiary	100%	2(87)
10	Devona Power Infrastructure Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40300DL2007PLC168142	Subsidiary	100%	2(87)

# Annexure 'B' to Board's Report (contd.)

## Extract of Annual Return

S. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
11	Albina Thermal Energy Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40300DL2007PLC168147	Subsidiary	100%	2(87)
12	Albina Thermal Power Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40300DL2007PLC168143	Subsidiary	100%	2(87)
13	Sentia Electricity Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40300DL2007PLC168146	Subsidiary	100%	2(87)
14	Diana Power Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40300DL2007PLC168150	Subsidiary	100%	2(87)
15	Diana Energy Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40108DL2007PLC168651	Subsidiary	74%	2(87)
16	Devona Thermal Power and Infrastructure Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40300DL2007PLC168654	Subsidiary	100%	2(87)
17	Citra Thermal Power and Infrastructure Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40102DL2007PLC168797	Subsidiary	100%	2(87)
18	Selene Power Company Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40102DL2007PLC169085	Subsidiary	100%	2(87)
19	Sentia Thermal Power and Infrastructure Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40300DL2007PLC169088	Subsidiary	100%	2(87)
20	Sepset Thermal Power and Infrastructure Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40102DL2007PLC169087	Subsidiary	100%	2(87)
21	Triton Energy Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40109DL2007PLC169177	Subsidiary	100%	2(87)
22	Sepla Hydropower Projects Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40109DL2007PLC171033	Subsidiary	100%	2(87)
23	Kaya Hydropower Projects Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40101DL2007PLC171066	Subsidiary	100%	2(87)
24	Tharang Warang Hydropower Projects Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40101DL2007PLC171067	Subsidiary	100%	2(87)
25	Airmid Power Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40109DL2008PLC174462	Subsidiary	100%	2(87)
26	Angina Power Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45204DL2008PLC177190	Subsidiary	100%	2(87)
27	Hecate Power Limited.* Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40103DL2008PLC179258	Subsidiary	100%	2(87)
28	Hecate Power Services Limited.* Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40102DL2008PLC179260	Subsidiary	100%	2(87)
29	Hecate Thermal Power And Infrastructure Limited.* Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40102DL2008PLC179272	Subsidiary	100%	2(87)
30	Hecate Power Generation Limited.* Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40107DL2008PLC179262	Subsidiary	100%	2(87)
31	Hecate Power Distributors Limited.* Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40103DL2008PLC179273	Subsidiary	100%	2(87)
32	Hecate Power and Energy Resources Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40103DL2008PLC179261	Subsidiary	100%	2(87)

# Annexure 'B' to Board's Report (contd.)

## Extract of Annual Return

S. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
33	Poena Power Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40107DL2008PLC179263	Subsidiary	100%	2(87)
34	Hecate Energy Trading Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40300DL2008PLC179477	Subsidiary	100%	2(87)
35	Hecate Energy Private Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40104DL2008PTC179773	Subsidiary	100%	2(87)
36	Hecate Power Projects Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40104DL2008PLC179781	Subsidiary	100%	2(87)
37	Poena Thermal Power Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40104DL2008PLC179779	Subsidiary	100%	2(87)
38	Poena Power Services Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40104DL2008PLC179780	Subsidiary	100%	2(87)
39	Poena Power Generation Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40104DL2008PLC179991	Subsidiary	100%	2(87)
40	Poena Power Distributors Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40104DL2008PLC179782	Subsidiary	100%	2(87)
41	Poena Hydro Power Projects Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40101DL2008PLC179783	Subsidiary	100%	2(87)
42	Poena Power Trading Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40104DL2008PLC179786	Subsidiary	100%	2(87)
43	Sinnar Power Transmission Company Limited (100% subsidiary of RattanIndia Nasik Power Limited). Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40104DL2008PLC180166	Subsidiary	100%	2(87)
44	Devona Power Development Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40107DL2008PLC180351	Subsidiary	100%	2(87)
45	Albina Power Transmission Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45207DL2008PLC180234	Subsidiary	100%	2(87)
46	Devona Power Generation Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45207DL2008PLC180178	Subsidiary	100%	2(87)
47	Hecate Power Development Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45207DL2008PLC180510	Subsidiary	100%	2(87)
48	Hecate Power Systems Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40101DL2008PLC180525	Subsidiary	100%	2(87)
49	Hecate Power Management Limited.* Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45207DL2008PLC180511	Subsidiary	100%	2(87)
50	Hecate Power Supply Limited. * Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40101DL2008PLC180524	Subsidiary	100%	2(87)
51	Hecate Power Utility Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45207DL2008PLC180610	Subsidiary	100%	2(87)
52	Hecate Power Transmission Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45207DL2008PLC180519	Subsidiary	80%	2(87)
53	Hecate Powergen Limited.* Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45207DL2008PLC180620	Subsidiary	100%	2(87)
54	Hecate Electric Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40104DL2008PLC180506	Subsidiary	100%	2(87)
55	Poena Power Development Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45207DL2008PLC180508	Subsidiary	100%	2(87)

# Annexure 'B' to Board's Report (contd.)

## Extract of Annual Return

S. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
56	Poana Power Systems Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45207DL2008PLC180509	Subsidiary	100%	2(87)
57	Poena Power Management Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40109DL2008PLC180692	Subsidiary	100%	2(87)
58	Poena Power Utility Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45207DL2008PLC180613	Subsidiary	100%	2(87)
59	Poena Power Solutions Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45207DL2008PLC180606	Subsidiary	100%	2(87)
60	Amravati Power Transmission Company Limited.* Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45207DL2008PLC180614	Subsidiary	100%	2(87)
61	Sentia Electric Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45207DL2008PLC181706	Subsidiary	100%	2(87)
62	Sentia Electricity Generation Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45207DL2008PLC181701	Subsidiary	100%	2(87)
63	Albina Thermal Power Management Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45207DL2008PLC181698	Subsidiary	100%	2(87)
64	Devona Thermal Power Projects Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45207DL2008PLC181769	Subsidiary	100%	2(87)
65	Albina Thermal Projects Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U40300DL2008PLC181793	Subsidiary	100%	2(87)
66	Albina Power Trading Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45400DL2007PLC167741	Subsidiary	100%	2(87)
67	Devona Power Distribution Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45400DL2007PLC167740	Subsidiary	100%	2(87)
68	RattanIndia Nasik Power Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U70109DL2007PLC157316	Subsidiary	100%	2(87)
69	Elena Power And Infrastructure Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U45204DL2008PLC177186	Subsidiary	100%	2(87)
70	Sentia Power Limited. Address: 5th Floor, Tower-B, Worldmark - 1, Aerocity, New Delhi-110037	U74120DL2008PLC178299	Subsidiary	100%	2(87)
71	Bracond Limited. Address: 77, Strovolos Avenues, Strovolos Centre, Flat/Office 204, 2018 Strovolos, Nicosia, Cyprus.		Subsidiary	100%	2(87)
72	Genoformus Limited (100% subsidiary of Bracond Limited) Address: 77, Strovolos Avenues, Strovolos Centre, Flat/Office 204, 2018 Strovolos, Nicosia, Cyprus		Subsidiary	100%	2(87)
73	Renemark Limited (100% subsidiary of Bracond Limited) Address: 77, Strovolos Avenues, Strovolos Centre, Flat/Office 204, 2018 Strovolos, Nicosia, Cyprus		Subsidiary	100%	2(87)

\* After March 31, 2017, these companies have ceased to be the Subsidiary companies.



# Annexure 'B' to Board's Report (contd.)

## Extract of Annual Return

### IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

#### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1,590,000,000	-	1,590,000,000	53.85%	1,590,000,000	-	1,590,000,000	53.85%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	107,500,000	-	107,500,000	3.64%	107,500,000	-	107,500,000	3.64%	-
<b>Sub Total (A) (1)</b>	<b>1,697,500,000</b>	<b>-</b>	<b>1,697,500,000</b>	<b>57.49%</b>	<b>1,697,500,000</b>	<b>-</b>	<b>1,697,500,000</b>	<b>57.49%</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL (A)</b>	<b>1,697,500,000</b>	<b>-</b>	<b>1,697,500,000</b>	<b>57.49%</b>	<b>1,697,500,000</b>	<b>-</b>	<b>1,697,500,000</b>	<b>57.49%</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	7,759,943	-	7,759,943	0.26%	8,026,164	-	8,026,164	0.27%	0.01%
b) Banks / FI	8,261,138	-	8,261,138	0.28%	8,392,277	-	8,392,277	0.28%	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	616,172	-	616,172	0.02%	616,172	-	616,172	0.02%	-
g) FIIs/FPI	89,129,451	-	89,129,451	3.02%	82,729,405	-	82,729,405	2.80%	-0.22%
h) Foreign Venture Capital Funds	418,645,542	-	418,645,542	14.18%	393,273,458	-	393,273,458	13.32%	-0.86%
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>524,412,246</b>	<b>-</b>	<b>524,412,246</b>	<b>17.76%</b>	<b>493,037,476</b>	<b>-</b>	<b>493,037,476</b>	<b>16.69%</b>	<b>-1.07%</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	279,088,034	-	279,088,034	9.45%	279,341,268	-	279,341,268	9.46%	0.01%
ii) Overseas	134,236,116	-	134,236,116	4.55%	123,896,116	-	123,896,116	4.20%	-0.35%
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	127,138,060	29,160	127,167,220	4.30%	137,712,571	35,386	137,747,957	4.66%	0.36%
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	146,762,425	-	146,762,425	4.97%	183,595,074	-	183,595,074	6.22%	1.25%

# Annexure 'B' to Board's Report (contd.)

## Extract of Annual Return

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>c) Others (specify)</b>	-	-	-	-	-	-	-	-	-
Non Resident Indians	11,143,049	-	11,143,049	0.38%	11,847,477	-	11,847,477	0.40%	0.02%
NRI Non Repatriation	-	-	-	-	1,491,866	-	1,491,866	0.05%	0.05%
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Clearing Members	1,897,793	-	1,897,793	0.06%	2,174,649	-	2,174,649	0.07%	0.01%
Trusts	-	-	-	-	-	-	-	-	-
Other Foreign Entities	22,301,470	8,425,000	30,726,470	1.04%	22,301,470	-	22,301,470	0.76%	-0.28%
<b>Sub-total (B)(2):-</b>	<b>722,566,947</b>	<b>8,454,160</b>	<b>731,021,107</b>	<b>24.75%</b>	<b>762,360,491</b>	<b>35,386</b>	<b>762,395,877</b>	<b>25.82%</b>	<b>1.07%</b>
<b>Total Public (B)</b>	<b>1,246,979,193</b>	<b>8,454,160</b>	<b>1,255,433,353</b>	<b>42.51%</b>	<b>1,255,397,967</b>	<b>35,386</b>	<b>1,255,433,353</b>	<b>42.51%</b>	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>2,944,479,193</b>	<b>8,454,160</b>	<b>2,952,933,353</b>	<b>100.00%</b>	<b>2,952,897,967</b>	<b>35,386</b>	<b>2,952,933,353</b>	<b>100.00%</b>	-

### (ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	RattanIndia Infrastructure Limited	1,185,000,000	40.13%	100%	1,185,000,000	40.13%	96.65%	-
2	IPL PPSL Scheme Trust	107,500,000	3.64%	100%	107,500,000	3.64%	100%	-
3	RR Infralands Private Limited	405,000,000	13.72%	83.33%	405,000,000	13.72%	94.62%	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change) - There are no changes in Promoter's Shareholding during the F.Y. 2016-17.

### (iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
<b>1</b>	<b>Name: FIM LIMITED</b>						
	At the beginning of the year	01.04.2016		393,273,458	13.32%	393,273,458	13.32%
	Changes during the year		No change during the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2017		393,273,458	13.32%	393,273,458	13.32%

# Annexure 'B' to Board's Report (contd.)

## Extract of Annual Return

S. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
2	Name: Indiabulls Real Estate Limited						
	At the beginning of the year	01.04.2016		219,050,000	7.42%	219,050,000	7.42%
	Changes during the year		No change during the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2017		219,050,000	7.42%	219,050,000	7.42%
3	Name: LNM INDIA INTERNET VENTURES LIMITED						
	At the beginning of the year	01.04.2016		134,236,116	4.55%	134,236,116	4.55%
	Changes during the year	03.06.2016	Sold	50,000,000	1.69%	84,236,116	2.85%
		30.06.2016	Bought	46,045,000	1.56%	130,281,116	4.41%
		01.07.2016	Sold	46,045,000	1.56%	84,236,116	2.85%
		30.09.2016	Bought	39,660,000	1.34%	123,896,116	4.20%
	At the end of the year	31.03.2017		123,896,116	4.20%	123,896,116	4.20%
4	Name: GOLDMAN SACHS INDIA FUND LTD						
	At the beginning of the year	01.04.2016		40,378,765	1.37%	40,378,765	1.37%
	Changes during the year	23.09.2016	Sold	498,667	0.02%	39,880,098	1.35%
		30.09.2016	Sold	3,680,567	0.12%	36,199,531	1.23%
		07.10.2016	Sold	10,886,645	0.37%	25,312,886	0.86%
		14.10.2016	Sold	934,631	0.03%	24,378,255	0.83%
		21.10.2016	Sold	3,921,465	0.13%	20,456,790	0.69%
		28.10.2016	Sold	3,431,626	0.12%	17,025,164	0.58%
		04.11.2016	Sold	1,775,780	0.06%	15,249,384	0.52%
		11.11.2016	Sold	1,733,715	0.06%	13,515,669	0.46%
		18.11.2016	Sold	1,166,659	0.04%	12,349,010	0.42%
		25.11.2016	Sold	1,273,697	0.04%	11,075,313	0.38%
		02.12.2016	Sold	1,482,295	0.05%	9,593,018	0.32%
		09.12.2016	Sold	2,662,941	0.09%	6,930,077	0.23%
		16.12.2016	Sold	819,911	0.03%	6,110,166	0.21%
		23.12.2016	Sold	738,180	0.02%	5,371,986	0.18%
		30.12.2016	Sold	590,539	0.02%	4,781,447	0.16%
		06.01.2017	Sold	973,569	0.03%	3,807,878	0.13%
		13.01.2017	Sold	1,485,184	0.05%	2,322,694	0.08%
		20.01.2017	Sold	1,859,687	0.06%	463,007	0.02%
		27.01.2017	Sold	463,007	0.02%	0	0.00%
	At the end of the year	31.03.2017		0	0.00%	0	0.00%

# Annexure 'B' to Board's Report (contd.)

## Extract of Annual Return

S. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
5	Name: AQUARIUS VENTURES PTE LTD						
	At the beginning of the year	01.04.2016		25,372,084	0.86%	25,372,084	0.86%
	Changes during the year	08.04.2016	Sold	937,915	0.03%	24,434,169	0.83%
		15.04.2016	Sold	800,000	0.03%	23,634,169	0.80%
		22.04.2016	Sold	782,663	0.03%	22,851,506	0.77%
		29.04.2016	Sold	710,166	0.02%	22,141,340	0.75%
		06.05.2016	Sold	582,001	0.02%	21,559,339	0.73%
		13.05.2016	Sold	780,925	0.03%	20,778,414	0.70%
		20.05.2016	Sold	692,503	0.02%	20,085,911	0.68%
		27.05.2016	Sold	3,685,000	0.12%	16,400,911	0.56%
		03.06.2016	Sold	1,240,125	0.04%	15,160,786	0.51%
		10.06.2016	Sold	1,700,000	0.06%	13,460,786	0.46%
		17.06.2016	Sold	568,103	0.02%	12,892,683	0.44%
		24.06.2016	Sold	1,595,428	0.05%	11,297,255	0.38%
		30.06.2016	Sold	883,890	0.03%	10,413,365	0.35%
		01.07.2016	Sold	300,000	0.01%	10,113,365	0.34%
		08.07.2016	Sold	1,343,919	0.05%	8,769,446	0.30%
		15.07.2016	Sold	486,199	0.02%	8,283,247	0.28%
		22.07.2016	Sold	743,938	0.03%	7,539,309	0.26%
		29.07.2016	Sold	1,314,611	0.04%	6,224,698	0.21%
		05.08.2016	Sold	408,007	0.01%	5,816,691	0.20%
		12.08.2016	Sold	423,077	0.01%	5,393,614	0.18%
		19.08.2016	Sold	362,478	0.01%	5,031,136	0.17%
		26.08.2016	Sold	1,016,167	0.03%	4,014,969	0.14%
		02.09.2016	Sold	505,068	0.02%	3,509,901	0.12%
		09.09.2016	Sold	822,433	0.03%	2,687,468	0.09%
		16.09.2016	Sold	1,750,483	0.06%	936,985	0.03%
		23.09.2016	Sold	689,373	0.02%	247,612	0.01%
		30.09.2016	Sold	247,612	0.01%	0	0.00%
	At the end of the year	31.03.2017		0	0.00%	0	0.00%
6	Name: ARISTON INVESTMENTS SUB C LIMITED						
	At the beginning of the year	01.04.2016		22,301,470	0.76%	22,301,470	0.76%
	Changes during the year		No change during the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2017		22,301,470	0.76%	22,301,470	0.76%
7	Name: HSBC INDIAN EQUITY MOTHER FUND						
	At the beginning of the year	01.04.2016		11,396,533	0.39%	11,396,533	0.39%
	Changes during the year		No change during the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2017		11,396,533	0.39%	11,396,533	0.39%

# Annexure 'B' to Board's Report (contd.)

## Extract of Annual Return

S. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
8	Name: 'VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND						
	At the beginning of the year	01.04.2016		11,211,687	0.38%	11,211,687	0.38%
	Changes during the year	08.04.2016	Bought	360,802	0.01%	11,572,489	0.39%
		15.04.2016	Bought	351,910	0.01%	11,924,399	0.40%
		22.04.2016	Bought	282,640	0.01%	12,207,039	0.41%
		29.04.2016	Bought	293,442	0.01%	12,500,481	0.42%
		06.05.2016	Bought	47,240	0.00%	12,547,721	0.42%
		13.05.2016	Bought	192,012	0.01%	12,739,733	0.43%
		20.05.2016	Bought	200,735	0.01%	12,940,468	0.44%
		27.05.2016	Bought	953,573	0.03%	13,894,041	0.47%
		03.06.2016	Bought	401,352	0.01%	14,295,393	0.48%
		10.06.2016	Bought	523,022	0.02%	14,818,415	0.50%
		17.06.2016	Bought	124,223	0.00%	14,942,638	0.51%
		24.06.2016	Bought	1,419,102	0.05%	16,361,740	0.55%
		30.06.2016	Bought	464,636	0.02%	16,826,376	0.57%
		01.07.2016	Bought	78,058	0.00%	16,904,434	0.57%
		08.07.2016	Bought	286,613	0.01%	17,191,047	0.58%
		15.07.2016	Bought	1,976,138	0.07%	19,167,185	0.65%
		22.07.2016	Bought	995,367	0.03%	20,162,552	0.68%
		29.07.2016	Bought	567,900	0.02%	20,730,452	0.70%
		05.08.2016	Bought	386,355	0.01%	21,116,807	0.72%
		12.08.2016	Bought	368,656	0.01%	21,485,463	0.73%
		19.08.2016	Bought	1,051,689	0.04%	22,537,152	0.76%
		26.08.2016	Bought	518,830	0.02%	23,055,982	0.78%
		17.02.2017	Bought	422,055	0.01%	23,478,037	0.80%
		24.02.2017	Bought	65,120	0.00%	23,543,157	0.80%
	At the end of the year	31.03.2017		23,543,157	0.80%	23,543,157	0.80%
9	Name: COPTHALL MAURITIUS INVESTMENT LIMITED						
	At the beginning of the year	01.04.2016		10,332,434	0.35%	10,332,434	0.35%
	Changes during the year	13.01.2017	Sold	2,083,602	0.07%	8,248,832	0.28%
		20.01.2017	Sold	367,520	0.01%	7,881,312	0.27%
		27.01.2017	Sold	7,709,290	0.26%	172,022	0.01%
		03.02.2017	Sold	172,013	0.01%	9	0.00%
	At the end of the year	31.03.2017		9	0.00%	9	0.00%
10	Name: KARRICK LIMITED						
	At the beginning of the year	01.04.2016		8,425,000	0.29%	8,425,000	0.29%
	Changes during the year	26.08.2016	Sold	1,500,000	0.05%	6,925,000	0.23%
		16.09.2016	Sold	3,000,000	0.10%	3,925,000	0.13%
		23.09.2016	Sold	1,500,000	0.05%	2,425,000	0.08%
		21.10.2016	Sold	2,425,000	0.00%	0	0.00%
	At the end of the year	31.03.2017		0	0.00%	0	0.00%

# Annexure 'B' to Board's Report (contd.)

## Extract of Annual Return

### (v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
<b>1</b>	<b>Name : Mr. Rajiv Rattan</b>						
	At the beginning of the year	01.04.2016		-	0.00%	-	0.00%
	Changes during the year		No change during the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2017		-	0.00%	-	0.00%
<b>2</b>	<b>Name : Mr. Himanshu Mathur</b>						
	At the beginning of the year	01.04.2016		10,000	0.00034%	10,000	0.00034%
	Changes during the year		No change during the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2017		10,000	0.00034%	10,000	0.00034%
<b>3</b>	<b>Name : Mr. Debashis Gupta</b>						
	At the beginning of the year	01.04.2016		-	0.00%	-	0.00%
	Changes during the year		No change during the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2017		-	0.00%	-	0.00%
<b>4</b>	<b>Name : Mr. Narayanasany Jeevagan</b>						
	At the beginning of the year	01.04.2016		-	0.00%	-	0.00%
	Changes during the year		No change during the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2017		-	0.00%	-	0.00%
<b>5</b>	<b>Name : Mrs. Anjali Nashier</b>						
	At the beginning of the year	01.04.2016		-	0.00%	-	0.00%
	Changes during the year		No change during the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2017		-	0.00%	-	0.00%
<b>6</b>	<b>Name : Mr. Jayant Shriniwas Kawale</b>						
	At the beginning of the year	01.04.2016		-	0.00%	-	0.00%
	Changes during the year		No change during the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2017		-	0.00%	-	0.00%
<b>7</b>	<b>Name : Mr. Yashish Dahiya</b>						
	At the beginning of the year	01.04.2016		-	0.00%	-	0.00%
	Changes during the year		No change during the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2017		-	0.00%	-	0.00%
<b>8</b>	<b>Name : Mr. Sharad Behal</b>						
	At the beginning of the year	01.04.2016		-	0.00%	-	0.00%
	Changes during the year		No change during the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2017		-	0.00%	-	0.00%



# Annexure 'B' to Board's Report (contd.)

## Extract of Annual Return

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
9	Name : Mr. Sanjiv Chhikara						
	At the beginning of the year	01.04.2016		-	0.00%	-	0.00%
	Changes during the year		No change during the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2017		-	0.00%	-	0.00%
10	Name : Mr. Pranab Kumar Sinha						
	At the beginning of the year	01.04.2016		-	0.00%	-	0.00%
	Changes during the year		No change during the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2017		-	0.00%	-	0.00%
11	Name : Mr. Gaurav Toshkhani						
	At the beginning of the year	01.04.2016		-	0.00%	-	0.00%
	Changes during the year		No change during the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2017		-	0.00%	-	0.00%
12	Name : Mr. Samir Taneja (Appointed as Chief Financial Officer w.e.f. 08.02.2017)						
	At the beginning of the year	01.04.2016		-	0.00%	-	0.00%
	Changes during the year		No change during the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2017		-	0.00%	-	0.00%

### V. INDEBTEDNESS

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

(Amt. ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	71,230,105,785	6,384,296,968	-	77,614,402,753
ii) Interest due but not paid	81,723,822	-	-	81,723,822
iii) Interest accrued but not due	702,412,015	4,936,441	-	707,348,456
<b>Total (i+ii+iii)</b>	<b>72,014,241,622</b>	<b>6,389,233,409</b>	<b>-</b>	<b>78,403,475,031</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	5,221,679,830	-	5,221,679,830
* Reduction	1,801,010,888	-	-	1,801,010,888
<b>Net Change</b>	<b>(1,801,010,888)</b>	<b>5,221,679,830</b>	<b>-</b>	<b>3,420,668,942</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	68,935,215,161	11,199,539,284	-	80,134,754,445
ii) Interest due but not paid	598,837,256	-	-	598,837,256
iii) Interest accrued but not due	679,178,317	411,373,955	-	1,090,552,272
<b>Total (i+ii+iii)</b>	<b>70,213,230,734</b>	<b>11,610,913,239</b>	<b>-</b>	<b>81,824,143,973</b>

# Annexure 'B' to Board's Report (contd.)

## Extract of Annual Return

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Name	Jayant Shriniwas Kawale	Himanshu Mathur	(₹)
	Designation	Managing Director	Whole-time Director	
1	Gross salary	22,555,821	9,869,331	32,425,152
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,140,000		1,140,000
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-		-
2	Stock Option	-		-
3	Sweat Equity	-		-
4	Commission	-		-
	- as % of profit	-		-
	- others, specify	-		-
5	Others, please specify	-		-
	<b>Total (A)</b>	<b>23,695,821</b>	<b>9,869,331</b>	<b>33,565,152</b>
	Ceiling as per the Act	-		

#### B. Remuneration to other Directors

S. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Yashish Dahiya	Mr. Narayanasany Jeevagan	Mr. Debashis Gupta	Mr. Sanjiv Chhikara	Mr. Sharad Behal	(₹)
1	<b>Independent Directors</b>						
	Fee for attending board committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	-	-	-	-	-	-
2	<b>Other Non-Executive Directors</b>	Mrs. Anjali Nashier	Mr. Rajiv Rattan	Mr. P.K. Sinha (Nominee Director)			
	Fee for attending board committee meetings	-	-	-			-
	Commission	-	-	-			-
	Others, please specify	-	-	-			-
	Total (2)	-	-	-			-
	Total (B)=(1+2)	-	-	-			-
	Total Managerial Remuneration	-	-	-			-
	Overall Ceiling as per the Act						

# Annexure 'B' to Board's Report (contd.)

## Extract of Annual Return

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name	Mr. Venugopal Kesanakurthy	Mr. Samir Taneja	Mr. Gaurav Toshkani	(₹)
	Designation	Chief Financial Officer (upto 20.01.2017)	Chief Financial Officer (w.e.f. 08.02.2017)	Company Secretary	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17,144,332	1,339,971	3,738,468	22,222,771
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	- others, specify				
5	Others, please specify, Leave Encashment	465,000			465,000
	<b>Total</b>	<b>17,609,332</b>	<b>1,339,971</b>	<b>3,738,468</b>	<b>22,687,771</b>

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed			Authority [RD / NCLT/ COURT]		Appeal made, if any (give Details)	
A. COMPANY									
Penalty	-	-	-	-	-	-	-	-	-
Punishment	-	-	-	-	-	-	-	-	-
Compounding	-	-	-	-	-	-	-	-	-
B. DIRECTORS									
Penalty	-	-	-	-	-	-	-	-	-
Punishment	-	-	-	-	-	-	-	-	-
Compounding	-	-	-	-	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT									
Penalty	-	-	-	-	-	-	-	-	-
Punishment	-	-	-	-	-	-	-	-	-
Compounding	-	-	-	-	-	-	-	-	-

## DISCLOSURES ON MANAGERIAL REMUNERATION

Details of remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration) Rules, 2014.

- (i) the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2016 – 17.

S. No	Designation	Ratio
1	Managing Director	79 : 1
2	Executive Director	33 : 1

- (ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2016 - 17; Nil

- (iii) the percentage increase in the median remuneration of employees in the financial year 2016-17;

Particulars	Amounts	% age of increments
April 16 Median	32,142	
March 17 Median	30,802	-4%

- (iv) the number of permanent employees on the rolls of Company;

- 641 permanent employees as on March 31, 2017.

- (v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Percentile Increments (other than Managerial Remuneration)	Percentile increments (Managerial Remuneration)
4.5%	0%

- (vi) affirmation that the remuneration is as per the remuneration policy;

The remuneration to Directors, KMP's and other employees of the Company is as per the Remuneration policy of the Company.

# Annexure 'D' to Board's Report

## ANNEXURE TO THE BOARDS' REPORT IN RESPECT OF THE EMPLOYEE STOCK OPTIONS ISSUED UNDER RATTANINDIA POWER LIMITED EMPLOYEE STOCK OPTION PLAN-2008 (FORMERLY 'SPCL-IPSL EMPLOYEE STOCK OPTION PLAN – 2008) – AS ON MARCH 31, 2017

Particulars		
a.	Options Granted	2,00,00,000
b.	Exercise price	₹ 10 per share
c.	Options vested	68,70,900
d.	Options exercised	48,92,200
e.	The total number of Shares arising as a result of exercise of option	48,92,200
f.	Options lapsed/options not yet granted	1,41,13,000
g.	Variation in terms of options	None
h.	Money realized by exercise of options	₹ 4,89,22,000/-
i.	Total number of options in force	9,94,800
j.	Employee wise details of options granted to;	
i.	Key Management personnel	
ii.	any other employee who received a grant in any one year of option amounting to 5% or more of option granted during that year	None
iii.	identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital of the company.	None
k.	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with [Accounting Standard (AS) 20 'Earnings Per Share']	₹ 0.395
l.	Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed	Refer No. 36 Notes to Accounts forming part of the standalone financial Statements
m.	Weighted – average exercise prices and weighted – average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Average Exercise Price is ₹ 10 per share  Average Fair Value is ₹ 1.58 per share
n.	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted – average information:	Refer No 36 Notes to Accounts forming part of the standalone financial Statements
i.	risk free interest rate	
ii.	expected life	
iii.	expected volatility	
iv.	expected dividends, and	
v.	the price of the underlying share in market at the time of option grant	

## ANNEXURE TO THE BOARD'S REPORT REGARDING THE EMPLOYEE STOCK OPTIONS ISSUED UNDER RATTANINDIA POWER LIMITED EMPLOYEE STOCK OPTION SCHEME- 2009) (INDIABULLS POWER LIMITED 'EMPLOYEES STOCK OPTION SCHEME 2009')- AS ON MARCH 31, 2017

Particulars		
a.	Options Granted	2,00,00,000
b.	Exercise price	₹ 14/- per share
c.	Options vested	30,77,300
d.	Options exercised	2,81,800
e.	The total number of Shares arising as a result of exercise of option	2,81,800
f.	Options lapsed/options not yet granted	1,90,23,800
g.	Variation in terms of options	None
h.	Money realized by exercise of options	₹39,45,200/-
i.	Total number of options in force	6,94,400
j.	Employee wise details of options granted to;	
i.	Key Management personnel	Himanshu Mathur - 100,000 Stock Option were granted
ii.	any other employee who received a grant in any one year of option amounting to 5% or more of option granted during that year	None
iii.	identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital of the company.	None
k.	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with [Accounting Standard (AS) 20 'Earnings Per Share']	₹ 0.395
l.	Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed	Refer No 36 Notes to Accounts forming part of the standalone financial Statements
m.	Weighted – average exercise prices and weighted – average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Average Exercise Price is ₹ 14 per share
n.	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted – average information:	
i.	risk free interest rate	Refer No 36 Notes to Accounts forming part of the standalone financial Statements
ii.	expected life	
iii.	expected volatility	
iv.	expected dividends, and	
v.	the price of the underlying share in market at the time of option grant	



## Annexure 'D' to Board's Report (contd.)

### ANNEXURE TO THE BOARD'S REPORT REGARDING THE EMPLOYEE STOCK OPTIONS ISSUED UNDER RATTANINDIA POWER LIMITED EMPLOYEES STOCK OPTION SCHEME 2011 (FORMERLY INDIABULLS POWER LIMITED EMPLOYEES STOCK OPTION SCHEME 2011) - AS ON MARCH 31, 2017

Particulars		
a.	Options Granted	18,95,000*
b.	Exercise price	₹ 12/- per share
c.	Options vested	5,02,000
d.	Options exercised	Nil
e.	The total number of Shares arising as a result of exercise of option	Nil
f.	Options lapsed/options not yet granted	4,95,67,500
g.	Variation in terms of options	None
h.	Money realized by exercise of options	Nil
i.	Total number of options in force	4,32,500
j.	Employee wise details of options granted to;	
i.	Key Management personnel	
ii.	any other employee who received a grant in any one year of option amounting to 5% or more of option granted during that year	None
iii.	identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital of the company.	None
k.	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with [Accounting Standard (AS) 20 'Earnings Per Share']	₹ 0.395
l.	Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed	Refer No 36 Notes to Accounts forming part of the standalone financial Statements
m.	Weighted – average exercise prices and weighted – average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Average Exercise Price is ₹ 12 per share Average Fair Value is ₹ 1.78 per share
n.	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted – average information:	
i.	risk free interest rate	Refer No 36 Notes to Accounts forming part of the standalone financial Statements
ii.	expected life	
iii.	expected volatility	
iv.	expected dividends, and	
v.	the price of the underlying share in market at the time of option grant	

\*The Scheme covers an aggregate of 5,00,00,000 stock options out of which 18,95,000 stock options had been granted.

FORM NO – MR -3

## SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31<sup>st</sup> March, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
RattanIndia Power Limited,  
5th Floor, Tower-B, Worldmark 1 Aerocity, New Delhi -110037

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RattanIndia Power Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by RattanIndia Power Limited for the financial year ended on 31st March, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**in so far as these are applicable**)
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.: -
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable as the Company has not issued and listed any debt securities during the financial year under review);
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review);
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable as the Company has not delisted/proposed to delist equity shares from the stock exchanges during the financial year under review);
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable as the Company has not bought back its securities during the financial year under review); and
  - i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

## Annexure 'E' to Board's Report (contd.)

vi. and other applicable laws like:

- The Electricity Act, 2003
- National Tariff Policy

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India w.r.t meetings of the Board of directors (SS - 1) and General Meeting (SS – 2).
- ii. The Listing Agreements entered into by the Company;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through unanimously and therefore dissenting members' views are not required to be captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. Company has introduced compliance alert system for applicability of all applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no specific events/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For S. Khandelwal & Co.  
(Company Secretaries)

Sd/-  
(Sanjay Khandelwal)  
FCS No.: 5945  
C P No.: 6128

Place: New Delhi

Date: August 10, 2017

This report is to be read with our letter of even date which is annexed as **Annexure 1** and forms an integral part of this report.

## 'Annexure 1'

To,  
The Members,  
RattanIndia Power Limited  
5th Floor, Tower-B, Worldmark 1, Aerocity, New Delhi -110037

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. The maximum liability of our firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

For S. Khandelwal & Co.  
(Company Secretaries)  
(Sanjay Khandelwal)

Place : New Delhi  
Date : August 10, 2017

FCS No. 5945  
C P No.: 6128

# Business Responsibility Report

## ANNEXURE TO THE BOARD'S REPORT : BUSINESS RESPONSIBILITY REPORT

### Introduction:

The Business Responsibility disclosures in this Report illustrate our efforts towards creating enduring value for all stakeholders in a responsible manner. This Report is aligned with National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (hereinafter "NVG-SEE") released by Ministry of Corporate Affairs, and is in accordance with Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter "SEBI Listing Regulations"). This report provides an overview of the activities carried out by RattanIndia Power Limited under each of the nine principles as outlined in NVG.

### Section A - General Information about the Company

1. Corporate Identity Number (CIN) of the Company : L40102DL2007PLC169082
2. Name of the Company : RattanIndia Power Limited
3. Registered Office address : 5th Floor, Tower B  
Worldmark 1, Aerocity, New Delhi – 110 037
4. Website : www.rattanindia.com
5. Email ID : ir@rattanindia.com
6. Financial Year Reported : 2016-17
7. Sector(s) that the Company is engaged in (Industrial activity code-wise)  
NIC Code Description  
35102 Power Generation & Supply
8. List three products/services that the Company manufactures/provides (as in balance sheet) : Power Generation and Transmission.
9. Total number of locations where business activity is undertaken by the Company  
(a) Number of International : None  
(b) Number of National locations : Two
10. Markets served by the Company : In the state of Maharashtra

### Section B – Financial Details of the Company

1. Paid up Capital : ₹ 29,52,93,33,530/-
2. Total Turnover  
Revenue from operations 133,450.34 Lacs  
Other income 16,921.63 Lacs  
Total 150,371.97 Lacs
3. Total profit after taxes (INR) : ₹ (32,071.25) Lacs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax Nil
5. List of activities in which expenditure in 4 above has been incurred : N.A.

### Section C: Other Details

1. Does the Company have any Subsidiary Company/Companies? : Yes, the Company has 73 Subsidiaries as on March 31, 2017.
2. Do the Subsidiary Company/Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s) : No
3. Do any other entity/entities (e.g., Suppliers, distributors, etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [less than 30%, 30%-60%, more than 60%] : No

## Section D: BR Information

### 1. Details of Director/Directors responsible for BR\*

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies:

S. No.	DIN Number	Name	Designation
Not applicable			

\* The various aspects of business responsibility and sustainability, do not manifest themselves in a single policy but a host of policies covering such aspects and already in force in the Company in terms of the requirements of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 (and earlier the Listing Agreements with the stock exchanges) and the Companies Act, 2013, which are looked after, by the various committees constituted by the Board of Directors of the Company in compliance with requirements laid down in the aforementioned statutes. Thus identifying a single director or key person in this regard, whose particulars could be furnished in the above table, would not be possible. The details of such committees including their constitution, their scope of their power and responsibility, are contained in the Corporate Governance Report.

(b) Details of the BR head :

S. No.	Particulars	Details
1	DIN Number (if Applicable)	Not applicable* (See above)
2	Name	
3	Designation	
4	Telephone number	
5	e-mail id	

### 2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

- Principle 1 : Businesses should conduct and govern themselves with Ethics, Transparency and Accountability (Ethics, transparency, accountability)
- Principle 2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle (Safe and sustainable goods and services)
- Principle 3 : Businesses should promote the wellbeing of all employees (Wellbeing of employees)
- Principle 4 : Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized (Responsiveness to all Stakeholders)
- Principle 5 : Businesses should respect and promote human rights (Promoting Human Rights)
- Principle 6 : Business should respect, protect, and make efforts to restore the environment (Protecting the Environment)
- Principle 7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner (Responsible Policy Advocacy)
- Principle 8 : Businesses should support inclusive growth and equitable development (Supportive Inclusive development)
- Principle 9 : Businesses should engage with and provide value to their customers and consumers in a responsible manner (Providing Value to customers)

(a) Details of compliance (Reply in Y/N) :

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify?	All the policies in conform to the principles as set out in the NVG Guidelines								
4	Has the policy being approved by the Board? If Yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y



# Business Responsibility Report (contd.)

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	The various policies with regard to the NVG principles do not manifest themselves in a single or a separate policy. Instead the various policies drawn up and implemented in the Company in compliance with the requirements as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and other applicable statutes and those mandated in terms of any contractual requirements with various stakeholders or those mandated specifically or in general terms by any other regulatory requirements, are looked after by the Board constituted committees and the functional heads for various operations. Thus it would not be possible to name or pinpoint a single director/official/committee in this regard, in this report.								
6	Indicate the link for the policy to be viewed online?	As already explained above, the various principles as enshrined in the NVG Guidelines, do not manifest themselves in a single or separate policy, but through the policies in drawn up and in force in the Company, in terms of the various statutory/regulatory or contractual requirements. Such policies are displayed on the website of the Company at the weblink: <a href="http://www.rattanindia.com">www.rattanindia.com</a> in the relevant sections.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(b) If answer to the question at serial No: 1 against any principle, is "No", please explain why: **Not Applicable**

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within next 1 year									
6	Any other reason (please specify)									

## 3. Governance related to BR

- a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 Months, 3-6 Months, Annually, More than 1 year : Annually
- b. Does the Company publish a BR or a sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? : While the areas of responsibility as set out in the statutorily prescribed format of the Business Responsibility Report, have always been of paramount importance to the Company and while such responsibilities have been effectively discharged by the Company, since the publication of the BR or Sustainability Report was not mandatory for the Company for the financial years prior to the financial year 2016-2017, in terms of the the SEBI circular no. CIR/CFD/CMD/10/2015 dated November 4, 2015, the same was not being published or displayed on the website of the Company in the earlier financial years. However for the financial year 2016-2017 and financial years in the period ahead, the Report, besides being published and sent to the shareholders of the Company and other stakeholders (wherever required), as a part of the Annual Report shall be displayed on the website of the Company as a part of the relevant Annual report.

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1:

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/Others?**

The Company has adopted a Code of Conduct for its Directors and Senior Management. Additionally the Policy on Code of Conduct for employees is applicable to all the employees of the Company as also the RattanIndia Group. The said policies seek to ensure that highest standards of work ethics including total honesty in the conduct of operations of the Company and the discharge of functional responsibilities towards this end, is observed.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

Stakeholder complaints received	17
Stakeholders complaints resolved	17
Percentage of Stakeholders complaints resolved	100 %

The word stakeholder here refers to the shareholders of the Company. The complaints received from the shareholders were of a very ordinary nature such as those relating to non-receipt of the annual reports for a particular financial year or years as mailed to them or those related to a delay in the receipt of their rematerialization requests, etc.

The Company has in place a Stakeholder Cum Investor Grievance Redressal Committee, constituted by the Board of Directors, which in collaboration with the Registrar and Transfer Agent of the Company, attends to the complaints from the shareholders and redresses the same well within a period of a week to ten days depending upon the nature of the complaint, with detailed explanations being provided to the complaining shareholders.

As regards the other stakeholders including in particular, the lending banks and financial institutions, the Project Management Committees constituted by the Company for its projects, in collaboration with the Finance team of the Company and the top management, is in regular interaction with them on an ongoing basis to address the various issues raised from time to time, to the mutual satisfaction of both the Company as well as such entities. Such issues are of day to day or periodic nature and cannot be termed as complaints so as to require or find any specific mention or description in this report.

As regards the employees of the Company there is in force in the Company, a Whistle Blower Policy, whereby each and every employee irrespective of hierarchical level is free to report to the top management, any instances of fraudulent or

# Business Responsibility Report (contd.)

unfair conduct or any discriminatory practices, with full confidentiality being maintained as to the name of the complainant. Further, the Chairperson of the Audit Committee constituted by the Board is fully approachable to every employee for reporting any instances of fraud or financial wrong doing.

## Principle 2:

### 1. List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

RattanIndia Power Ltd. has set up two (2) Power Plants of 1350 MW capacity each in MIDC area in Amravati and Sinnar SEZ area in Nashik. The Amravati Plant was commissioned in March, 2015 and has been supplying power to Maharashtra State under Power Purchase Agreement (PPA). The Nashik Plant has also been fully commissioned in June, 2017 and is awaiting finalization of PPA to supply power.

The Main Plant equipment (Boiler & Turbine-Generator) for both these Plants has been sourced from the indigenous manufacturer M/s BHEL. The Balance of Plant (BoP) is also supplied by other reputed vendors viz. M/s L&T, ABB, Siemens, Gammon, BSBK, Paharpur. The Civil works are executed by Shapoorji Pallonji and Gannon Dunkerley. These Plants are optimally designed for indigenous coal and are energy efficient.

### 2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

(i) RPL has adopted radical measures for conservation of resources and to generate power economically & efficiently. The typical Indian Coal available for Power generation has low GCV (Gross Calorific Value) and high Ash contents (above 40%). For improving GCV, RPL is getting the indigenous coal washed and properly sized through Coal washeries which improves the GCV to the tune of 4000-4100 Kcal/kg and reduces ~ 10% Ash contents by weight. This result in prolonging the life of Boiler equipment through reduction in wear & tear of Coal mills, less abrasion of Boiler tubes and further reduces Fly Ash generation thus ensuring long life, higher productivity of the plant and savings in Auxiliary power consumption.

(ii) The water cycle has also been optimized to reduce the water consumption by adopting higher Cycle of Concentration (CoC) of the Induced Draft Cooling Towers (IDCTs) by using chemical additives. This is further supplemented by optimizing Cooling Fan Blade angles of IDCTs. The process efficiency is also improved by implementing Zero Discharge scheme and utilizing treated Effluent water for Fly Ash evacuation & Green belt development etc. These measures have resulted in bringing down plant water requirement by about 15%.

In Nashik Plant, additional water optimization is expected due to advanced Tertiary Treatment Plant (TTP) which has been installed for recycling STP Water (Sewerage Treated Water) for the Plant use.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Not Applicable

### 3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? : The major inputs required for the thermal Power Plant are Coal, Fuel Oil & Water. For both Amravati & Nashik Plants, the indigenous Coal availability is assured through Long term Fuel Supply Agreement (FSA) signed with Coal India Ltd. The Fuel Transportation Agreement has also been signed with Indian Railways. Similarly, the Fuel Oil (LDO / HFO) is sourced from nearest refineries through Tankers. The Raw water for these Plants has been allocated from the State resources by Vidharbha Irrigation Development Corp (VIDC), Maharashtra and is directly pumped upto the Plant reservoirs through dedicated Cross Country Pipeline laid by RPL.

As far as the sourcing of spare parts for Plant equipment is concerned, since the Main Plant equipment (BTG) as well as Balance of Plant (BoP) is sourced from indigenous manufacturers, most of the spare parts are readily available from the Original Equipment Manufacturers (OEM). RPL is also maintaining inventory of critical long delivery items for its Plants to avoid downtime. For routine consumables / spares, local vendors have been developed for sourcing the material sustainably.

### 4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors? : For improving the financial lot of the local/small vendors, local products/services are utilized for meeting the Project and colony requirements viz. hiring of vehicles, manpower requirements, Civil construction works, Green Belt

development etc. Besides, the daily need requirements for Plant and colony are also sourced from local/small producers.

RPL has also taken various initiatives to improve socio-economic status of local population in surrounding/nearby areas through education & training to improve their skill set and employability.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so. :** The major waste product generated from a thermal Power Plant is ash. The Company has installed State of Art Ash Handling System in both the Projects for disposal of dry fly Ash through Silos and wet Bottom Ash through High Concentration Slurry Disposal (HCSD) system. Dry fly Ash is collected in 5 nos Silos and/or whereas Bottom Ash is collected in Slurry form and dumped in Ash Dyke through pipelines. The Ash Dyke is suitably lined with LDPE sheet to prevent water leeching. The dry Fly Ash can be directly dispatched through container trucks for utilization in Cement, Brick and Block manufacturing whereas the Bottom Ash from the Ash Dyke is mainly used for land filling and road construction etc. During the year FY 2015-16, 100% Ash (approx. 300,000 MT) from Amravati Plant have been utilized for Brick & Block manufacturing/road labelling/filling etc. Efforts are also being made to tie-up Amravati ash with cement manufacturers on a long term basis. In Nashik, Eurotas Infrastructure Limited has set up a cement manufacturing unit for utilizing entire fly ash from Nashik Power Plant.

Apart from Ash, another hazardous waste is generated in the Power Plant in the form of 'used/waste lubrication & Transformer oil'. These are disposed off through Authorized re-cycling agents.

## Principle 3 :

1. **Please indicate the Total number of employees** : 641
2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis** : 1,492
3. **Please indicate the Number of permanent women employees** : 26
4. **Please indicate the Number of permanent employees with disabilities** : Nil
5. **Do you have an employee association that is recognized by management?** : No
6. **What percentage of your permanent employees is members of this recognized employee association?** : N.A.
7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year** : NIL

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?:**  
At RattanIndia, we believe our employees are a major asset for our Company. Safety and creating a safe operating culture continues to be amongst our top priorities. We have a company-wide occupational health and safety policy to ensure awareness in safety and that best practices in terms of safety are being followed at all our sites. We are focused on improving behavioral safety, reducing hazards through periodical walk-through Audits and safety Improvement projects. In doing so, we have been providing continuous training and skill development workshops before commencement of work and during the term of employment. Safety awareness programmes and campaigns are conducted regularly to help the employees understand their role in making the workplace safe. Each person is encouraged to report any unsafe conditions at the workplace to the safety committee and follow the safety measures at workplace with utmost priority.

## Principle 4 :

1. **Has the company mapped its internal and external stakeholders?**

Yes, the stakeholders of the Company have been mapped through an informal process of consultation for the entire operations of the Company. The Company's key stakeholders include its employees, its suppliers and vendors, its shareholders, various lenders in the shape of banks and financial institutions and local communities around the operational sites.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders? Yes around the site of its operations.**
3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so. :** RattanIndia Power Ltd (RPL) is committed to conduct its business in a responsible manner that creates sustained and positive impacts on the society. The Company has forged long term partnership with the communities around Power Plants at Amravati & Nashik with a view to improve conditions of disadvantaged and vulnerable groups among them. RPL has initiated various social development activities at Amravati and Nashik as a part of Corporate Social Responsibility (CSR) such as education, health, water supply, skill development, training, Green belt development and Infrastructure development etc.

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The initial focus of RPL had been to win the confidence of people from Project affected Villages & to get them involved in various activities to be implemented in nearby villages. Then CSR initiatives were planned primarily to cater the requirements of the villagers on issues regarding infrastructure development, education & health care etc. The activities were taken up in about 50 villages surrounding Amravati and 22 villages in Nashik. Focus was laid on short-term need based initiatives revolving around skill development, livelihood, women empowerment etc.

The Company has contributed to the overall development of the Project affected area (area surrounding Power Plant, its dedicated Railway line and cross country pipeline etc.) by improving quality of life of residents in the area through access to health care, food, water, housing, sanitation, primary education, vocational training of local youth, skill development, sports, roads & drains, rural infrastructure etc.

The Company has also focused on improvements in health care for the marginalized segments of society. Various health camps have been organized at regular intervals to meet the specific needs of local populace and to provide requisite medical services in the affected area to deliver medical services in the affected areas, general screening camps are organized regularly in coordination with village health committees. Gynecological care camps have also been organized to provide medical aid to women folk. Eye Check-up and cataract camps are also arranged.

As part of sanitation campaign, The Company has initiated sanitation program in the affected area to do away with open defecation and to control epidemics. The schemes have been in association with Gram Panchayat for implementation. For drinking facilities, Borewells & water tanks etc. have also been provided in these areas, as required.

As part of women empowerment & development program, tailoring classes are organized to provide training to women to make them self-reliant. Sewing Machines are also distributed to the needy women.

The Company has always been responsive to environmental concerns. Both the Plants are 'zero discharge' projects and 'Environmental norms' are followed stringently. Tree plantation activities are regularly conducted especially during monsoons and tree guards are also provided at vulnerable locations.

The Company believes that education is the key to development and accordingly has been distributing books, stationery items and school furniture, etc. in the surrounding schools and libraries. The Company has also funded a computer mobile van for community purpose. Career Development Guidance programs are also organized in nearby villages which have been attended by over 1200 students of SSC/HSC. Support through term fee for education is also provided to deserving students.

The Company has introduced skill development programs to motivate and reinforce the entrepreneurial skills among rural youth. The company has so far arranged ITI training for 510 nos. students at both locations in various technical courses viz. Electrician, Welders, Fitters, Wireman & Motor mechanics etc. Financial assistance was also provided to the needy trainees and so far 260 ITI trained personnel have been given employment in Amravati & Nashik Plants.

## Principle 5 :

### 1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Maintaining the sanctity and dignity of human rights has always been extremely important for the Company be it from the perspective of the employees, the perspective of those having dealings with the Company or those impacted by its Projects. The policies in force in the Company seek to promote an atmosphere free of fear where people can work and live with freedom and dignity.

In its dealings with various persons, be they from within the Company or outside it, the Company has never lost sight of the fact that every such person is a human being and needs to be dealt with as one and therefore the attempt is always to ensure that no person is dealt with dishonestly, shortchanged or exploited.

Furthermore the Company has as a responsible corporate citizen always sought to ensure the welfare and well-being of people both at the physiological as well as the psychological level, without their being made to compromise on their rights as human beings.

### 2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management ? : The only complaints received from the Company from its stakeholders were the ones received from its shareholders and the same were resolved to the satisfaction of the complainants.

## Principle 6 :

### 1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others. N

### 2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc. N

3. Does the company identify and assess potential environmental risks? Y
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?  
Our Projects are Sub-critical and are not covered under CDM.
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc. N
6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?  
Yes, the Emissions/waste generated are within the permissible limits of CPCB/SPCB.
7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year. None

## Principle 7 :

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:  
The Company is a member of Association of Power Producers (APP)
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)  
Yes, the Company has used its membership with above industrial body to advocate on key issues impacting Power sector, including but not limiting to coal supply, financial health of discoms, transmission evacuation, logistics and rail connectivity, environment, financing, taxation etc.

## Principle 8 :

1. Does the company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof. : N.A. Currently the only customer the Company has for the power generation is Maharashtra State Electricity Distribution Company Limited (MSEDCL) which is governed by the terms of the power purchase agreement which the Company has with it.
2. Are the programmes/projects undertaken through in- house team/own foundation/external NGO/government structures/ any other organization?: N.A.
3. Have you done any impact assessment of your initiative? : N.A.
4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken? : N.A.
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so. : N.A.

## Principle 9 :

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year. : There are no consumer complaints/consumer cases pending in the reporting period.
2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A./Remarks (additional information). : Not applicable
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so. : No case has been filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last financial year.
4. Did your company carry out any consumer survey/ consumer satisfaction trends? : Not applicable



# Report on Corporate Governance

## 1. The Company's philosophy on Corporate Governance

Corporate Governance is basically and essentially an ethos governing the working and operations of a company, emanating from a framework of rules and regulations stipulated under different statutes and the practices being followed in a company, with the basic objective of ensuring accountability at all levels and complete transparency in the Company's working and operations and its relationship with its stakeholders.

For the Company, sound corporate governance policies have been the edifice of its work culture and not merely a mandatory requirement to be complied with only in the name. That it is so is more than adequately explained by the fact that in the conduct of its operations, the Company at all levels and across all functional areas mandates a complete adherence to the applicable statutory requirements while at the same time ensuring that business ethics, corporate values and equity, which have formed the backbone of its philosophy, are not overlooked. Towards this end, the corporate governance philosophy of the Company beautifully strikes a balance between the two so that they are in complete harmony with each other.

In order to bring this about, some of the major building blocks of the Company's corporate governance policy include:

- (a) A Board of directors so constituted as to be a rich amalgam of knowledge, experience and expertise of people of repute drawn from diverse fields, who contribute meaningfully to the growth and progress of the Company through a detailed, rational and dispassionate analysis of various matters presented to the Board for its decision, with the financial fundamentals of the Company, the prevailing economic and other circumstances, the objectives and philosophy of the Company and the provisions of the applicable statutes, forming the basic premise against which such decisions are taken. The basic idea is to ensure that each director individually and the Board collectively uses its knowledge, wisdom and experience in the best interests of the Company and its stakeholders, without any compromises being made either in the compliance with the applicable statutory requirements or the work ethics and culture of the Company.
- (b) An impediment free system for flow of information between different hierarchical levels, with adequate checks and balances so as to ensure that the same does not run into any bottlenecks or blockages and happens within the available timelines, the information which so flows is factual and error free and not corrupted by falsities or inaccuracies and also that an information which is not relevant to a particular level or functional area, does not flow to it, nor is the information which flows in the system, misused in any manner whatsoever.
- (c) A complete transparency in the working and operations of the Company vis-à-vis the stakeholders brought about by complete, timely, factual and accurate disclosure of all information so that they stand adequately and properly informed about the Company and its affairs at all times.
- (d) A highly effective system of internal controls including most importantly, the financial controls, capable of preventing any wrong doings, timely identification of any deviations from the laid down standards and initiating effective remedial measures in the right earnest.
- (e) Ensuring that employees at every level of hierarchy work in a manner which not only ensures complete compliance with the applicable legal/statutory framework but also that the value systems, guiding principles and work ethics are never compromised with and that there is effective discharge of responsibility at every level coupled with proper accountability.

## 2. Board of Directors

The Board of Directors of the Company is the body which shapes and effectuates the corporate governance policy of the Company in the process, fulfilling its commitment to serving and furthering the long terms interests of the Company and its stakeholders. How it does so is through an objective and meaningful analysis of the business and operations of the Company against the backdrop of its financial fundamentals, the prevailing circumstances, the resource availability, the eco-political environment and the applicable statutory requirements. The basic objective is to provide rational, dispassionate and prudent guidance to the Management so as to enable it to conduct the business and operations of the Company and the relationships with various stakeholders in the most effective, efficient and productive manner.

### (A) Composition and size of the Board

The Company currently has a 10-member Board with five independent and five non-independent directors, including an institutional nominee and it can easily boast of its Board as being a body comprising of highly educated, knowledgeable and experienced individuals, from diverse fields encompassing finance, technology, architecture, insurance, business and risk management, etc. bringing to the Board the benefit of their knowledge skill sets and expertise.

Again, the Board is an optimum mix of executive and non-executive directors. While the executive directors are the directors who besides being on the Board, are in the employment of the Company with specific functional responsibilities, besides their responsibilities as members of the Board, the non-executive directors include the two promoter directors, the five independent directors and the institutional nominee. Mr. Rajiv Rattan, who is one of the two promoter directors, is the Chairman of the Board and his wife, the other promoter director is the women director in the Company's Board.

The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations) and the Listing Agreements entered into by the Company with the stock exchanges where its shares are listed and in pursuance of the Section 149 of the Companies Act, 2013 and the relevant Rules framed thereunder.

The details of Directors, number of directorships held by them in other companies as also the number of their memberships and chairpersonships on various board committees, as at 31.03.2017, are depicted in the table given below:

S. No.	Name of Director	Category of Directorship	Number of shares held in the Company	No. of Directorships in other companies*	No. of Memberships/ Chairpersonship in Board Committees of various companies including the Company**	
					Member	Chairperson
1	Mr. Rajiv Rattan (DIN: 00010849)	Chairman & Non - Executive Promoter Director	Nil	2	5	Nil
2	Mrs. Anjali Nashier (DIN: 01942221)	Non - Executive Woman Promoter Director	Nil	1	Nil	Nil
3	Mr. Pranab Kumar Sinha (DIN: 05262027)	Nominee Director (Institutional Representative)	Nil	2	Nil	Nil
4	Mr. Jayant Shriniwas Kawale (DIN: 00076038)	Managing Director	Nil	Nil	Nil	Nil
5	Mr. Yashish Dahiya (DIN: 00706336)	Independent Director	Nil	5	7	3
6	Mr. Narayanasany Jeevagan (DIN: 02393291)	Independent Director	Nil	8	10	5
7	Mr. Debashis Gupta (DIN: 02774388)	Independent Director	Nil	1	2	Nil
8	Mr. Sharad Behal (DIN: 02774398)	Independent Director	Nil	Nil	Nil	Nil
9	Mr. Sanjiv Chhikara (DIN: 06966429)	Independent Director	Nil	7	10	3
10	Mr. Himanshu Mathur (DIN: 03077198)	Whole time Director	10,000 Equity shares & 60,000 vested stock option (out of a total of 1,00,000 stock option granted)	8	Nil	Nil

\* Does not include directorships held in private limited companies and the companies registered under Section 8 of the Companies Act, 2013.

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\*\*In the above table, memberships/Chairpersonship of the Audit Committees and Stakeholders' Relationship Committee in various Indian public limited companies including the Company in terms of Regulation 26(1)(b) of the SEBI (LODR) Regulations, have been depicted and the figures depicted are inclusive of Chairpersonships, if any in the said committees.

None of the directors on the Board is a member of more than ten committees or chairperson of more than five committees across all companies in which he/she is a director. Further none of the Independent Directors on the Board is serving as an Independent Director in more than seven listed companies or a whole-time director in any listed entity.

No Non-executive director holds shares or any instruments convertible into shares, in the Company.

Except Mr. Rajiv Rattan and Mrs. Anjali Nashier, who are related to each other as husband and wife, none of the other directors are related to each other.

## Woman Director

In continued compliance with the requirements of Section 149 of the Companies Act, 2013 and the rules framed thereunder read with the SEBI (LODR) Regulations, the Board of Directors of the Company comprises of Mrs. Anjali Nashier as the woman director thereon.

## (B) Details of Board meetings and the last Annual General Meeting (AGM) and attendance record of Directors thereat

Apart from at least one meeting of the Board being held in every quarter, the Board also meets at such times and such periodic intervals as the business necessities and exigencies may dictate.

In the conductance of the meetings the principles of corporate governance, the applicable statutory requirements and the requirements of the Secretarial Standards are duly followed.

During the financial year 2016-2017, the Board met 6 (Six) times. The dates of the Board meetings were 25-May-16, 1-Sept-16, 14-Sept-16, 4-Oct-16, 5-Dec-16 and 8-Feb-17.

The last Annual General Meeting of the Company was held on September 30, 2016.

A table depicting the attendance of Directors at various board meetings and annual general meeting held during the financial year 2016 - 2017 is given below:

S. No.	Name of Director	No. of Board Meeting held during the tenure covered in the FY 2016-17	No. of Board Meetings attended during the FY 2016-17	Attendance at the last AGM
1	Mr. Rajiv Rattan	6	6	Yes
2	Mrs. Anjali Nashier	6	6	Yes
3	Mr. Pranab Kumar Sinha	6	4	No
4	Mr. Jayant Shriniwas Kawale	6	6	Yes
5	Mr. Himanshu Mathur	6	5	No
6	Mr. Yashish Dahiya	6	6	Yes
7	Mr. Narayanasany Jeevagan	6	6	Yes
8	Mr. Debashis Gupta	6	1	No
9	Mr. Sharad Behal	6	1	No
10	Mr. Sanjiv Chhikara	6	6	Yes

The Company periodically places Compliance Report with respect to all applicable laws before the Board of Directors for its review.

The Company did not have any pecuniary relationship or transactions with its Non-Executive and/or Independent Directors during the year under review.

## Separate meeting of Independent Directors

In compliance with the requirements set out in Schedule IV to the Companies Act, 2013 read with the SEBI (LODR)

Regulations, 2015 and Secretarial Standards on Board Meetings, a separate meeting of Independent Directors of the Company was held on May 22, 2017.

- (1) review the performance of Non – Independent Directors and the Board as a whole,
- (2) review the performance of the chairperson of the company taking into account the views of executive directors and non-executive directors and
- (3) assess the quality, quantity and timeliness of flow of information between the management of the company and its Board of Directors (Board) that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors participated in the meeting.

It would be pertinent to mention here that besides a formal meeting of independent directors, interactions between the Chairman and the Independent Directors of the Company take place on a regular basis.

### **(C) Code of Conduct**

The Company has laid down a Code of Conduct for all Board members and Senior Management Personnel of the Company. The Code of Conduct is available on the website of the Company <http://www.rattanindia.com/rpl/investor-contacts>.

All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Financial Year 2016-17. A declaration signed by the Managing Director to this effect, appears at the end of this Report.

The code of conduct has very effectively served the purpose of ensuring that the Directors and the Senior Management Personnel give their focused and undivided time and attention to the affairs of the Company, with a complete adherence to the provisions of the applicable statutes in essence and intent as also the organizational values and ethics, at the same time.

### **3. Familiarization Programmes for Independent Directors**

The Company has always looked upon its Board of Directors as the primary or main body to shape its policies and affairs and to guide its operations towards success and progress through a realistic, analysis and evaluation of the prevailing state of affairs and the ongoing operations and devising and operationalizing means and procedure which ensure growth and progress of the Company and its business.

In order to enable the Board to play this role to perfection it is imperative that they be familiar with and deeply understand the Company, its business and operations and their intricacies, be aware of who the various stakeholders of the Company are and understand, their requirements, expectations and demands, be aware of the prevailing socio-economic and political environment especially in so far as the same is relevant to the business of the Company, as also the requirements set out in various statutes, as applicable to the business and operations of the Company.

This is precisely why the Company had always laid emphasis on familiarizing its Directors with the above aspects, even before the same became a mandatory requirement under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Consequently in keeping with the policy of the Company as framed in this regard and in compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a familiarization exercise for Independent Directors of the Company was carried out during the financial year 2016-2017, as it had been carried out in the previous financial year.

Towards this end:

- (a) every Independent Director was briefed on the regulatory requirements and legal and statutory provisions and amendments which have occurred in the same since the end of the previous financial year, which the said Directors were required to be aware of.
- (b) Various functional heads of the Company briefed the Independent Directors on the different aspects of the business.
- (c) A Director's Kit containing various declarations and submissions required to be made to the Board and key information/policy documents such as Group Code of Business Conduct & Ethics, Code of Conduct for all Board members and Senior Management Personnel, Code of Conduct for Independent Directors Memorandum and Articles of Association, Annual

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Report for previous 3 years, Whistle Blower Policy/Vigil Mechanism and Code of Conduct for Prohibition of Insider Trading is provided to every Director inducted on the Board.

- (d) Their feedback was sought in the form of detailed questionnaires circulated among the directors.

Additionally presentations were made at Board and Board Committee Meetings which included updates on performance review, strategy and key regulatory developments.

Thus the policy of familiarization as briefly outlined above, was duly implemented during the financial year under review, like the previous financial years.

Details of the Familiarisation Programme for Independent Directors is posted on the website of the Company and can be viewed at the weblink: <http://www.rattanindia.com/rpl/general>.

## 4. Committees of the Board

The Board constituted committees namely, Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Compensation Committee and Corporate Social Responsibility Committee (CSR), act in accordance with the terms of reference determined by the Board. Meetings of each of these Committees are convened by the respective Chairperson. Matters requiring Board's attention/approval are placed before the Board post consideration by the relevant committee. The role, the composition of these Committees including the number of meetings held during the financial year and the related attendance details are provided below:

### (A) Audit Committee

#### Composition

The Audit Committee of the Company as on 31<sup>st</sup> March, 2017 comprised of five members namely Mr. Narayanasany Jeevagan as the Chairman and member and Mr. Debashis Gupta, Mr. Rajiv Rattan, Mr. Yashish Dahiya and Mr. Sanjiv Chhikara as the other four members. While Mr. Narayanasany Jeevagan, Mr. Yashish Dahiya, Mr. Sanjiv Chhikara and Mr. Debashis Gupta are Independent Directors, Mr. Rajiv Rattan is the Promoter Director. Secretary of the Company also acts as Secretary to the Audit Committee.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The role of Audit Committee, inter-alia includes the following:

- (1) to review (a) the management discussion and analysis of financial condition and results of operations (b) statement of significant related party transactions submitted by management (c) the management letters / letters of internal control weaknesses, if any issued by the statutory auditors (d) the internal audit reports relating to internal control weaknesses and (e) statement of deviations.
- (2) recommendation for appointment, remuneration and terms of appointment of statutory auditors.
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- (4) reviewing, with the management, the financial statements and auditor's report thereon before submission to the board for approval.
- (5) reviewing, with the management, the quarterly financial statements before submission to Board for approval.
- (6) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of fund utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter.
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- (8) approval or any subsequent modification of transactions of the Company with related parties.
- (9) scrutiny of inter-corporate loans and investments.
- (10) valuation of undertakings or assets of the Company, wherever it is necessary.
- (11) evaluation of internal financial controls and risk management systems.

- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- (14) discussion with internal auditors of any significant findings and follow up there on.
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- (17) to look into the reasons for substantial defaults in the payment to creditors, if any.
- (18) to review the functioning of the whistle blower mechanism.
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

## Meetings and Attendance during the year

During the financial year ended March 31, 2017 the Committee met five times. The dates of the meetings were 25-May-16, 1-September-16, 14-September-16, 5-Dec-16 and 8-Feb-17.

The attendance of the members of the Committee at the meetings held during the FY 2016 - 17 is depicted in the table given below:

Name of the Member	No. of meetings held during their tenure	No. of meetings Attended
1. Mr. Rajiv Rattan	5	5
2. Mr. Debashis Gupta	5	1
3. Mr. Narayanasany Jeevagan	5	5
4. Mr. Yashish Dahiya	4	4
5. Mr. Sanjiv Chhikara	4	4

The Finance Head and Auditors attended the meeting by Invitation.

The Chairman of the Audit Committee was present at the Ninth Annual General Meeting held on 30 Sept, 2016.

## (B) Nomination & Remuneration Committee.

The Nomination & Remuneration Committee of the Board as on March 31, 2017 comprised of three Non-Executive Independent Directors as its members, namely Mr. Narayanasany Jeevagan as the Chairman and member and Mr. Sanjiv Chhikara and Mr. Yashish Dahiya as the other two members.

### Terms of reference

The terms of reference of the Nomination & Remuneration Committee, inter-alia, include:

- to recommend to the Board, compensation terms of the Executive Directors.
- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
- devising a policy on diversity of board of directors.
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.

# Report on Corporate Governance (contd.)

- deciding as whether to extend or continue the term of appointment of the independent directors, on the basis of their performance evaluation reports and other pertinent factors.

## Meetings and Attendance during the year

During the financial year 2016-2017, no meeting of the Nomination and Remuneration Committee was held.

## Performance evaluation criteria for Independent Directors

The details are disclosed in the Board's Report, which forms a part of the Annual Report.

## Remuneration Policy

The Company's Nomination, Appointment and Remuneration Policy for Directors, Managing Director, Executive Directors and Senior Management Personnel is accessible on the Company's website at the <http://www.rattanindia.com/rpl/investor-contacts>.

Company's remuneration policy is market-led and takes into account the competitive circumstances of the business so as to attract and retain quality talent and leverage performance significantly. However while fixing the remuneration for its key managerial personnel and other senior management personnel, care is taken to ensure that the financial prudence is not compromised with and that a reasonable parity commensurate with the level of responsibility and quantum of work handled, is maintained between the remuneration of personnel at different hierarchical levels.

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, level of his/her commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgment.

## Remuneration of Directors

### (i) Remuneration of Executive Directors

Details of the remuneration drawn by the Managing / executive directors during the financial year 2016-2017 are as mentioned below:

Name of Director	Relationship With other Director	Salary, allowances and perquisites per annum	Performance linked incentive (₹)	Employee Benefits (₹)	Bonuses	Stock Options	Sitting Fee Total (₹)	Total
Mr. Jayant Shrinivas Kawale	None	23,695,821	-	-	-	-	Nil	23,695,821
Mr. Himanshu Mathur	None	9,869,331	-	-	-	-	Nil	9,869,331

Notes:

1. Aforesaid components of remuneration include the Basic Salary, House Rent Allowance and other allowances.
2. Employee Benefits represents Gratuity, Superannuation and Compensated Absences, as applicable as per the terms of service, based on actuarial valuation.
3. Mr. Himanshu Mathur has also been granted 100,000 stock options out of which 70,000 options have already been vested in him, with 10,000 of the vested options having been exercised by him.
4. The terms and conditions of service of the said Managing/Executive Directors are contractual in nature and are additionally governed by rules and policy of the Company to the extent applicable.

### (ii) Remuneration of Non-Executive Directors

Non- Executive Directors have not been paid any remuneration/sitting fees during the financial year 2016-2017. Further, no Non-Executive Director holds any shares in the Company.



## (C) Stakeholders Relationship Committee.

Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires every listed entity to constitute Stakeholders Relationship Committee to specifically look into the mechanism of redressal of grievances of shareholders, debenture holders and other security holders. Section 178 of the Companies Act, 2013 mandates similar requirement for every listed entity.

The Stakeholders Relationship Committee as constituted by the Board comprises of two Non-Executive Independent Directors and one Non – executive promoter director as its members namely Mr. Narayanasany Jeevagan as the Chairman and member, Mr. Sanjiv Chhikara and Mr. Rajiv Rattan as the other two members.

### Terms of reference

While the constitution of the Stakeholders Relationship Committee (Committee) is a requirement mandated by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013. Irrespective of what the statutes mandate, it has always been the endeavor of the Company to ensure that its investors, being the shareholders of the Company get the best of treatments at all times. This could primarily have been ensured through an expeditious and satisfactory redressal of their grievances if any and their requests being properly addressed, for that is what an effective service of the interests of the shareholders is majorly about.

It was with these basic objectives that a Stakeholders Committee has been in place in the Company ever since its establishment as a listed entity.

The Committee in order to meaningfully serve the purpose of its creation and effectively discharge its responsibility works in close coordination with the Company Secretarial Department of the Company and the Registrar and Transfer Agent appointed by the Company. The emphasis is always on working in closely with each other so that not only the investor grievances are resolved meaningfully and in time, to their utmost satisfaction, but also that suitable measures are taken to prevent the possibility of recurrence of such grievances.

Additionally, the Committee has been vested with the responsibility of approving the requests for share transfers and transmissions, requests pertaining to rematerialization of shares/subdivision/consolidation of shares/issue of renewed and duplicate certificates etc. for which purpose the authority at the basic operational level has been delegated by the Committee to Mr. Narayanasany Jeevagan, the Chairman of the Committee.

### Meetings and Attendance during the year

During the financial year ended March 31, 2017 the Committee met two times. The dates of the meetings were 16-May-16 and 21-Nov-16.

The attendance of the members of the Committee at the meetings held during the FY 2016 - 17 is depicted in the table given below:

Name of the Member	No. of meetings held during their tenure	No. of meetings Attended
1. Mr. Sanjiv Chhikara	2	2
2. Mr. Rajiv Rattan	2	2
3. Mr. Narayanasany Jeevagan	2	2

### Name and designation of compliance officer

Mr. Gaurav Toshkhani, Company Secretary is the Compliance Officer pursuant to Regulation 6 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Details of queries / complaints received and resolved during the FY 2016 – 17:

Sl. No.	PARTICULARS	OPENING	RECEIVED	DISPOSED	PENDING
1	Letters from SEBI / Stock Exchange.	0	2	2	NIL
2	Non-receipt of annual report	0	13	13	NIL
3	Non credit/receipt of shares in demat account	0	2	2	NIL
	TOTAL	0	17	17	NIL

All the complaints were resolved to the satisfaction of shareholders.

# Report on Corporate Governance (contd.)

## (D) Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility Committee of the Board of Directors (Board) of the Company constituted in line with the provisions of Section 135 of the Act, consists of three members, Mrs. Anjali Nashier as its Chairperson and Mr. Sanjiv Chhikara and Mr. Yashish Dahiya as the other two members (CSR Committee). CSR Committee is primarily responsible for formulating and monitoring the implementation of the corporate social responsibility policy and matters related to its overall governance.

The CSR policy of the Company is available on the website of the Company <http://www.rattanindia.com/rpl/investor-contacts/>.

### Terms of Reference

The terms of reference of the CSR Committee inter-alia, include:

- (i) To recommend to the Board the policy and the CSR activity (ies) to be undertaken by the Company in pursuance thereof;
- (ii) To recommend to the Board the expenditure to be incurred on the CSR activity;
- (iii) To monitor, oversee and review the effective implementation of the CSR policy;
- (iv) To ensure compliance of all related applicable regulatory requirements.

### Meetings and Attendance during the year

No meeting of the CSR Committee was held during the Financial Year 2016-17.

## 5. General Body Meetings

### A. Location and time of Annual General Meetings (AGMs)

The location and time of last three AGMs are as follows:

Annual General Meeting (AGM)	Year	Location	Date	Time
7 <sup>th</sup> AGM	2013-14	Centaur Hotel, IGI Airport, Delhi – Gurgaon Road, New Delhi – 110037	September 30, 2014	11.30 A.M.
8 <sup>th</sup> AGM	2014-15	Centaur Hotel, IGI Airport, Delhi – Gurgaon Road, New Delhi – 110037	September 30, 2015	9.00 A.M.
9 <sup>th</sup> AGM	2015-16	Centaur Hotel, IGI Airport, Delhi – Gurgaon Road, New Delhi – 110037	September 30, 2016	10.00 A.M.

### B. Details of special resolutions passed in the previous three AGMs:

- (i) In the AGM of the Company for the FY 2013 - 2014 held on September 30, 2014, special resolutions as briefly specified hereunder, were passed:
  - a. Special resolution in terms of Sections 42 & 62 of the Companies Act, 2013 read with the SEBI (ICDR) Regulations, 2009, approving issue and allotment of 31,00,00,000 equity shares on preferential basis to RR Infralands Pvt. Ltd., a promoter group entity.
  - b. Resolution according consent to the Company for issuance and allotment of securities upto an Indian Rupee equivalent of USD 200 million by way of qualified institutions placement, at a discount of upto 5 % or any other percentage permitted under law, the said resolution being further to the resolution approved by the shareholders through postal ballot, on August 2, 2014 through which such issuance had been originally approved.
- (ii) In the AGM of the Company for the FY 2014 - 2015 held on September 30, 2015, special resolutions as briefly specified hereunder, were passed:
  - a. Special resolution in terms of Sections 42 & 71 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, and SEBI (Issue and Listing of Debt Securities) (Amendment) Notifications, 2012 and 2014 approving to offer or invite subscriptions for secured / unsecured, redeemable,

non-convertible debentures (including bonds), in one or more series / tranches, including by way of private placement, within the overall borrowing limits available to the Company in terms of resolution passed by the members of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013.

- b. Special resolution in terms of Sections 41, 42 & 62 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014, Foreign Exchange Management Act, 1999, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('SEBI Regulations'), SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Issue and Listing of Debt Securities) (Amendment) Notifications, 2012 and 2014, approving to offer, issue and allot in one or more tranches, to Investors through an issue of debentures or bonds convertible into equity shares or non-convertible and/or equity shares directly or through depository receipts upto an amount not exceeding USD 200 Million including the issuances by way of qualified institutions placement.
  - c. Special resolution in terms of Sections 196, 197, 198 and 203 of the Companies Act, 2013, read with Schedule V thereto, to ratify the appointment of Mr. Jayant Shriniwas Kawale by the Board of Directors, as the Managing Director of the Company at the remuneration and other terms fixed by the Board and approve to the remuneration paid to him as the Permissible Remuneration, for the financial year 2014-2015.
  - d. Special resolution in terms of Sections 196, 197, 198 and 203 of the Companies Act, 2013, read with Schedule V thereto, to ratify the appointment of Mr. Himanshu Mathur as the Whole-time Director of the Company, at the remuneration and other terms fixed by the Board.
  - e. Special resolution in terms of Section 188 of the Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014 to approve the appointment of Mr. Jayant Shriniwas Kawale, Managing Director of the Company, to a place of profit in RattanIndia Nasik Power Limited, a wholly owned subsidiary of the Company by way of his appointment as an employee of RNPL, the said appointment being in addition to his managing directorship of the Company.
- (iii) In the AGM of the Company for the FY 2015 - 2016 held on September 30, 2016, special resolutions as briefly specified hereunder, were passed:
- a. Special resolution in terms of Section 180(1)(a) of the Companies Act, 2013 read with the Companies (Meetings of the Board and its Power) Rules, 2014 as amended approving (a) the creation of charges on the assets of the Company for the purpose of securing the borrowings of the Company or that of its subsidiaries, joint ventures and associates, from various banks, financial institutions and other lending entities, (b) the sale lease or disposal in any manner whatsoever, of any property or undertaking of the Company, in whole or in part.
  - b. Special resolution in terms of Sections 42 & 71 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014, SEBI (Issue and listing of Debt Securities) Regulations, 2008, SEBI (Issue and listing of Debt Securities) (Amendment) Notifications, 2012 and 2014 and other applicable SEBI Regulations, approving issuance of non-convertible debentures (including bonds of various types) on private placement basis.
  - c. Special resolution in terms of Sections 41, 42 & 62 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014, Foreign Exchange Management Act, 1999, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('SEBI Regulations'), SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Issue and Listing of Debt Securities) (Amendment) Notifications, 2012 and 2014, approving to offer, issue and allot in one or more tranches, to various classes of investors through an issue of shares, debentures or bonds or other classes of securities by way of a private placement or a qualified institutions placement.
  - d. A special resolution in terms of Section 62(3) of the Companies Act, 2013, read with the Rules made thereunder approving the grant of an option to the project lenders of the Company, being the banks and financial institutions funding the 1350 MW Phase I coal based thermal power project of the Company at Amravati, to convert their respective outstanding loans into equity shares of the Company, in the event of a default by the Company, by way of approving the provision to such effect as contained in the respective loan agreements entered into by the Company with such lenders.

## C. Special Resolutions passed during the FY 2016 - 17 through postal ballots:

During the year 2016-17, no postal ballot was conducted by the Company.

# Report on Corporate Governance (contd.)

## 6. Disclosures

### (i) Details on materially significant related party transactions:

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a well formulated policy on materiality of related party transactions and dealing with related party transactions, as approved by the Board of Directors of the Company. The same is uploaded on the website of the Company at the weblink: <http://www.rattanindia.com/rpl/investors-contacts>.

Apart from the Related Party Transactions in the ordinary course of business and at an arms- length basis, the details of which are given in the notes to the financial statements, no other transactions of such nature were entered into during the year under review. The transactions were not of a nature, as would require any disclosure in the Directors Report in compliance with Section 134(3)(h) of the Companies Act, 2013, in the stipulated form AOC-2.

As regards the related party transactions sought to be entered into during the financial year 2017-2018, the details of the same were placed before the Audit Committee for review and approval wherever required, at the beginning of the financial year. Subsequently the same were also placed before the Board of Directors of the Company for approval.

It would be pertinent to mention here that as regards the proposed related party transactions falling within the category of Material Related Party Transactions, in terms of the Securities And Exchange Board of India ( Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or falling within the purview of Rule 15(3) of the Companies (Meetings of Board and its Power) Rules, 2014 to the Section 188 of the Companies Act, 2013, approval of the Audit Committee and the Board of Directors was accorded subject to the condition that the same would be effectuated only upon the receipt of approval of the shareholders of the Company.

### (ii) Details of non-compliance, penalties etc. imposed by Stock Exchange, SEBI etc. on any matter related to capital markets, during the last three years:

The Company can proudly boast of a blemish free record vis-à-vis its compliances with the various applicable statutes including those pertinent to a listed entity.

This is adequately substantiated by the fact that since its establishment as a listed entity on October 30, 2009 there has been no instance of any non-compliance on any matter related to capital markets and hence no penalties have ever been imposed or strictures passed against the Company by SEBI or the Stock Exchanges or any other statutory / regulatory authority.

It would be pertinent to mention here that there were no instances of any non-compliance with the applicable laws even during the years of the Company's existence as an unlisted entity.

### (iii) Whistle Blower policy/Vigil Mechanism and affirmation that no personnel has been denied access to the Audit Committee:

The Company has in place a highly effective Whistle blower policy which sets out the process and mechanism whereby employees at various levels in the organization can bring to the notice of the management any violations of the applicable laws, regulations as also any unethical or unprofessional conduct. All such reports are taken up for consideration at appropriate intervals depending upon the gravity of the matter reported so that adequate rectifying measures can be initiated in the right earnest, at the appropriate levels.

Further, in order to encourage the employees to freely air their views and voice their concerns on various matters and to prevent any victimization of the employees, identity of the employees is kept strictly confidential. It would be pertinent to mention here that the Audit Committee formed by the Board, constitutes an essentially important component of the whistle blower mechanism and in particular focuses on instances of financial misconduct and instance of deviations from the laid down standards of internal controls if any, which are thereupon reported to the Audit committee. No employee is denied access to the Audit Committee.

It would be pertinent to mention here that the policy also serves as the Vigil Mechanism of the Company thereby satisfying the requirements laid to such effect in the Companies Act, 2013.

The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website a <http://www.rattanindia.com/rpl/investor-contacts>.

**(iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of Schedule V:**

The Company has complied with all the mandatory requirements of the Schedule V of the Listing Regulation in letter as well as spirit. The details of these compliances have been given in the relevant sections of this Report. The status on compliance with the Non mandatory requirements is given at the end of the Report.

**(v) Insider Trading Prohibition Policy:**

The Securities and Exchange Board of India vide notification dated January 15, 2015 notified The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 which became effective from May 15, 2015. The Company has amended its Insider Trading Prohibition Policy accordingly which is available on <http://www.rattanindia.com/rpl/insider-trading-regulations/>. The Company Secretary is the Compliance Officer.

The Company has instituted a comprehensive code of conduct for its directors, management and officers and the other connected persons with the practices and procedures for Fair Disclosure of Unpublished Price Sensitive Information, guidelines and procedures to be followed while dealing with shares of the Company including the consequences of violations, if any. The code clearly specifies, among other matters, that the Directors and specified persons including the specified employees of the Company (the Designated Persons) can trade in the shares of the Company only during 'Trading Window Open Period'. The trading window is closed during the time of declaration of results and material events, etc. as per the Code. Disclosure of shareholding is taken from all Designated Persons.

**(vi) Governance of Subsidiary Companies:**

The minutes of the board meetings of the subsidiary companies along with the details of the significant transactions and arrangements entered into by the subsidiary companies are shared with the Board of Directors of the Company on a quarterly basis. The financial statements of the subsidiary companies are presented to the Audit Committee. The Company has two unlisted material subsidiary companies, as on date of this report, on the boards of directors or each of which, a director of the Company has been nominated as a member.

The information in respect of the loans and advances in the nature of loans to subsidiary companies pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided in the notes to the financial statement.

The Company has a policy for determining 'material subsidiaries' which is disclosed on its website at the following link-<http://www.rattanindia.com/rpl/investor-contacts/>.

## **7. Means of Communication**

- (i) Publication of Results: The quarterly / annual results of the Company are published in the leading newspapers viz. The Financial Express and Jansatta.
- (ii) News, Release, etc: The Company has its own website [www.rattanindia.com](http://www.rattanindia.com) where all vital information pertaining to the Company and its performance including financial results, press releases pertaining to important developments, performance updates and corporate presentations etc. are regularly posted.
- (iii) Management's Discussion and Analysis Report has been included in the Annual Report, which forms a part of the Annual Report.
- (iv) Investor Relation: The Company's website contains a separate dedicated section "Investors" where information pertinent to the shareholders of the Company and to the investing public in general, is available.
- (v) NSE Electronic Application Processing System (NEAPS): The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, etc. are filed electronically on NEAPS.
- (vi) BSE Corporate Compliance & Listing Centre (the Listing Centre): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, etc. are also filed electronically on the Listing Centre.
- (vii) SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redressal system.

# Report on Corporate Governance (contd.)

## 8. General Shareholders' Information

### (A) Company Registration Details

The Company is registered in Delhi, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L40102DL2007PLC169082.

### (B) Date, Time and Venue of Annual General Meeting (AGM)

The date, time and venue of the AGM has been indicated in the Notice convening the AGM, which forms a part of the Annual Report.

### (C) Profile of Directors seeking appointment/ re-appointment

Mrs. Anjali Nashier, Non Executive Director :

Mrs. Anjali Nashier is an Electrical Engineer and an LLB. She is Vice-Chairperson and CEO of RattanIndia Solar business. She is a hardworking, aggressive and extremely talented person. Prior to joining the board of the company, she had built a successful business related to real estate services. After she became CEO of RattanIndia Solar business, she had spearheaded the growth of project pipeline to 300 MW within a very short span of time out of which more than 200 MW has already been commissioned.

Mrs. Anjali Nashier is also on the Board of RattanIndia Infrastructure Limited, RattanIndia Finance Private Limited, Spire Constructions Private Limited, Mahalaxmi Designs Private Limited, JDS Agencies Private Limited, Antheia Real Estate Private Limited, Reyna Land Development Private Limited, Antheia Buildcon Private Limited, Nettle Constructions Private Limited, Heliotrope Real Estate Private Limited, Cleta Land Development Private Limited, Priapus Land Development Private Limited and Antheia Infrastructure Private Limited.

Membership/Chairpersonship of Mrs. Anjali Nashier in committees of various companies is as under:

Name of the Company	Name of Committee	Chairperson/Member
RattanIndia Power Limited	Corporate Social Responsibility Committee	Chairperson
RattanIndia Infrastructure Limited	Corporate Social Responsibility Committee	Chairperson

Mrs. Anjali Nashier is the wife of Mr. Rajiv Rattan, the Chairman and director of the Company. However she does not hold any shares in the Company.

Mr. Jayant Shriniwas Kawale, Managing Director:

Mr. Jayant Shriniwas Kawale, a post graduate from JNU and a diploma holder in Public Administration from Ecole Nationale d' Administration, Paris, belongs to the 1981 batch of the Indian Administrative Service, Maharashtra cadre and has 13 years of leadership experience in the power sector. Mr. Kawale had in the past headed the Maharashtra State Electricity Board, then the largest vertically integrated utility in the country, with exposure to generation, transmission and distribution, and had also served as the Secretary Energy in Government of Maharashtra and as Joint Secretary, Ministry of Power, Government of India and prior to joining the Company, Mr. Kawale was working with Jindal Power Limited as its Managing Director.

Mr. Jayant Shriniwas Kawale is not a member/chairperson in any committee of any company, nor does he hold directorship in any other company.

Mr. Jayant Shriniwas Kawale doesn't hold any shares in the Company.

**(D) Financial year:** The financial year of the Company is a period of twelve months beginning on 1st April every calendar year and ending on 31st March the following calendar year.

**(E) Dividend :** No dividend has been recommended for financial year 2016-2017.

### (E) Date of Book Closure

Information pertaining to the Book Closure dates has been provided in the Notice convening the AGM forming part of this Annual Report.

**(F) (i) Distribution of shareholding as on 31st March, 2017**

S. No.	Shareholding of nominal value (In )	No. of holders	% of total holders	Value in Rs	% to nominal value
1	From - To 1 - 5000	76,022	55.45	171,923,600.00	0.58
2	5001 - 10000	22,123	16.14	187,763,010.00	0.64
3	10001 - 20000	14,030	10.23	218,232,180.00	0.74
4	20001 - 30000	9,572	6.98	228,756,750.00	0.77
5	30001 - 40000	2,506	1.83	91,733,650.00	0.31
6	40001 - 50000	3,445	2.51	165,373,290.00	0.56
7	50001 - 100000	4,566	3.33	358,917,540.00	1.22
8	100001 & Above	4,836	3.53	28,106,633,510.00	95.18
	<b>Total:</b>	<b>137,100</b>	<b>100.00</b>	<b>29,529,333,530.00</b>	<b>100.00</b>

**(ii) Shareholding pattern as on 31st March, 2017**

S. No.	Category	No. of Shares	% holding
1	PROMOTERS AND PROMOTERS GROUP	169,75,00,000	57.49
2	BANKS/MUTUAL FUNDS, NBFC TRUST, AND INDIAN FINANCIAL INSTITUTIONS	1,77,86,476	0.60
3	FOREIGN PORTFOLIO INVESTORS (including FII's)	8,27,29,405	2.80
4	BODIES CORPORATES (DOMESTIC)	27,85,89,405	9.43
5	RESIDENT INDIVIDUALS	32,13,43,031	10.88
6	NRIs/erstwhile OCBs	13,72,35,459	4.65
7	FOREIGN VENTURE CAPITAL INVESTORS AND OTHER FOREIGN ENTITIES NOT INDICATED ABOVE	41,55,74,928	14.08
8	CLEARING MEMBERS	21,74,649	0.07
	<b>Total:</b>	<b>295,29,33,353</b>	<b>100.00</b>

**(G) Dematerialization of shares and liquidity**

Equity Shares of the Company are traded in dematerialized mode and are available for trading under both the depositories i.e. NSDL and CDSL.

As on March 31, 2017, nearly 100 % Equity shares of the Company representing 295,28,97,967 out of a total of 295,29,33,353 Equity shares, were held in dematerialized form with a miniscule balance of 35,386 Equity shares, constituting less than 1% of the total outstanding Equity shares, being held in the physical segment.

**(H) Convertible Instruments**

As on March 31, 2017, an aggregate of 21,21,700 stock options were in force. As and when the stock options in force are exercised, paid-up share capital of the Company shall accordingly stand increased.

**(I) Listing on Stock Exchanges**

The Company's shares are listed on the following stock exchanges:

National Stock Exchange of India Limited (NSE)

"Exchange Plaza", Bandra-Kurla Complex,

Bandra (E), Mumbai – 400 051

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai – 400 001



# Report on Corporate Governance (contd.)

## (J) Stock Code

BSE Limited - 533122

National Stock Exchange of India Ltd - RTNPOWER/EQ

ISIN for Dematerialization - INE399K01017

## PAYMENT OF LISTING FEE

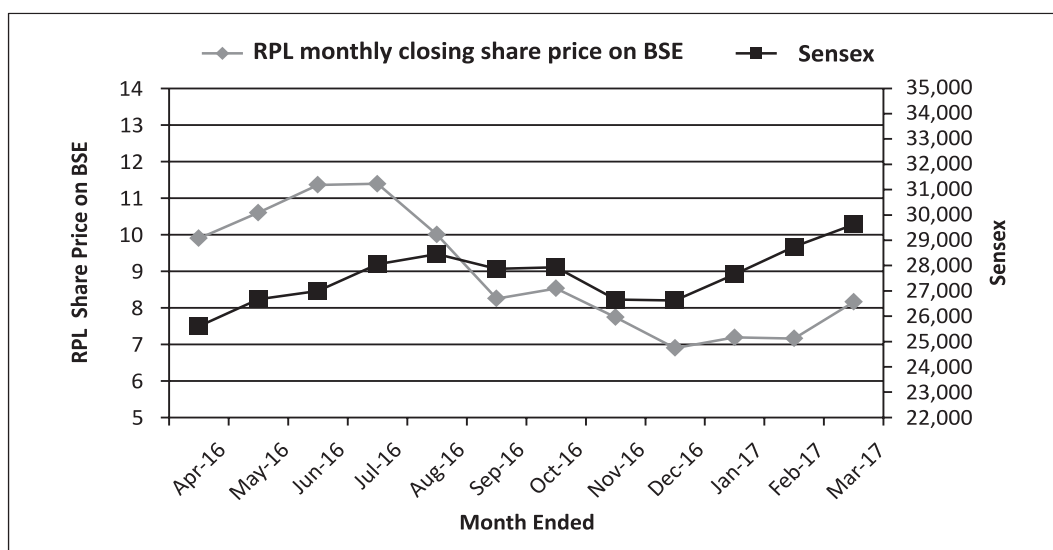
Annual listing fee for the Financial Year 2017-18 has been paid by the Company to BSE and NSE.

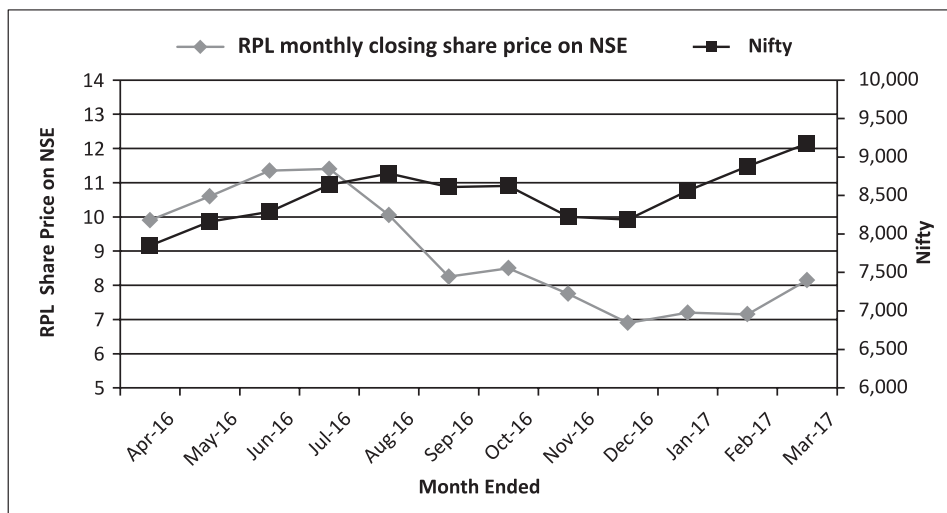
## (K) Market Price data

The monthly high and low market prices of equity shares at the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year ended March 31, 2017 are as under:

Month	NSE		BSE	
	High (INR)	Low (INR)	High (INR)	Low (INR)
Apr-16	10.6	9.75	10.7	9.79
May-16	11.65	9.1	11.67	9.1
Jun-16	11.85	10.1	11.75	10.13
Jul-16	12.3	10.75	12.29	10.77
Aug-16	11.5	9.7	11.49	9.76
Sep-16	10.4	8.1	10.3	8.12
Oct-16	9.5	8.25	9.5	8.32
Nov-16	8.7	6.8	8.65	6.82
Dec-16	7.9	6.3	7.89	6.32
Jan-17	7.75	6.85	7.79	6.86
Feb-17	8.15	6.95	8.17	6.97
Mar-17	8.45	7.05	8.45	7.04

## (L) Performance of the Company in comparison to broad-based indices





## (M) Registrar and Transfer Agents

M/s Karvy Computershare Private Limited are acting as the Registrar and Transfer Agents of the Company for handling the share related matters, both in physical and dematerialised mode.

### The contact details are as under:

Karvy Computershare Private Limited  
 Unit : RattanIndia Power Limited  
 Karvy Selenium Tower – B, Plot No. 31 & 32  
 Gachibowli, Financial District, Nanakramguda  
 Serilingampally, Hyderabad – 500 032  
 Contact Person : Ms. Shobha Anand, DGM, Corporate Registry  
 Tel : 040-67162222  
 Fax: 040-23001153  
 E-mail: einward.ris@karvy.com

## (N) Share Transfer System

With almost the entire shareholding of various shareholders in the Company being in the dematerialised form, the transfers take place electronically through the depository participants of the parties involved, in the interface/platform available under the Depository system, through the depositories i.e. NSDL and CDSL, without an intervention of the Company as the same is neither possible nor required.

However as regards the transfer requests received pertaining to the miniscule number of shares existing in the physical form, the system in place in the Company involves a close coordination between the Stakeholders Committee of the Company and its Registrar and Transfer Agent (RTA), both the entities working hand in hand to ensure that transfer requests are thoroughly scrutinized, entered in the register of transfers being maintained by the Company through the RTA and approved or rejected, well within the stipulated time, with the transferred share certificates or the documents pertaining to the rejected transfer requested being dispatched to the party concerned within the statutorily laid down time limit.

The transfer requests are scrutinized and proceed twice in every calendar month fortnightly basis.

## (O) Address for Correspondence

Registered & Corporate office:  
 RattanIndia Power Limited  
 5<sup>th</sup> Floor, Tower – B, Worldmark – 1,  
 Aerocity, New Delhi- 110 037,  
 Tel : 011-66612666, Fax: 011-66612777  
 Website: [www.rattanindia.com](http://www.rattanindia.com)

# Report on Corporate Governance (contd.)

**(P) Plant Locations :**

Amravati Thermal Power Project of the Company is located at village Nandgaonpeth, Amravati district, Maharashtra.

**(Q) Commodity Price Risk/Foreign Exchange Risk and Hedging Activities**

The Company has no exposure to the commodity price risk and foreign exchange risk.

**(R) Equity shares in the suspense account:** In accordance with the requirement of Regulation 34 (3) and Schedule V Part F of SEBI Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account which were issued in dematerialised form pursuant to the public issue of the Company:

1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year.	98 shareholders holding 32,100 shares
2	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year.	Nil
3	Number of shareholders to whom shares were transferred from suspense account during the year.	Nil
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year.	98 shareholders holding 32,100 shares

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

**(S) Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund ("IEPF") :**

The Company has not declared any dividends since the date of its incorporation and the amount of refunds which were lying unclaimed in respect of the Initial Public Offering of the Company have been transferred to the Investor Education Protection Fund.

**8. Compliance Certificate from the Practicing Company Secretary**

A certificate from a Practicing Company Secretary certifying the Company's compliance with the provisions of Corporate Governance as stipulated under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to and forms a part of the Board's Report.

**9. CEO & CFO Certification**

The certificate in compliance with Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, signed by the Managing Director and Chief Financial Officer, was placed before the Board of Directors.

**10. Discretionary Requirements**

Status of Compliance of Discretionary requirement in compliance with Part E of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

**(A) Non –Executive Chairman**

The Company has a non-executive Chairman who works out of an office being maintained by the Company.

**(B) Separate posts of Chairman and Managing Director.**

While the Company has a non-executive Chairman, it separately has a Managing Director as well, who was appointed with effect from October 1, 2014.

**(C) Shareholders Rights**

The Company is getting its quarterly/half yearly and annual financial results published in leading newspapers with wide circulation across the country and regularly updates the same on its public domain website. In view of the same individual communication of quarterly/ half yearly and annual financial results to the shareholders is not being made at present.

Further, information pertaining to important developments in the Company is brought to the knowledge of the public at large and to the shareholders of the Company in particular, through communications sent to the stock exchanges where the shares of the Company are listed and which then get updated on the websites of these exchanges, through press releases in leading newspapers and through regular uploads made on the Company website.

## **(D) Unmodified financial statements**

The Auditors Report on the audited annual accounts of the Company for the financial year ended March 31, 2017 does not contain any qualification and to this effect the Company shall be submitting with NSE and BSE (the stock exchanges where the shares of the Company are listed) a report in the format prescribed.

It shall be endeavor of the Company to continue the trend by strengthening the existing accounting systems and controls as well as ensuring complete adherence to the applicable accounting standards and adoption of prudent practices and procedures.

## **(E) Reporting of Internal Auditor**

The Company has an Internal Auditor, who was appointed by the Audit Committee, with such appointment being subsequently ratified by the Board of Directors. The Internal Auditor reports directly to the Audit Committee with his reports being subsequently forwarded to the Board of Directors by the Audit Committee.

## **DECLARATION AS REQUIRED UNDER THE LISTING REGULATIONS**

All Directors and senior management of the Company have affirmed compliance with the RattanIndia Power Limited Code of Conduct for the financial year ended 31st March, 2017.

For **RattanIndia Power Limited**

Sd/-

**Jayant Shriniwas Kawale**  
Managing Director

Place : New Delhi

Date : August 10, 2017

# Report on Corporate Governance (contd.)

## MANAGING DIRECTOR (MD) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To  
The Board of Directors  
RattanIndia Power Limited

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of RattanIndia Power Limited ("the Company"), to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2017 and to the best of our knowledge and belief, we state that:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and there was nothing to disclose to the Auditors and the Audit Committee w.r.t. the deficiencies in the design or operation of internal controls of which we are aware.
- (d)
  - (i) There has not been any significant change in the internal control over financial reporting during the year;
  - (ii) There has not been any significant change in the accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - (iii) We are not aware of any instance of significant fraud with involvement therein, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Sd/-  
**Jayant Shriniwas Kawale**  
Managing Director

Sd/-  
**Samir Taneja**  
Chief Financial Officer

Place : New Delhi  
Date : August 10, 2017

## CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To  
The Members,  
RattanIndia Power Limited,

We have examined the compliance of conditions of Corporate Governance by RattanIndia Power Limited ("the Company"), for the year ended March 31, 2017, as stipulated in Regulations 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) for the period ended March 31, 2017.

We state that the compliance of conditions of Corporate Governance is the responsibility of the Company's management and our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned LODR.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For **S. Khandelwal & Co.**  
Company Secretaries

Sd/-  
**Sanjay Khandelwal**  
Proprietor

Membership No: FCS-5945  
CP No.: 6128

Date : August 10, 2017  
Place: New Delhi

# Independent Auditor's Report

**To the Members of  
RattanIndia Power Limited (formerly known as Indiabulls Power Limited.)**

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

1. We have audited the accompanying consolidated financial statements of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## **Management's Responsibility for the Consolidated Financial Statements**

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The Holding Company's Board of Directors and the respective Board of Directors/management of the subsidiaries included in the Group, are responsible for the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. Further, in terms of the provisions of the Act, the respective Board of Directors/management of the companies included in the Group, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

## **Auditor's Responsibility**

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. While conducting the 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.
5. 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 these consolidated financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 9 of the Other Matter(s) paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on these consolidated financial statements.

## **Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (consolidated financial position) of the Group, as at 31 March 2017, and their consolidated profit/loss (consolidated financial performance including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

## **Other Matter(s)**

9. We did not audit the financial statements of 73 subsidiaries, whose financial statements reflect total assets of ₹ 2,082.36 crore and net assets of ₹ 731.73 crore as at 31 March 2017, and total revenues of ₹ 141.82 crore and net cash inflows



amounting to ₹ 57.92 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors and the financial statements certified by the management.

10. The comparative consolidated financial information for the year ended 31 March 2016 and the transition date opening balance sheet as at 1 April 2015 prepared in accordance with Ind AS included in the consolidated financial statements, are based on the previously issued statutory consolidated financial statements for the year ended 31 March 2016 and 31 March 2015 respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) which were audited by the M/s Deloitte Haskins & Sells whose reports dated 25 May 2016 and 28 May 2015 respectively expressed unmodified opinion on those consolidated financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors to the financial statements of the Holding Company,
  - c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;
  - e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, none of the directors of the Group companies are disqualified as on 31 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 Holding Company, and its subsidiary companies, the operating effectiveness of such controls, refer to our separate report in 'Annexure A' ;
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements
  - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 32 (A) and (B) to the consolidated financial statements.
  - (ii) The Group, did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies,
  - (iv) These consolidated financial statements have made requisite disclosures as to holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 by the Holding Company, and its subsidiary companies, Based on the audit procedures performed and taking into consideration the information and explanations given to us and on consideration of the reports of the other auditor on separate financial statements in our opinion, these disclosures are in accordance with the books of account maintained by the respective companies.

**For Walker Chandio & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**per Neeraj Goel**

Partner

Membership No.: 099514

Place: New Delhi  
Date: 22 May 2017

# Annexure A to the Independent Auditor's Report

**Annexure A to the Independent Auditor's Report of even date to the members of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) on the consolidated financial statements for the year ended 31 March 2017**

## **Annexure A**

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

1. In conjunction with our audit of the consolidated financial statements of the RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) (the 'Company') and its subsidiaries incorporated in India, as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company and its subsidiary companies incorporated in India, as of that date.

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

2. The respective Board of Directors of the Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company and its subsidiary companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to the company's policies, the safeguarding of the company's 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 Act.

## **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the IFCoFR of the Company and its subsidiary companies incorporated in India based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Company and its subsidiary companies as aforesaid.

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

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

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

8. In our opinion, the Company and its subsidiary companies incorporated in India, have, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company and its subsidiary company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### Other Matter

9. We did not audit the IFCoFR insofar as it relates to the subsidiary company incorporated in India. Our report on the adequacy and operating effectiveness of the IFCoFR for the Company and its subsidiary companies, under Section 143(3)(i) of the Act insofar as it relates to the aforesaid subsidiary companies incorporated in India, is solely based on the corresponding report of the auditors of such companies. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.

Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**per Neeraj Goel**  
Partner  
Membership No.: 099514

Place: New Delhi  
Date: 22 May 2017

# Consolidated Balance Sheet

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) as at 31 March 2017

		(Amount in ₹ Lakhs)		
	Note	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, plant and equipment	4	1,079,155.49	926,494.50	849,826.72
(b) Capital work-in-progress		633,908.18	665,880.94	651,997.88
(c) Goodwill	5	31.23	31.23	31.23
(d) Other intangible assets	5	127.74	240.53	328.05
(e) Financial assets				
(i) Loans	6	1,552.02	1,882.64	1,802.26
(ii) Other financial assets	7	31,384.60	33,970.54	35,722.80
(f) Deferred tax assets (net)	8	1,677.67	1,185.84	1,173.82
(g) Non-current tax assets (net)	9	4,351.00	4,435.02	3,830.95
(h) Other non-current assets	10	131,689.85	136,562.47	157,990.57
		<b>1,883,877.78</b>	<b>1,770,683.71</b>	<b>1,702,704.28</b>
<b>Current assets</b>				
(a) Inventories	11	8,337.61	26,965.17	8,351.30
(b) Financial assets				
(i) Investments	12	7,000.00	-	-
(ii) Trade receivables	13	79,158.80	85,698.91	20,607.39
(iii) Cash and cash equivalents	14	27,631.07	28,521.09	21,413.44
(iv) Other bank balances	15	3,385.00	330.35	4,082.41
(v) Loans	6	1,679.59	1,652.23	2,743.67
(vi) Other financial assets	7	19,715.18	51,832.47	10,041.91
(c) Current tax assets (net)	9	31.57	0.10	-
(d) Other current assets	10	89,923.12	87,969.53	80,881.60
		<b>236,861.94</b>	<b>282,969.85</b>	<b>148,121.72</b>
<b>TOTAL ASSETS</b>		<b>2,120,739.72</b>	<b>2,053,653.56</b>	<b>1,850,826.00</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity share capital	16	284,543.34	284,543.34	275,043.34
(b) Other equity	17	122,329.90	190,232.05	234,191.97
		406,873.24	474,775.39	509,235.31
(c) Non-controlling interests		217.60	243.95	273.36
		<b>407,090.84</b>	<b>475,019.34</b>	<b>509,508.67</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	18	1,213,533.83	1,200,366.08	1,055,661.97
(ii) Other financial liabilities	19	12,723.85	26,293.51	16,929.39
(b) Deferred tax liabilities (net)	8	3,540.38	2,922.29	808.39
(c) Provisions	20	15,329.85	10,423.86	7,408.76
(d) Other non-current liabilities	21	48,761.42	25,433.65	3,130.00
		<b>1,293,889.33</b>	<b>1,265,439.39</b>	<b>1,083,938.51</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	22	163,342.59	96,516.50	32,270.03
(ii) Trade payables	23	5,322.94	28,091.38	9,203.17
(iii) Other financial liabilities	19	238,028.31	175,169.47	211,737.55
(b) Other current liabilities	21	9,759.92	9,955.22	696.95
(c) Provisions	20	2,858.59	2,963.64	3,437.61
(d) Current tax liabilities (net)	24	447.20	498.62	33.51
		<b>419,759.55</b>	<b>313,194.83</b>	<b>257,378.82</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,120,739.72</b>	<b>2,053,653.56</b>	<b>1,850,826.00</b>
Summary of significant accounting policies	3			
The accompanying notes are integral part of the consolidated financial statements.	1-55			

This is the balance sheet referred to in our report of even date.

For Walker Chandio & Co. LLP  
Chartered Accountants

For and on behalf of the Board of Directors

per Neeraj Goel  
Partner

Rajiv Rattan  
Chairman  
DIN: 00010849

Jayant Kawale  
Managing Director  
DIN: 00076038

Samir Taneja  
Chief Financial Officer

Gaurav Toshkhani  
Company Secretary

Place: New Delhi  
Date: 22 May 2017

# Consolidated Statement of Profit and Loss

**RattanIndia**

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

		(Amount in ₹ Lakhs)	
	Note	For the year ended 31 March 2017	For the year ended 31 March 2016
<b>Revenue</b>			
Revenue from operations	25	139,051.56	259,595.41
Other income	26	15,532.17	8,108.65
		<b>154,583.73</b>	<b>267,704.06</b>
<b>Expenses</b>			
Cost of fuel, water and power consumed	27	46,712.15	144,225.30
Employee benefits expense	28	11,619.87	9,417.01
Finance costs	29	123,769.17	120,399.00
Depreciation and amortisation expense	30	25,351.49	23,600.27
Other expenses	31	9,524.18	10,622.54
		<b>216,976.86</b>	<b>308,264.12</b>
<b>Profit/ (loss) before tax</b>		<b>(62,393.13)</b>	<b>(40,560.06)</b>
<b>Tax expense:</b>	44		
Current tax		46.06	493.47
Deferred tax		618.09	2,113.90
<b>Net Profit/ (loss) for the year</b>		<b>(63,057.28)</b>	<b>(43,167.43)</b>
<b>Other comprehensive income</b>			
A. Items that will not be reclassified to profit and loss			
i) Re-measurements of defined benefit plans		(2,895.61)	(1,457.39)
ii) Tax on items that will not be reclassified to profit and loss		-	-
B. Items that will be reclassified to profit or loss			
i) Exchange differences in translating the foreign operations		(2,019.22)	4,262.75
ii) Tax on items that will be reclassified to profit and loss		-	-
<b>Other comprehensive income for the year</b>		<b>(4,914.83)</b>	<b>2,805.36</b>
<b>Total comprehensive income for the year</b>		<b>(67,972.11)</b>	<b>(40,362.07)</b>
<b>Profit/ (loss) for the year attributable to:</b>			
Owner		(63,030.93)	(43,143.83)
Non-controlling interest		(26.35)	(23.60)
		<b>(63,057.28)</b>	<b>(43,167.43)</b>
<b>Total comprehensive income for the year attributable to:</b>			
Owner		(67,945.76)	(40,338.47)
Non-controlling interest		(26.35)	(23.60)
		<b>(67,972.11)</b>	<b>(40,362.07)</b>
<b>Earnings per equity share</b>	37		
Basic (₹)		(2.22)	(1.52)
Diluted (₹)		(2.22)	(1.52)
<b>Summary of significant accounting policies</b>	3		
<b>The accompanying notes are integral part of the consolidated financial statements.</b>	1-55		

This is the statement of profit and loss referred to in our report of even date.

For Walker Chandiok & Co. LLP  
Chartered Accountants

For and on behalf of the Board of Directors

per Neeraj Goel  
Partner

Rajiv Rattan  
Chairman  
DIN: 00010849

Jayant Kawale  
Managing Director  
DIN: 00076038

Samir Taneja  
Chief Financial Officer

Gaurav Toshkhani  
Company Secretary

Place: New Delhi  
Date: 22 May 2017

# Consolidated Statement of changes in equity

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## A Equity share capital (refer note 16)

(Amount in ₹ Lakhs)

Particulars	Balance as at 1 April 2015	Share issued/ sold during the year	Balance as at 31 March 2016	Movement during the year	Balance as at 31 March 2017
Equity Share Capital	295,293.34	-	295,293.34	-	295,293.34
Less: Treasury shares	20,250.00	(9,500.00)	10,750.00	-	10,750.00
<b>Total</b>	<b>275,043.34</b>	<b>9,500.00</b>	<b>284,543.34</b>	<b>-</b>	<b>284,543.34</b>

## B Other equity (refer note 17)

(Amount in ₹ Lakhs)

Particulars	Attributable to owners of RattanIndia Power Limited						Non-controlling interests	Total
	Reserves and Surplus					Total other equity		
	Capital reserve	Securities premium reserve	Foreign currency translation reserve	Employee stock option reserve	Retained earnings			
Balance as at 1 April 2015	30,450.00	255,772.26	22,647.68	55.22	(74,733.19)	234,191.97	273.36	234,465.33
Profit/ (loss) for the year	-	-	-	-	(43,143.83)	(43,143.83)	(23.60)	(43,167.43)
Other comprehensive income	-	-	-	-	(1,457.39)	(1,457.39)	-	(1,457.39)
Employee’s stock options vested (refer note 35)	-	-	-	2.12	-	2.12	-	2.12
Employee’s stock options lapsed (refer note 35)	-	-	-	(10.16)	10.16	-	-	-
Effect of translating the foreign operations	-	-	4,262.75	-	-	4,262.75	-	4,262.75
Loss on disposal of treasury shares (IPL- PPSL Scheme Trust) (refer note 46(iii))	(3,623.57)	-	-	-	-	(3,623.57)	(5.81)	(3,629.38)
Balance as at 31 March 2016	26,826.43	255,772.26	26,910.43	47.18	(119,324.25)	190,232.05	243.95	190,476.00
Profit/ (loss) for the year	-	-	-	-	(63,030.93)	(63,030.93)	(26.35)	(63,057.28)
Other comprehensive income	-	-	-	-	(2,895.61)	(2,895.61)	-	(2,895.61)
Employee’s stock options vested (refer note 35)	-	-	-	43.61	-	43.61	-	43.61
Employee’s stock options lapsed (refer note 35)	-	-	-	(3.88)	3.88	-	-	-
Effect of translating the foreign operations	-	-	(2,019.22)	-	-	(2,019.22)	-	(2,019.22)
Balance as at 31 March 2017	26,826.43	255,772.26	24,891.21	86.91	(185,246.91)	122,329.90	217.60	122,547.50

The accompanying notes are integral part of the consolidated financial statements (refer note 1-55).

This is the consolidated statement of changes in equity referred to in our report of even date.

For Walker Chandio & Co LLP  
Chartered Accountants

For and on behalf of the Board of Directors

per Neeraj Goel  
Partner

Rajiv Rattan  
Chairman  
DIN: 00010849

Jayant Kawale  
Managing Director  
DIN: 00076038

Samir Taneja  
Chief Financial Officer

Gaurav Toshkhani  
Company Secretary

Place: New Delhi  
Date: 22 May 2017

# Consolidated Cash Flow Statement

**RattanIndia**

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

	(Amount in ₹ Lakhs)	
	For the year ended 31 March 2017	For the year ended 31 March 2016
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (loss) before tax	(62,393.13)	(40,560.06)
<b>Adjustments for:</b>		
Depreciation/ amortisation expense	25,351.49	23,600.27
Loss on disposal of property plant and equipment	22.68	3.88
Interest income	(743.84)	(966.66)
Dividend income	(173.24)	(289.91)
Loss on foreign currency transactions	195.44	235.49
Finance costs	123,769.17	120,399.00
Profit on sale of property, plant and equipment	(0.06)	-
Unclaimed balances and excess provisions written back	(0.12)	(297.49)
<b>Operating profit before working capital changes</b>	<b>86,028.39</b>	<b>102,124.52</b>
<b>Movement in working capital</b>		
Movement in loans	303.26	1,011.06
Movement in inventories	18,627.56	(18,613.87)
Movement in other financial assets	32,676.49	(41,265.00)
Movement in other assets	(3,521.38)	(2,118.06)
Movement in trade and other receivables	6,540.23	(64,794.03)
Movement in other financial liabilities	1,507.46	(3,872.42)
Movement in other liabilities	1,753.64	10,344.13
Movement in trade and other payables	(22,768.44)	18,888.21
<b>Cash flow generated/ (used) from operating activities post working capital changes</b>	<b>121,147.21</b>	<b>1,704.54</b>
Income tax paid (net)	(536.76)	(644.55)
<b>Net cash flow generated/ (used) from operating activities (A)</b>	<b>120,610.45</b>	<b>1,059.99</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work-in-progress)	(42,161.22)	(17,015.27)
Proceeds from sale/ disposal of property, plant and equipment	12.61	3.37
Purchase of intangible assets	(24.19)	(67.61)
Purchase of investments	(7,000.00)	-
Movement in fixed deposits (net)	(922.49)	5,160.87
Interest received	637.00	784.55
Dividend received	173.24	289.91
<b>Net cash flows generated/ (used) in investing activities (B)</b>	<b>(49,285.05)</b>	<b>(10,844.18)</b>



# Consolidated Cash Flow Statement *(Contd.)*

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

	(Amount in ₹ Lakhs)	
	For the year ended 31 March 2017	For the year ended 31 March 2016
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from sale of treasury shares	-	5,870.62
Proceeds from long-term borrowings (net)	48,206.20	125,405.09
Repayment of short-term borrowings (net)	66,826.09	64,246.47
Finance cost paid	(187,247.71)	(178,630.34)
<b>Net cash generated/ (used) in financing activities (C)</b>	<b>(72,215.42)</b>	<b>16,891.84</b>
<b>Increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(890.02)</b>	<b>7,107.65</b>
Cash and cash equivalents at the beginning of the year	28,521.09	21,413.44
<b>Cash and cash equivalents at the end of the year (refer note 14)</b>	<b>27,631.07</b>	<b>28,521.09</b>
<b>The accompanying notes are integral part of the consolidated financial statements (refer note 1-55).</b>		

This is the consolidated cash flow statement referred to in our report of even date.

For Walker Chandio & Co LLP  
Chartered Accountants

per Neeraj Goel  
Partner

For and on behalf of the Board of Directors

Rajiv Rattan  
Chairman  
DIN: 00010849

Jayant Kawale  
Managing Director  
DIN: 00076038

Samir Taneja  
Chief Financial Officer

Gaurav Toshkhani  
Company Secretary

Place: New Delhi  
Date: 22 May 2017

## 1. Corporate Information

### Nature of Operations

RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) (the 'Parent Company' or 'RPL') along with its subsidiaries (together referred to as the 'Group') is principally engaged in the business of dealing in power generation, distribution, trading and transmission and other ancillary and incidental activities.

The Parent Company is in process of setting up a Thermal Power Project at Amravati ("Amravati Project", "the Project") in the State of Maharashtra in two phases of 1,350 MW each, with an ultimate capacity of 2,700 MW. Upon COD of the Company's Amravati Power Project - Unit-I (Phase-I) on 03 June 2013, Unit-II (Phase-I) on 28 March 2014, Unit-III (Phase-I) on 02 February 2015, Unit-IV (Phase-I) on 07 March 2015 and Unit-V (Phase-I) on 13 March 2015, the Plant & equipment and Building - plants of respective units were capitalised on respective CODs.

During the financial year 2014-15 pursuant to the announcements on restructuring of the promoters' inter-se roles, there had been declassifications in respect of certain Promoters/ Promoter Company Entities/ Persons Acting in Concert with Promoters (PACs) of the Parent Company, as was intimated by the Parent Company to NSE and BSE (the Stock Exchanges) on 18 July 2014 and 28 October 2014 respectively.

Pursuant to an understanding arrived at between the erstwhile promoters of the Indiabulls group namely, Mr. Sameer Gehlaut, Mr. Saurabh Mittal and Mr. Rajiv Rattan, during the financial year 2014-2015, Mr. Sameer Gehlaut and Mr. Saurabh Mittal relinquished the ownership rights, management and control as also the supervision of the Power Business. Accordingly Mr. Sameer Gehlaut and Mr. Saurabh Mittal transferred their direct and indirect shareholding in power group entities to Mr. Rajiv Rattan and the entities owned and promoted by him pursuant to an inter-se transfer and subsequently resigned from their directorships and chairmanship/ vice chairmanship of the Power Business respectively. Thus the ownership, management and control of the Power Business and its supervision rights came to vest with Mr. Rajiv Rattan who also assumed the Chairmanship of the Power Business.

During the financial year 2014-15, in accordance with the provisions of Section 13 and other applicable provisions of the Companies Act, 2013, the members of the Parent Company through postal ballot declared on 16 October 2014, accorded their approval to change the name of the Parent Company from Indiabulls Power Limited. to RattanIndia Power Limited. The Company received fresh certificate of incorporation consequent upon change of name from the Registrar of Companies, Delhi dated 30 October 2014 in respect of the said change.

### General information and statement of compliance with Ind AS

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies [Indian Accounting Standards ("Ind AS")] Rules 2015 (by Ministry of Corporate Affairs ('MCA')). The Group has uniformly applied the accounting policies during the periods presented.

For all periods up to and including the year ended 31 March 2016, the Group has prepared its consolidated financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). These consolidated financial statements for the year ended 31 March 2017 are the first which the Group has prepared in accordance with Ind AS (see note 49 for explanation for transition to Ind AS). For the purpose of comparatives, consolidated financial statements for the year ended 31 March 2016 are also prepared under Ind AS.

The consolidated financial statements for the year ended 31 March 2017 were approved by the Board of Directors on 22 May 2017.

## 2. Recent accounting pronouncements

### *Standards issued but not yet effective*

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendment to Ind AS 7, 'Statement of cash flows'. This amendment is in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendment is applicable to the Group from 1 April 2017.

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## *Amendments to Ind AS 7*

The amendments to Ind AS 7 require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

### **3. Summary of significant accounting policies**

#### **a) Overall consideration**

The consolidated financial statements have been prepared using the significant accounting policies and measurement basis as summarised below. These were used throughout all periods presented in the financial statements, except where the Group has applied certain accounting policies and exemptions upon transition to Ind AS.

#### **Basis of preparation**

The consolidated financial statements have been prepared on going concern basis under the historical cost basis except for the following –

- Certain financial assets and liabilities which are measured at fair value;
- Defined benefit plans – liability of which is recognised as per actuarial valuation; and
- Share based payments which are measured at fair value of the options

#### **Principles of consolidation**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the Parent Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

#### **b) Revenue recognition**

Revenue arises from the supply of power. Revenue is recognised when it is probable that the economic benefits will flow to the Group and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Group applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below.

#### *Revenue from operation and maintenance of power plant and transmission assets*

Revenue from operation of plant is recognised on transfer of significant risks and rewards of ownership of the output of the plant to the buyer which is when delivered, and measured on an accrual basis based on the rates in accordance with the provisions of the Power Purchase Agreements (PPAs) entered into by the Group with the procurer/s of power. Claims for delayed payment charges and other claims are accounted by the Group on accrual basis in accordance with the provisions of the PPAs only when it is reasonable to expect ultimate collection. Sales exclude Sales tax and Value Added Tax, where applicable. Revenue from Power generated during trial runs is accounted on the basis of accruals and is reduced from the cost of the plant.

Refer policy on leased assets for accounting policy of customer contracts that contain a lease.

## *Service income*

Revenue from Power Consultancy/ Advisory Services is recognised when services are rendered.

## *Interest income*

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

## *Dividend income*

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

### **c) Borrowing costs**

Borrowing costs include interest and amortisation of ancillary costs incurred to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/ development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Any income earned on the temporary deployment/ investment of those borrowings is deducted from the borrowing costs so incurred. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

### **d) Property, plant and equipment**

#### *Recognition and initial measurement*

Properties plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Any expenditure directly/ indirectly related and attributable to the construction of power projects and incidental to setting up power project facilities, incurred prior to the Commercial Operation Date (COD) of the Power Project, are accumulated under "Capital work-in-progress", to be capitalised on completion of construction of the respective power projects/ COD.

#### *Subsequent measurement (depreciation and useful lives)*

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013:

Properties plant and equipment acquired and put to use for the purpose of the Project are capitalised and depreciation thereon is included in capital work-in-progress till the Project is ready for its intended use.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### *De-recognition*

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

#### *Transition to Ind AS*

On transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April 2015 measured as per the provisions of Previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## e) Intangible assets

### *Recognition and initial measurement*

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

### *Subsequent measurement (amortisation)*

The cost of capitalized software is amortized over a period in the range of three to five years from the date of its acquisition.

### *Transition to Ind AS*

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

## f) Leased assets

### *Determining whether an arrangement contains a lease*

The Group has certain long term arrangements for sale of power. Such arrangements are evaluated to consider whether it contains a lease. It is considered to contain a lease if based on the substance of the arrangement:

- (i) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and
- (ii) the arrangement conveys a right to use the asset.

An arrangement is considered to contain a lease if facts and circumstances indicate that it is remote that one or more parties other than the purchaser will take more than an insignificant amount of the output or other utility that will be produced or generated by the asset during the term of the arrangement, and the price that the purchaser will pay for the output is neither contractually fixed per unit of output nor equal to the current market price per unit of output as of the time of delivery of the output.

### **Group as a lessee**

#### *Finance leases*

Finance leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Group will obtain the ownership by the end of lease term, capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

#### *Operating leases*

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straightline basis except where scheduled increase in rent compensates the lessor for expected inflationary costs.

### **Group as a lessor**

#### *Finance leases*

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognised as revenue in the period in which they are earned.

## *Operating leases*

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straightline basis over the lease term except where scheduled increase in rent compensates the Group with expected inflationary costs.

## **g) Impairment of non-financial assets**

At each reporting date, the Group assesses whether there is any indication based on internal/ external factors, that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

## **h) Financial instruments**

### *Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, unless the financial instrument is designated to be measured at fair value through profit or loss or fair value through other comprehensive income.

### **Financial assets**

#### *Subsequent measurement*

- i. Financial assets at amortised cost** – the financial assets are measured at the amortised cost if both the following conditions are met:
  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments are measured at Fair Value through other comprehensive income or Fair value through profit and loss based on Group's business model. All investment in mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

#### *De-recognition of financial assets*

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

### **Financial liabilities**

#### *Subsequent measurement*

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.

#### *De-recognition of financial liabilities*

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## Derivative contracts

A derivative contract is recognised as an asset or a liability on the commitment date. Outstanding derivative contracts as at reporting date are fair valued and recognised as financial asset/ financial liability, with the resultant gain/ (loss) being recognised in statement of profit and loss.

## Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### i) Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. When estimating the cash flows, the Group considers :

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

#### Trade receivables

The Group applies simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

#### Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, life time impairment loss is provided otherwise provides for 12 month expected credit losses.

### j) Inventories

Inventories are valued at the lower of cost derived on weighted average basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of consumption, including octroi and other levies, transit insurance and receiving charges.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated necessary cost to make the sale.

### k) Income taxes

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in OCI or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 and in the overseas branches/ companies as per the respective tax laws. Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss in OCI or equity depending upon the treatment of underlying item.

Deferred income taxes are calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at



the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss in OCI or equity depending upon the treatment of underlying item.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Group is able to control the timing of reversal of temporary differences and it is probable that the differences will not be reversed in the foreseeable future.

## **l) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits with banks/ corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

## **m) Post-employment, long term and short term employee benefits**

### *Defined contribution plans*

The Group makes contribution to the statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provision Act, 1952 which is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the services are rendered.

### *Defined benefit plans*

Gratuity is post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

### *Other long-term employee benefits*

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

### *Short-term employee benefits*

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

## **n) Share based payments**

The Company has formulated Employee Stock Option Schemes (ESOS) and Employee Stock Purchase Schemes (ESOP) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and are in compliance with the said guidelines and SEBI (Share Based Employee Benefits) Regulation, 2014. The Schemes provide for grant of options to employees of the Company and its subsidiaries to acquire equity shares of the Company that vest in a graded manner and that are to be exercised within a specified period.

### *Employee stock Purchase plan (ESOP)*

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## *Transition to Ind AS*

On transition to Ind AS, the Group has elected to not consider the charge related to employee stock options for which the vesting period is already over.

### **o) Provisions, contingent assets and contingent liabilities**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefit is probable, related asset is disclosed.

### **p) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### **q) Significant management judgement in applying accounting policies and estimation uncertainty**

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

#### *Significant management judgements*

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements:

**Determining whether an arrangement contains a lease** – Whether an arrangement contains a lease depends on whether purchaser will take more than an insignificant amount of the output or other utility that will be produced or generated by the asset during the term of the arrangement.

**Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties under the relevant tax jurisdiction (see note 8).

**Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Classification of leases** – The Group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

**Recoverability of advances/ receivables** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

**Defined benefit obligation (DBO)** – Management’s estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm’s length transaction at the reporting date.

**Provisions** – At each balance sheet date on the basis of the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions. However the actual future outcome may be different from this judgement.

### **Significant estimates**

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

**Classification of leases** –The classification of the leasing arrangement as a finance lease or operating lease requires several estimates like present value of unguaranteed residual value and present value of minimum lease payments.

### **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm’s length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow (“DCF”) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset’s performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

### **Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. 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.

### **Useful lives of depreciable/ amortisable assets**

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software and other plant and equipment.

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## 4. Property, plant and equipment

(Amount in ₹ Lakhs)

Description	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at 1 April 2016	Additions	Disposals/ Adjustments	As at 31 March 2017	As at 1 April 2016	For the Year	Disposals/ Adjustments	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016
Land (including cost of development)										
Freehold	21,359.55	-	-	21,359.55	-	-	-	-	21,359.55	21,359.55
Leasehold	25,576.07	-	-	25,576.07	1,325.16	274.60	-	1,599.76	23,976.31	24,250.91
Buildings - Plant	11.73	-	-	11.73	1.71	0.43	-	2.14	9.59	10.02
Buildings - Other	28,691.41	8,396.66	-	37,088.07	1,801.21	1,045.80	-	2,847.01	34,241.06	26,890.20
Plant and equipment	852,399.96	162,813.18	3.85	1,015,209.29	43,287.35	20,488.07	1.89	63,773.53	951,435.76	809,112.61
Furniture and fixtures	629.52	0.76	7.18	623.10	249.19	62.02	6.06	305.15	317.95	380.33
Vehicles	1,980.02	2.51	1.31	1,981.22	1,042.62	284.25	1.14	1,325.73	655.49	937.40
Office equipment	502.47	23.13	7.86	517.74	314.64	69.40	7.86	376.18	141.56	187.83
Computers	411.43	18.65	1.71	428.37	299.45	36.80	1.41	334.84	93.53	111.98
Tools & tackles	22.47	14.13	-	36.60	7.15	8.02	-	15.17	21.43	15.32
Ships	41.04	-	-	41.04	20.28	5.33	-	25.61	15.43	20.76
Leasehold improvements	915.98	-	56.25	859.73	33.63	102.13	24.57	111.19	748.54	882.35
Railways	44,926.04	6,880.56	-	51,806.60	2,590.80	3,076.51	-	5,667.31	46,139.29	42,335.24
<b>Total</b>	<b>977,467.69</b>	<b>178,149.58</b>	<b>78.16</b>	<b>1,155,539.11</b>	<b>50,973.19</b>	<b>25,453.36</b>	<b>42.93</b>	<b>76,383.62</b>	<b>1,079,155.49</b>	<b>926,494.50</b>

(Amount in ₹ Lakhs)

Description	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at 1 April 2015	Additions	Disposals/ Adjustments	As at 31 March 2016	As at 1 April 2015	For the Year	Disposals/ Adjustments	As at 31 March 2016	As at 31 March 2016	As at 1 April 2015*
Land (including cost of development)										
Freehold	29.38	21,330.17	-	21,359.55	-	-	-	-	21,359.55	29.38
Leasehold	20,438.79	5,137.28	-	25,576.07	1,055.71	269.45	-	1,325.16	24,250.91	19,383.08
Buildings - Plant	11.73	-	-	11.73	1.28	0.43	-	1.71	10.02	10.45
Buildings - Other	27,372.09	1,319.32	-	28,691.41	922.14	879.07	-	1,801.21	26,890.20	26,449.95
Plant and equipment	826,093.97	26,305.99	-	852,399.96	23,824.68	19,462.67	-	43,287.35	809,112.61	802,269.29
Furniture and fixtures	511.68	117.84	-	629.52	196.84	52.35	-	249.19	380.33	314.84
Vehicles	1,704.89	285.26	10.13	1,980.02	777.40	268.10	2.88	1,042.62	937.40	927.49
Office equipment	416.62	85.85	-	502.47	212.27	102.37	-	314.64	187.83	204.35
Computers	405.12	6.31	-	411.43	255.65	43.80	-	299.45	111.98	149.47
Tools & tackles	13.88	8.59	-	22.47	1.08	6.07	-	7.15	15.32	12.80
Ships	41.04	-	-	41.04	14.95	5.33	-	20.28	20.76	26.09
Leasehold improvements	56.25	859.73	-	915.98	6.72	26.91	-	33.63	882.35	49.53
Railways	-	44,926.04	-	44,926.04	-	2,590.80	-	2,590.80	42,335.24	-
<b>Total</b>	<b>877,095.44</b>	<b>100,382.38</b>	<b>10.13</b>	<b>977,467.69</b>	<b>27,268.72</b>	<b>23,707.35</b>	<b>2.88</b>	<b>50,973.19</b>	<b>926,494.50</b>	<b>849,826.72</b>

\* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated depreciation/ amortisation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

# Notes to the Consolidated Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## 5. Intangible assets

(Amount in ₹ Lakhs)

Description	Gross carrying amount				Accumulated amortisation				Net carrying amount	
	As at 1 April 2016	Additions	Disposals/ Adjustments	As at 31 March 2017	As at 1 April 2016	For the Year	Disposals/ Adjustments	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016
Software	716.88	24.19	-	741.07	476.35	136.98	-	613.33	127.74	240.53
Goodwill	31.23	-	-	31.23	-	-	-	-	31.23	31.23
<b>Total</b>	<b>748.11</b>	<b>24.19</b>	<b>-</b>	<b>772.30</b>	<b>476.35</b>	<b>136.98</b>	<b>-</b>	<b>613.33</b>	<b>158.97</b>	<b>271.76</b>

(Amount in ₹ Lakhs)

Description	Gross carrying amount				Accumulated amortisation				Net carrying amount	
	As at 1 April 2015	Additions	Disposals/ Adjustments	As at 31 March 2016	As at 1 April 2015	For the Year	Disposals/ Adjustments	As at 31 March 2016	As at 31 March 2016	As at 31 March 2015*
Software	649.27	67.61	-	716.88	321.22	155.13	-	476.35	240.53	328.05
Goodwill	31.23	-	-	31.23	-	-	-	-	31.23	31.23
<b>Total</b>	<b>680.50</b>	<b>67.61</b>	<b>-</b>	<b>748.11</b>	<b>321.22</b>	<b>155.13</b>	<b>-</b>	<b>476.35</b>	<b>271.76</b>	<b>359.28</b>

\* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated depreciation/ amortisation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

## 5A. Expenditure during construction forming part of capital work in progress

(Amount in ₹ Lakhs)

Particulars	Opening balance as at 1 April 2015	Additions during the year	Capitalised during the year	Opening balance as at 1 April 2016	Additions during the year	Capitalised during the year	Closing balance as at 31 March 2017
Employee remuneration and benefits	14,171.58	1,954.58	1,516.20	14,609.96	1,546.99	3,339.10	12,817.85
Interest and Financing Charges	169,040.43	62,603.86	19,913.00	211,731.29	69,244.87	67,604.19	213,371.97
Bank guarantee and other bank charges	1,297.41	-	-	1,297.41	148.62	133.13	1,312.90
Communication Expenses	166.73	32.97	24.41	175.29	28.34	46.41	157.22
Depreciation/ amortisation expense	850.30	262.21	57.13	1,055.38	238.85	307.63	986.60
Lease Rent Expenses	1,735.25	237.23	469.83	1,502.65	185.02	315.31	1,372.36
Legal and Professional Charges	5,349.14	615.09	294.93	5,669.30	393.75	898.60	5,164.45
Trial run expenses (net of sale of infirm power)	1,292.38	1,217.76	(91.16)	2,601.30	2,185.96	1,155.64	3,631.62
Rates & Taxes	812.54	145.36	48.73	909.17	200.56	216.10	893.63
Repairs and Maintenance							
Vehicles	74.69	17.64	8.17	84.16	22.54	25.93	80.77
Office	72.45	80.12	-	152.57	59.66	98.33	113.90
Others	276.37	20.06	38.92	257.51	20.41	20.33	257.59
Water Expenses	327.66	0.09	211.01	116.74	1,131.70	400.09	848.35
Staff Welfare Expenses	150.94	52.63	23.84	179.73	74.81	70.19	184.35
Travelling & Conveyance	2,831.38	159.74	238.55	2,752.57	158.13	337.76	2,572.94
Directly related administrative and other expenses	4,629.35	693.31	561.19	4,761.47	1,283.40	2,282.82	3,762.05
Land Development Expenses	286.31	-	-	286.31	-	-	286.31
Miscellaneous Expenses	1,400.68	518.47	105.42	1,813.73	358.68	319.49	1,852.92
<b>Sub Total (a)</b>	<b>204,765.59</b>	<b>68,611.12</b>	<b>23,420.17</b>	<b>249,956.54</b>	<b>77,282.29</b>	<b>77,571.05</b>	<b>249,667.78</b>
Less:							
Other Income							
Dividend on units of Mutual Funds	1,511.61	549.90	351.79	1,709.72	183.39	367.43	1,525.68
Interest on Deposit Accounts	1,222.99	324.28	177.31	1,369.96	278.62	368.56	1,280.02
Interest on Security Deposits	145.41	63.87	19.58	189.70	46.23	84.58	151.35
Profit on Redemption of Mutual Funds	19.07	-	5.09	13.98	-	0.35	13.63
<b>Sub Total (b)</b>	<b>2,899.08</b>	<b>938.05</b>	<b>553.77</b>	<b>3,283.36</b>	<b>508.24</b>	<b>820.92</b>	<b>2,970.68</b>
<b>Total - Expenditure during construction pending capitalisation (a - b)</b>	<b>201,866.51</b>	<b>67,673.07</b>	<b>22,866.40</b>	<b>246,673.18</b>	<b>76,774.05</b>	<b>76,750.13</b>	<b>246,697.10</b>

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

(Amount in ₹ Lakhs)						
6. Loans (Unsecured, considered good)	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
	Non-current			Current		
Security deposits:						
Premises	168.87	265.43	178.30	246.28	226.80	137.23
Others	1,383.15	1,617.21	1,623.96	99.97	63.41	0.51
Loans to:						
Employees	-	-	-	12.87	19.05	8.32
Directors	-	-	-	-	-	53.41
Inter corporate deposits	-	-	-	1,320.47	1,342.97	2,544.20
	<b>1,552.02</b>	<b>1,882.64</b>	<b>1,802.26</b>	<b>1,679.59</b>	<b>1,652.23</b>	<b>2,743.67</b>

(Amount in ₹ Lakhs)						
7. Other financial assets	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
	Non-current			Current		
Unbilled revenue	-	-	-	14,577.77	44,617.13	8,546.40
Bank deposits for original maturity more than 12 months	4,948.35	6,975.09	8,201.79	-	-	-
Finance lease receivable	26,436.25	26,995.45	27,521.01	5,121.66	7,207.10	1,482.27
Advances recoverable:						
Employees	-	-	-	15.75	8.24	13.24
	<b>31,384.60</b>	<b>33,970.54</b>	<b>35,722.80</b>	<b>19,715.18</b>	<b>51,832.47</b>	<b>10,041.91</b>

(Amount in ₹ Lakhs)						
8. Deferred tax (liabilities)/ assets (net)	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
Tax effect of items constituting deferred tax liabilities	Non-current					
Property, plant and equipment	(150,271.56)	(114,803.21)	(65,121.14)			
Borrowings	(2,393.70)	(2,244.98)	(2,348.33)			
Investments in preference shares	(374.67)	(317.20)	(259.75)			
Retention money	(1,169.01)	(1,468.92)	(1,701.78)			
	<b>(154,208.94)</b>	<b>(118,834.31)</b>	<b>(69,431.00)</b>			
Tax effect of items constituting deferred tax assets						
Employee benefit obligations	365.59	115.20	84.52			
Capital work-in-progress	1,851.08	2,178.56	-			
Employee stock options	20.92	20.06	15.07			
Lease equalisation reserve	15,800.00	7,767.80	(369.82)			
Security deposits	5.06	2.99	-			
Derivatives	-	14.41	-			
Unabsorbed depreciation and brought business losses (i)	132,625.91	105,813.00	68,892.84			
Tax credit (minimum alternative tax)	1,677.67	1,185.84	1,173.82			
	<b>152,346.23</b>	<b>117,097.86</b>	<b>69,796.43</b>			
Deferred tax assets (net)	<b>1,677.67</b>	<b>1,185.84</b>	<b>1,173.82</b>			
Deferred tax liabilities (net)	<b>(3,540.38)</b>	<b>(2,922.29)</b>	<b>(808.39)</b>			

# Notes to the Consolidated Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

	(Amount in ₹ Lakhs)			
Movement in deferred tax assets/ (liabilities)	As at 1 April 2016	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March 2017
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, plant and equipment	(114,803.21)	(35,468.35)	-	(150,271.56)
Borrowings	(2,244.98)	(148.72)	-	(2,393.70)
Investments in preference shares	(317.20)	(57.47)	-	(374.67)
Retention money	(1,468.92)	299.91	-	(1,169.01)
	<b>(118,834.31)</b>	<b>(35,374.63)</b>	-	<b>(154,208.94)</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Employee benefit obligations	115.20	250.39	-	365.59
Capital work-in-progress	2,178.56	(327.48)	-	1,851.08
Employee stock options	20.06	0.86	-	20.92
Lease equalisation reserve	7,767.80	8,032.20	-	15,800.00
Security deposits	2.99	2.07	-	5.06
Derivatives	14.41	(14.41)	-	-
Unabsorbed Depreciation and brought business losses (i)	105,813.00	26,812.91	-	132,625.91
Tax credit (minimum alternative tax)	1,185.84	491.83	-	1,677.67
	<b>117,097.86</b>	<b>35,248.37</b>	-	<b>152,346.23</b>
<b>Deferred tax assets/ (liabilities) (net)</b>	<b>(1,736.45)</b>	<b>(126.26)</b>	-	<b>(1,862.71)</b>

	(Amount in ₹ Lakhs)			
	As at 1 April 2015	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March 2016
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, plant and equipment	(65,121.14)	(49,682.07)	-	(114,803.21)
Borrowings	(2,348.33)	103.35	-	(2,244.98)
Investments in preference shares	(259.75)	(57.45)	-	(317.20)
Retention money	(1,701.78)	232.86	-	(1,468.92)
	<b>(69,431.00)</b>	<b>(49,403.31)</b>	-	<b>(118,834.31)</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Employee benefit obligations	84.52	30.68	-	115.20
Capital work-in-progress	-	2,178.56	-	2,178.56
Employee stock options	15.07	4.99	-	20.06
Lease equalisation reserve	(369.82)	8,137.62	-	7,767.80
Security deposits	-	2.99	-	2.99
Derivatives	-	14.41	-	14.41
Unabsorbed Depreciation and brought business losses	68,892.84	36,920.16	-	105,813.00
Tax credit (minimum alternative tax)	1,173.82	12.02	-	1,185.84
	<b>69,796.43</b>	<b>47,301.43</b>	-	<b>117,097.86</b>
<b>Deferred tax assets/ (liabilities) (net)</b>	<b>365.43</b>	<b>(2,101.88)</b>	-	<b>(1,736.45)</b>

- (i) The Group has restricted the recognition of deferred tax asset on unabsorbed depreciation and brought forward business losses to the extent of the corresponding deferred tax liability. The unabsorbed business losses are of ₹ 78,073.05 lakhs are available for offset for maximum period of eight years from the incurrence of loss.



# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

9. Non-current tax assets (net)	(Amount in ₹ Lakhs)					
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
	Non-current			Current		
Advance income tax (net of provision)	4,351.00	4,435.02	3,830.95	31.57	0.10	-
	<b>4,351.00</b>	<b>4,435.02</b>	<b>3,830.95</b>	<b>31.57</b>	<b>0.10</b>	<b>-</b>

10. Other assets (Unsecured considered good)	(Amount in ₹ Lakhs)					
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
	Non-current			Current		
Capital advances	126,455.23	130,682.40	151,167.89	-	-	-
Others advances	-	-	-	89,044.21	86,979.42	79,316.16
Prepaid expenses	1,316.06	1,478.26	263.69	829.47	990.11	1,565.44
Lease equalisation reserve	-	-	1,088.03	-	-	-
Balances with statutory authorities						
Service tax recoverable	1,899.57	1,988.50	2,245.44	-	-	-
VAT recoverable	2,018.99	2,413.31	3,225.52	49.44	-	-
	<b>131,689.85</b>	<b>136,562.47</b>	<b>157,990.57</b>	<b>89,923.12</b>	<b>87,969.53</b>	<b>80,881.60</b>

11. Inventories	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
	(Valued at cost, unless otherwise stated)		
Coal - Stores <sup>(i)</sup>	7,367.13	25,705.45	7,173.72
Light diesel oil - stores <sup>(ii)</sup>	939.94	601.90	505.40
Stores and spares <sup>(iii)</sup>	13.03	108.70	48.05
Other consumables <sup>(iv)</sup>	17.51	549.12	624.13
	<b>8,337.61</b>	<b>26,965.17</b>	<b>8,351.30</b>

- (i) Coal - stores includes in transit ₹ 219.67 lakhs (31 March 2016 ₹ 2,380.81 lakhs and 1 April 2015 ₹ 2,786.40 lakhs).
- (ii) Light diesel oil - stores includes in transit ₹ 3.20 Lakhs (31 March 2016 - ₹ 72.53 Lakhs and 1 April 2015 ₹ 193.31 Lakhs).
- (iii) Stores and spares - includes in transit ₹ 108.66 lakhs (31 March 2016 ₹ 57.04 lakhs and 1 April 2015 ₹ 6.92 lakhs).
- (iv) Other consumables - includes in transit ₹ 34.15 lakhs (31 March 2016 - ₹ 21.38 lakhs and 1 April 2015 - ₹ 168.79 Lakhs).

12. Investments (Unquoted, non-trade)	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
	Investments in mutual funds		
	7,000.00	-	-
	<b>7,000.00</b>	<b>-</b>	<b>-</b>
Aggregate amount of book value and market value of quoted investments	-	-	-
Aggregate amount of unquoted investments	7,000.00	-	-
Aggregate amount of impairment in value of investments	-	-	-

## 13. Trade receivables (Unsecured, considered good unless otherwise stated)

Considered good  
Considered doubtful  
  
Less: provision for doubtful receivables

(Amount in ₹ Lakhs)		
31 March 2017	31 March 2016	1 April 2015
79,158.80	85,698.91	20,607.39
-	-	1,976.02
79,158.80	85,698.91	22,583.41
-	-	(1,976.02)
<b>79,158.80</b>	<b>85,698.91</b>	<b>20,607.39</b>

## 14. Cash and cash equivalents

Cash and cash equivalents  
Cash on hand  
Balances with banks  
    Current accounts  
    Deposits with original maturity of less than 3 months (i)

(Amount in ₹ Lakhs)		
31 March 2017	31 March 2016	1 April 2015
38.32	31.90	42.95
6,906.83	6,664.19	5,799.39
20,685.92	21,825.00	15,571.10
<b>27,631.07</b>	<b>28,521.09</b>	<b>21,413.44</b>

(i) Deposits are pledged against bank guarantees, refer note 32 B(ii).

## 15. Other bank balances

Unclaimed share application money received for allotment of securities and due for refund  
Fixed deposits original maturity for more than 3 months but less than 12 months (i)

(Amount in ₹ Lakhs)		
31 March 2017	31 March 2016	1 April 2015
-	1.42	1.42
3,385.00	328.93	4,080.99
<b>2 3,385.00</b>	<b>330.35</b>	<b>4,082.41</b>

(i) Deposits are pledged against bank guarantees, refer note 32 B(ii).

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

	(Amount in ₹ Lakhs)		
16. Equity share capital	31 March 2017	31 March 2016	1 April 2015
<b>Authorised capital</b>			
5,000,000,000 (31 March 2016: 5,000,000,000 and 1 April 2015: 5,000,000,000) equity shares of ₹ 10 each	500,000.00	500,000.00	500,000.00
	<b>500,000.00</b>	<b>500,000.00</b>	<b>500,000.00</b>
<b>Issued, subscribed and fully paid up capital</b>			
2,952,933,353 (31 March 2016: 2,952,933,353 and 1 April 2015: 2,952,933,353) equity shares of ₹ 10 each fully paid up	295,293.34	295,293.34	295,293.34
Less: Treasury shares*	10,750.00	10,750.00	10,750.00
	<b>284,543.34</b>	<b>284,543.34</b>	<b>284,543.34</b>

## a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	(Amount in ₹ Lakhs)			
	31 March 2017		31 March 2016	
	No of shares	Amounts in ₹ lakhs	No of shares	Amounts in ₹ lakhs
Equity shares at the beginning of the year	2,952,933,353	295,293.34	2,952,933,353	295,293.34
Add : Issued during the year	-	-	-	-
<b>Equity shares at the end of the year</b>	<b>2,952,933,353</b>	<b>295,293.34</b>	<b>2,952,933,353</b>	<b>295,293.34</b>
Less: Treasury shares*	107,500,000	10,750.00	107,500,000	10,750.00
	<b>2,845,433,353</b>	<b>284,543.34</b>	<b>2,845,433,353</b>	<b>284,543.34</b>

\* These treasury shares are held by IPL - PPSL Scheme Trust.

## b) Rights/ restrictions attached to equity shares

The Parent Company has only one class of equity shares with voting rights, having a par value of ₹10 per share. Each shareholder of equity shares is entitled to one vote per share held. Each share is entitled to dividend, if declared, in Indian Rupees. The dividend, if any, proposed by Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Company, the holders of 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 Shareholders.

	(Amount in ₹ Lakhs)		
c) Shares held by company having substantial interest	31 March 2017	31 March 2016	1 April 2015
<b>RattanIndia Infrastructure Limited (Formerly known as Indiabulls Infrastructure and Power Limited)</b>			
1,185,000,000 (1,185,000,000 shares as on 31 March 2016 and 1,185,000,000 shares as on 1 April 2015) equity shares of ₹ 10 each fully paid	118,500.00	118,500.00	118,500.00

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

	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	No of shares	% Holding	No of shares	% Holding	No of shares	% Holding
<b>Equity shares of ₹ 10 each fully paid up</b>						
RattanIndia Infrastructure Limited (formerly known as Indiabulls Infrastructure and Power Limited), the Company having substantial interest	1,185,000,000	40.13%	1,185,000,000	40.13%	1,185,000,000	40.13%
RR Infralands Private Limited	405,000,000	13.72%	405,000,000	13.72%	310,000,000	10.50%
FIM Limited	393,273,458	13.32%	393,273,458	13.32%	393,273,458	13.32%
Indiabulls Real Estate Limited	219,050,000	7.42%	219,050,000	7.42%	219,050,000	7.42%

**e) Aggregate number of shares reserved for issuance under stock option plans of the Company**

	31 March 2017	31 March 2016	1 April 2015
RPL ESOP- 2008 (Formerly known as SPCL – IPSL ESOP, 2008)	994,800.00	1,093,800	1,245,300.00
RPL ESOS 2009 (Formerly known as IPL ESOS 2009)	694,400.00	815,200	995,200.00
RPL ESOS 2011 (Formerly known as IPL ESOS - 2011)	432,500.00	495,000	830,000.00

**f) Aggregate number of shares issued for consideration other than cash and bonus shares during the period of five years**

	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Equity shares allotted as fully paid pursuant to the schemes of arrangement	-	-	-	-	415,407,007

In terms of the Court approved Scheme of Arrangement (Scheme - 2012) which came into effect on 2 June 2012 (Effective Date), Indiabulls Infrastructure Development Limited (IIDL) was merged with the Parent Company as a going concern with effect from 1 April 2012, the Appointed Date under the Scheme - 2012, upon which the entire undertaking and the entire assets and liabilities of IIDL stand transferred to and vested in the Parent Company at their book values. Pursuant to the Scheme - 2012 as aforesaid, an aggregate of 415,407,007 Equity shares of face value ₹ 10 each in the Parent Company were issued and allotted in favour of the IIDL shareholders as on the Effective Date, thereby increasing the paid up capital of the Company to ₹ 264,272.99 lakhs divided into 2,642,729,953 Equity shares of face value ₹ 10 each. The shares so allotted constitute 15.72% of the paid up capital of the Parent Company as on 31 March 2013. Consequent to the issuance and allotment of equity shares to the shareholders of IIDL, RattanIndia Infrastructure Limited (formerly known as Indiabulls Infrastructure and Power Limited) (RIL) had ceased to be the ultimate holding company w.e.f. 20 June 2012.

**17. Other Equity**

**Retained earnings**

Opening balance

Add : Net profit/ (loss) for the year

Items of other comprehensive income recognised directly in retained earnings

Re-measurements of defined benefit plans

Employee's stock options lapsed (refer note 35)

**Closing balance**

**Capital reserve**

Opening balance

Disposal of treasury shares (IPL- PPSL Scheme Trust)

**Closing balance**

**Securities premium reserve**

Opening balance

Add : Additions during the year

**Closing balance**

**Employee stock option reserve**

Opening balance

Employee's stock options vested (refer note 35)

Employee's stock options lapsed (refer note 35)

**Closing balance**

**Foreign currency translation reserve**

Opening balance

Add: Effect of translating the foreign operations

**Closing balance**

(Amount in ₹ Lakhs)

	31 March 2017	31 March 2016
	(119,324.25)	(74,733.19)
	<b>(63,030.93)</b>	<b>(43,143.83)</b>
	(2,895.61)	(1,457.39)
	3.88	10.16
	<b>(185,246.91)</b>	<b>(119,324.25)</b>
	26,826.43	30,450.00
	-	(3,623.57)
	<b>26,826.43</b>	<b>26,826.43</b>
	255,772.26	255,772.26
	-	-
	<b>255,772.26</b>	<b>255,772.26</b>
	47.18	55.22
	43.61	2.12
	(3.88)	(10.16)
	<b>86.91</b>	<b>47.18</b>
	26,910.43	22,647.68
	(2,019.22)	4,262.75
	<b>24,891.21</b>	<b>26,910.43</b>
	<b>122,329.90</b>	<b>190,232.05</b>

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## Nature and purpose of other reserves

### Capital reserve

Capital reserve is created out of the capital profits. It is created out of forfeiture of share warrants. Capital reserve is not available for the distribution to the shareholders. (Refer note 46)

### Securities premium reserve

Securities premium reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

### Employee's stock options reserve

The reserve account is used to recognise the grant date value of options issued to employees under Employee stock option plan.

### Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

18. Borrowings	(Amount in ₹ Lakhs)					
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
	Non-current			Current		
<b>Secured</b>						
<b>Term loans</b>						
From consortium of banks	399,853.39	415,372.63	391,700.96	33,013.60	13,591.32	26,759.02
From consortium of financial institutions	795,142.01	764,676.35	632,606.87	53,629.80	24,668.39	39,144.08
From other banks	16,950.00	18,707.08	30,142.04	6,500.00	19,847.20	11,522.45
Vehicle loan	122.15	143.73	-	21.58	19.62	-
<b>Unsecured</b>						
Maturities of finance lease obligations	1,466.28	1,466.29	1,212.10	185.97	185.97	153.73
	<b>1,213,533.83</b>	<b>1,200,366.08</b>	<b>1,055,661.97</b>	<b>93,350.95</b>	<b>58,312.50</b>	<b>77,579.28</b>

### (i) For Amravati Project

- Loans from Consortium of Banks & Financial Institutions aggregating to ₹ 576,083.99 lakhs (31 March 2016: ₹ 610,345.42 lakhs and 1 April 2015: ₹ 584,438.35 lakhs) are secured by way of first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project Phase I. The aforesaid Phase I Loan Facility is further secured by the pledge of 1,181,173,342 (31 March 2016: 1,181,173,342 and 1 April 2015: 1,181,173,342) equity shares (40% of the total equity share capital) of the Company held by RattanIndia Infrastructure Limited ("RIL") (formerly known as Indiabulls Infrastructure and Power Limited) and RR Infralands Private Limited through execution of a Deed of Pledge amongst RIL and RR Infralands Private Limited (Pledgers), RPL and Vistra (ITCL) India Limited (Formerly known as IL&FS Trust Company Limited) (IDBI Trusteeship Services Limited upto 26 March 2015) with a condition that these pledged shares must constitute 60 % of the Project Equity Capital. Also, disbursements against cost overrun underwritten portion is secured by a pledge of Nil (31 March 2016: 39,707,724 and 1 April 2015: 39,707,724) equity shares of the Company held by RIL and Nil (31 March 2016: 219,050,000 and 1 April 2015: 219,050,000) equity shares held by Indiabulls Real Estate Limited in the Company and further, is secured by Nil (31 March 2016: 6,294,841 and 1 April 2015: 6,294,841) equity shares of RattanIndia Nasik Power Limited (Formerly known as Indiabulls Realtech Limited) in favor of Power Finance Corporation Limited (PFC) - the lead consortium lender. Additionally, the Company is required for negative lien on 11% equity shares of promoter's holding in the Company with a condition that effective voting rights of the shares pledged and over which a negative lien is created (in aggregate does not fall below 51% of the Equity Share Capital).
- Loan from Other Bank aggregating to ₹ 13,750.00 lakhs (31 March 2016: ₹ 17,500.00 lakhs and 1 April 2015: ₹ 20,000.00 lakhs) is secured by way of hypothecation of movable fixed assets, both present and future, of the Amravati Project Phase II. The aforesaid Phase II Loan Facility is further secured by pledge of 30,000,000 (31 March 2016: 30,000,000 and 1 April 2015: Nil) equity shares of the Company held by RR Infralands Private Limited.

Financial assistance to meet the funding requirement for Capital Expenditure and Long Term Working Capital requirements from ICICI Bank aggregating to ₹ 9,700.00 lakhs (31 March 2016: ₹ Nil and 1 April 2015: ₹ Nil) is secured by way of pledge of 100,000,000 (31 March 2016: Nil and 1 April 2015: Nil) equity shares of the Company held by RR Infralands Private Limited.

- (c) The Company had rescheduled its loans with Consortium of Banks and Financial Institutions for Phase I of the Project and revised its project cost to ₹ 749,333.00 lakhs from ₹ 663,152.00 lakhs (after exclusion of ₹ 25,648.00 lakhs allocated to Cost of transmission line from the sanctioned Project Cost of ₹ 688,800.00 lakhs) thereby resulting in net increase in the Project Cost by ₹ 86,181.00 lakhs for meeting Cost Overrun-I. Further, during the financial year 2014-15, the Company had received a sanction letter from PFC vide letter No. 03/19 /RIPL/GEN-TH/Vol XIV/S0901001 dated 10 March 2015 towards approval of Cost Overrun II for the Project with revised Project Cost to ₹ 855,592.00 lakhs from ₹ 749,333.00 lakhs thereby resulting in further increase in the Project Cost by ₹ 106,259.00 lakhs for meeting the Cost Overrun-II and underwriting the additional term loan for the Project with extension of COD and corresponding shift in date of repayment of term loan in 60 structured quarterly installments and other terms stated therein. Accordingly, the Company executed the Cost Overrun Underwriting Facility Agreement dated 28 March 2015 wherein PFC was agreeable to underwrite entire debt component of cost overrun of ₹ 73,368.00 lakhs which is 69.05% of the total cost overrun of ₹ 106,259.00 lakhs. During the previous year 2015-16, the Company received sanction letters from all lenders of the consortium of Phase I approving the Cost – Overrun II.

Consequent to the Company's proposal to consortium of lenders for flexible structuring as per RBI Circular No. RBI/2014-15/126 DBOD.No.BP.BC.24/21.04.132/2014-15 dated 15 July 2014 and RBI/2014-15/354 DBR.No.BP. BC.53/21.04.132/2014-15 dated 15 December 2014 on 'Flexible Structuring of Long Term Project Loans to Infrastructure and Core Industries' as amended from time to time, of its Phase I Loans during the previous year, the Company entered into Master Facility and Flexible Structuring Framework Agreement dated 28 January 2016 with all consortium lenders of Phase I except Life Insurance Corporation, Rural Electrification Corporation and UCO Bank. Deed of Accession has been entered into by the Company with UCO Bank and Life Insurance Corporation on 14 March 2016 and 22 March 2016 respectively. Company has received sanction letter dated 25 February 2016 from Rural Electrification Corporation for flexible structuring of its Phase I Loans.

- (d) Term loan from consortium of banks and financial institutions are repayable in quarterly installments as follows:

Financial year	(Amount in ₹ Lakhs)								
	31 March 2017			31 March 2016			1 April 2015		
	Financial institutions	Banks	Total	Financial institutions	Banks	Total	Financial institutions	Banks	Total
2015-16							19,718.00	21,391.00	41,109.00
2016-17				23,365.00	14,094.00	37,459.00	28,296.00	31,804.00	60,100.00
2017-18	29,153.00	22,886.00	52,039.00	29,153.00	23,186.00	52,339.00	31,964.00	36,087.00	68,051.00
2018-19	30,734.00	28,402.00	59,136.00	30,734.00	28,402.00	59,136.00	32,442.00	42,450.00	74,892.00
2019-20	30,771.00	32,946.00	63,717.00	30,771.00	32,946.00	63,717.00	31,586.00	40,254.00	71,840.00
2020-21	23,479.00	18,444.00	41,923.00	23,479.00	18,444.00	41,923.00	26,824.00	33,889.00	60,713.00
2021-22	16,182.00	10,085.00	26,267.00	16,182.00	10,085.00	26,267.00	22,058.00	27,529.00	49,587.00
2022-23	15,547.00	13,869.00	29,416.00	15,547.00	13,869.00	29,416.00	20,964.00	25,448.00	46,412.00
2023-24	15,384.00	15,344.00	30,728.00	15,384.00	15,344.00	30,728.00	20,108.00	25,448.00	45,556.00
2024-25	14,002.00	9,769.00	23,771.00	14,002.00	9,769.00	23,771.00	20,108.00	25,448.00	45,556.00
2025-26	8,809.00	1,266.00	10,075.00	8,809.00	1,266.00	10,075.00	12,175.00	8,324.00	20,499.00
2026-27	9,048.00	2,367.00	11,415.00	9,048.00	2,367.00	11,415.00	7,712.00	-	7,712.00
2027-28	12,339.00	6,140.00	18,479.00	12,339.00	6,140.00	18,479.00	9,856.00	-	9,856.00
2028-29	15,510.00	9,318.00	24,828.00	15,510.00	9,318.00	24,828.00	11,996.00	-	11,996.00
2029-30	18,846.00	12,499.00	31,345.00	18,846.00	12,499.00	31,345.00	14,284.00	-	14,284.00
2030-31	11,104.00	12,724.00	23,828.00	11,104.00	12,724.00	23,828.00	7,137.00	-	7,137.00
2031-32	4,349.00	18,634.00	22,983.00	4,349.00	18,634.00	22,983.00	-	-	-
2032-33	4,744.00	19,084.00	23,828.00	4,744.00	19,084.00	23,828.00	-	-	-
2033-34	5,929.00	24,998.00	30,927.00	5,929.00	24,998.00	30,927.00	-	-	-
2034-35	6,324.00	25,448.00	31,772.00	6,324.00	25,448.00	31,772.00	-	-	-
2035-36	4,623.00	13,993.00	18,616.00	4,623.00	13,993.00	18,616.00	-	-	-
	<b>276,877.00</b>	<b>298,216.00</b>	<b>575,093.00</b>	<b>300,242.00</b>	<b>312,610.00</b>	<b>612,852.00</b>	<b>317,228.00</b>	<b>318,072.00</b>	<b>635,300.00</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

- (e) Term loan from other banks is repayable in quarterly installments as follows:

Financial Year	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
2015-16	-	-	2,500.00
2016-17	-	17,500.00	17,500.00
2017-18	6,500.00	-	-
2018-19	9,950.00	-	-
2019-20	1,600.00	-	-
2020-21	1,600.00	-	-
2021-22	1,800.00	-	-
2022-23	2,000.00	-	-
<b>Total</b>	<b>23,450.00</b>	<b>17,500.00</b>	<b>20,000.00</b>

- (f) The above mentioned loans from consortium of banks and financial institutions carry floating rates of Interest ranging from 12.90% p.a. to 15.00% p.a. (31 March 2016: 13.05 % p.a. to 16.00% p.a. and 1 April 2015: 13.25 % p.a. to 16.00% p.a.) and the term loan from other bank carries a floating rate of interest of 11.45% p.a. to 16% p.a. (31 March 2016: floating rate of interest 15.00% p.a. and 1 April 2015: floating rate of interest 15.00% p.a.).
- (g) There were certain defaults in payment of interest and repayment of loans during the year. Repayment of loans due and outstanding aggregating to ₹ 4,138.10 lakhs and Interest due and outstanding aggregating to ₹ 5,678.08 lakhs as at 31 March 2017 are on account of major back downs faced by the Project from July 2016 resulting in lower sale of power. These outstandings would be serviced on realisation of funds from MSEDCL. Having regard to the rescheduling of the terms of repayment of loans pursuant to the flexible structuring of the Phase I loans as per Master Facility and Flexible Structuring Framework Agreement dated 28 January 2016 and Deed of Accession entered into with and Sanction letter issued by the consortium lenders, the defaults in financial year 2015-16 towards repayment of loans are considered as being made good during the same year. The defaults in respect of payment of interest in financial year 2015-16 has also been made good during the same year by the Company and accordingly, there were no continuing defaults in repayment of loans as at 31 March 2016. Interest due and outstanding aggregating to ₹ 5,940.54 lakhs as at 31 March 2015 was paid during the financial year 2015-16.
- (h) Monthly installment of ₹13.66 lakhs till 31 August 2103 and ₹2.82 lakhs till 30 April 2110 in respect of lease lands (refer note 38).

### (ii) For Nashik Project

- (a) Loans from Consortium of Banks and Financial Institutions aggregating to ₹ 658,057.11 Lakhs (31 March 2016: ₹ 580,806.94 Lakhs and 1 April 2015 : ₹ 461,855.93 Lakhs) are secured by way of first mortgage and charge on all immovable and movable assets, both present and future, of the Nashik Project Phase I. The aforesaid Phase I Loans are further secured by pledge of 20,864,880 (31 March 2016 : 12,804,174 and 1 April 2015 : 11,190,426) equity shares of the Company (77% of the Equity Share Capital of the Company and 31 March 2016 : 51% of the Equity Share Capital of the Company) and the Cost-Overrun 2 of the Phase I Loans are secured by pledge of 5,574,105 (31 March 2016 the Cost-Overrun 1 of the Phase I Loans are secured by pledge of 5,348,945 and 1 April 2015 : Nil) equity shares of the Company through execution of a Pledge Agreement with RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) (RPL), the Holding Company. Also, the Bank Guarantee facility availed by the Company are secured by pledge of 658,261 (31 March 2016 : 658,261 and 1 April 2015 : 658,261) equity shares of the Company in favor of Axis Bank Limited. Further, NIL (31 March 2016 : 6,294,841 and 1 April 2015: 6,294,841) and Nil (31 March 2016 : NIL and 1 April 2015: 1,705,000) equity shares of the Company are pledged in favor of Power Finance Corporation Limited against the term loan facility (cost overrun underwritten portion) of RPL and term loan facility of Amravati Power Transmission Company Limited, fellow subsidiary respectively. Loans from other bank aggregating to NIL (31 March 2016: ₹ 21,152.66 Lakhs and 1 April 2015 : ₹ 22,000.00 Lakhs ) is secured by way of first mortgage and charge on all immovable and movable assets, of the Nashik Project Phase II.
- (b) During the 1 April 2015, the Company had rescheduled its Phase I loans with the Consortium of banks and financial institutions and revised its Project Cost to ₹ 784,898.00 Lakhs from ₹ 655,552.00 Lakhs (after exclusion of ₹ 23,348.00 Lakhs allocated to the Cost of transmission system from the earlier sanctioned Project Cost of ₹ 678,900.00 Lakhs) thereby resulting in net increase in the Project Cost by ₹ 129,346.00 Lakhs for meeting the Cost Overrun-I. During



2015-16, the Company has revised its Project Cost to ₹ 981,833.00 Lakhs from ₹ 784,898.00 Lakhs thereby resulting increase in the Project Cost by ₹ 196,935.00 Lakhs for meeting the Cost Overrun-II. The Company has received a sanction letter from Power Finance Corporation Limited ('the Lead Consortium Lender') vide letter no. 03/19/GEN-TH/IRL/I1501005,06/Vol XI. dated 15 February 2016, according to which, PFC has sanctioned additional loans, underwriting entire COR-II debt, extension of repayment dates and other terms stated therein subject to conditions mentioned in the said letter. The Company has also received sanction letter from all the lenders of consortium of banks and financial institutions approving Cost Overrun-II, extension of repayment period and the extension of COD.

(c) Term loan from consortium of banks and financial institutions are repayable in quarterly installments as follows:

Financial year	(Amount in ₹ Lakhs)								
	31 March 2017			31 March 2016			1 April 2015		
	Financial institutions	Banks	Total	Financial institutions	Banks	Total	Financial institutions	Banks	Total
2015-16							19,839.80	5,946.40	25,786.20
2016-17							39,679.60	11,892.80	51,572.40
2017-18	22,244.73	7,396.55	29,641.28	22,244.62	7,398.00	29,642.62	39,679.60	11,892.80	51,572.40
2018-19	38,449.78	14,793.10	53,242.88	38,449.54	14,796.00	53,245.54	39,679.60	11,892.80	51,572.40
2019-20	41,970.40	14,793.10	56,763.50	41,970.17	14,796.00	56,766.17	39,679.60	11,892.80	51,572.40
2020-21	44,519.82	14,793.10	59,312.92	44,519.58	14,796.00	59,315.58	39,679.60	11,892.80	51,572.40
2021-22	47,038.88	14,793.10	61,831.98	47,038.65	14,796.00	61,834.65	39,679.60	11,892.80	51,572.40
2022-23	50,589.86	14,793.10	65,382.96	50,589.62	14,796.00	65,385.62	39,679.60	11,892.80	51,572.40
2023-24	44,513.14	14,793.10	59,306.24	44,512.91	14,796.00	59,308.91	39,679.60	11,892.80	51,572.40
2024-25	44,513.14	14,793.10	59,306.24	44,512.91	14,796.00	59,308.91	38,069.60	5,950.40	44,020.00
2025-26	44,513.14	14,793.10	59,306.24	44,512.91	14,796.00	59,308.91	36,491.60	-	36,491.60
2026-27	44,513.14	14,793.10	59,306.24	44,512.91	14,796.00	59,308.91	18,223.60	-	18,223.60
2027-28	42,919.94	7,396.55	50,316.49	42,902.91	7,369.00	50,271.91	-	-	-
2028-29	41,326.74	-	41,326.74	41,324.91	-	41,324.91	-	-	-
2029-30	30,781.82	-	30,781.82	30,802.91	-	30,802.91	-	-	-
2030-31	20,236.91	-	20,236.91	20,236.91	-	20,236.91	-	-	-
2031-32	20,236.91	-	20,236.91	20,236.91	-	20,236.91	-	-	-
2032-33	10,075.65	-	10,075.65	10,075.63	-	10,075.63	-	-	-
	<b>588,444.00</b>	<b>147,931.00</b>	<b>736,375.00</b>	<b>588,444.00</b>	<b>147,931.00</b>	<b>736,375.00</b>	<b>469,741.00</b>	<b>118,932.00</b>	<b>588,673.00</b>

(d) Term loan from other bank is repayable in quarterly installments as follows:

Financial Year	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
2015-16			9,261.48
2016-17		1,921.77	12,738.52
2017-18	-	1,795.92	-
2018-19	-	2,086.25	-
2019-20	-	2,322.91	-
2020-21	-	2,303.42	-
2021-22	-	2,256.41	-
2022-23	-	2,216.12	-
2023-24	-	2,095.24	-
2024-25	-	2,095.24	-
2025-26	-	1,535.57	-
	<b>-</b>	<b>20,628.85</b>	<b>22,000.00</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

- (e) The above mentioned loans from Consortium of Banks and Financial Institutions carry floating rates of Interest ranging from 12.85% p.a. to 15.40% p.a. (31 March 2016: 12.90% p.a. to 15.15% p.a. and 1 April 2015: 13.25% p.a. to 14.90% p.a.) and the term loan from other bank carries a floating rates of interest ranging from 14.10% p.a. (31 March 2016: 14.10% p.a. to 14.75% p.a. and 1 April 2015: 13.75% p.a. to 14.75% p.a.).
- (f) There were certain delay in disbursement/ adjustment of interest by the project lenders (Phase I and II Loans) and repayment of loans (Phase II Loans) during the year, however the said defaults in payment of interest and repayment of loans were made good during the year. Interest due aggregating to ₹ 6,776.79 lakhs and ₹ 3,719.94 lakhs in respect of Phase I and II Loans remained outstanding and unpaid as at 31 March 2017 and 31 March 2016 respectively. Principal repayment in respect of Phase II Loans amounting to NIL remained outstanding and unpaid as at 31 March 2017 and ₹ 523.81 lakhs remained outstanding and unpaid as at 31 March 2016. Having regard to the rescheduling of the loans in respect of 31 March 2016 as mentioned above, there were no continuing defaults in payment of interest as at 1 April 2015 and no loan were due for repayment during the year ended 1 April 2015.

### (iii) For Amravati Transmission Line Project

Common Rupee Term Loan from Power Finance Corporation Limited and Rural Electrification Corporation Limited is secured by way of mortgage and charge on all immovable properties relating to project, both present and future and is repayable to Power Finance Corporation Limited in 48 equal quarterly installments of ₹ 287.67 lakhs each commencing from 15 October 2014 and ending on 15 October 2027 and to Rural Electrification Corporation Limited of ₹ 143.81 lakhs each commencing from 31 December 2014 and ending on 31 December 2027.

Consequent upon acceptance of APTCL's proposal for sanctioning increase in estimated project cost and cost overrun, balance amount of loan of ₹ 18,440.88 lakhs (31 March 2016: ₹ 20,169.71 lakhs and 1 April 2015: ₹ 18,669.77 lakhs) is repayable to Power Finance Corporation Limited in 43 equal quarterly installments of ₹ 288.15 lakhs each commencing from 15 April 2017 and ending on 15 October 2027 and to Rural Electrification Corporation Limited in 42 equal quarterly installments of ₹ 144.05 lakhs each commencing from 30 June 2017 and ending 31 December 2027.

Loans and advances from related parties is payable at the option of the Company at any time before expiration of the agreement.

19. Other financial liabilities	(Amount in ₹ Lakhs)					
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
	Non-current			Current		
Retention money	12,495.17	26,047.03	16,822.31	57,501.43	34,899.27	50,524.50
Lease equilisation reserve	121.60	139.40	-	-	-	-
Current maturities of						
Term loan from consortium of banks	-	-	-	33,013.60	13,591.32	26,759.02
Term loan from consortium of financial institutions	-	-	-	53,629.80	24,668.39	39,144.08
Term loan from other bank	-	-	-	6,500.00	19,847.20	11,522.45
Vehicle loan	-	-	-	21.58	19.62	-
Finance lease obligations	-	-	-	185.97	185.97	153.73
Interest accrued on						
Term loans	-	-	-	31,160.95	25,028.40	21,119.59
Acceptances	-	-	-	-	411.59	-
Cash credit facility	-	-	-	181.33	86.60	83.84
Inter-corporate deposits	-	-	-	-	49.36	-
Equity share application money refundable	-	-	-	-	1.42	1.42
Payable for purchase of property, plant and equipment	-	-	-	36,991.22	39,064.58	41,069.11
Security and earnest money deposits from customers	-	-	-	55.74	74.79	44.44
Due to employees	-	-	-	0.30	0.20	0.19
Derivative liability	-	-	-	-	100.82	-
Expenses payable	-	-	-	18,786.39	17,139.94	21,315.18
Other payables	107.08	107.08	107.08	-	-	-
	<b>12,723.85</b>	<b>26,293.51</b>	<b>16,929.39</b>	<b>238,028.31</b>	<b>175,169.47</b>	<b>211,737.55</b>

# Notes to the Consolidated Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

20. Provisions	31 March 2017	31 March 2016	1 April 2015	(Amount in ₹ Lakhs)		
	Non-current	Non-current	Non-current	Current	Current	Current
<b>Provision for employee benefits (refer note 36)</b>						
Provision for compensated absences (unfunded)	673.92	537.38	420.76	45.06	71.75	198.20
Provision for gratuity (unfunded)	610.30	432.10	365.35	62.03	140.39	186.68
Provision for superannuation (unfunded)	14,045.63	9,454.38	6,622.65	-	-	-
<b>Provision for others</b>						
Provision for wealth tax	-	-	-	-	-	3.74
Provision for liquidated damages (i)	-	-	-	2,751.50	2,751.50	3,048.99
	<b>15,329.85</b>	<b>10,423.86</b>	<b>7,408.76</b>	<b>2,858.59</b>	<b>2,963.64</b>	<b>3,437.61</b>

(i) Liquidated damages/ penalty as per the Contracts entered into with contractees are provided for at the end of the Contract or as agreed upon.

## (ii) Movement in provision for others

	(Amount in ₹ Lakhs)		
	Wealth tax	Liquidated damages	Total
<b>As at 1 April 2015</b>			
Amount utilised during the year	(3.74)	-	(3.74)
Unused amount reversed during the year	-	(297.49)	(297.49)
<b>As at 31 March 2016</b>	-	2,751.50	2,751.50
Movement during the year	-	-	-
<b>As at 31 March 2017</b>	-	<b>2,751.50</b>	<b>2,751.50</b>

21. Other liabilities	31 March 2017	31 March 2016	1 April 2015	(Amount in ₹ Lakhs)		
	Non-current	Non-current	Non-current	Current	Current	Current
Advance from customers	3,130.00	3,130.00	3,130.00	8,741.34	9,054.50	-
Lease equalisation reserve	45,631.42	22,303.65	-	-	-	-
Statutory dues	-	-	-	1,018.58	900.72	696.87
Other liabilities	-	-	-	-	-	0.08
	<b>48,761.42</b>	<b>25,433.65</b>	<b>3,130.00</b>	<b>9,759.92</b>	<b>9,955.22</b>	<b>696.95</b>

22. Borrowings (Short-term)	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
<b>Secured</b>			
Cash credit facility from banks ((i) & (iv))	74,318.16	59,543.53	15,943.16
<b>Short-term loans :</b>			
From consortium of financial institutions ((ii) & (iii))	15,500.00	25,000.00	8,896.00
<b>Unsecured</b>			
<b>Loans from related parties</b>			
Inter corporate deposits (iv)	73,524.43	11,972.97	7,430.87
	<b>163,342.59</b>	<b>96,516.50</b>	<b>32,270.03</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

- (i) The facilities are secured by hypothecation charges on all movables & immovable assets, present and future, of the project under implementation by way of first charge ranking pari passu.
- (ii) Short term loan facility from financial institution - Power Finance Corporation Limited is secured by Pari passu charge over the Parent Company's movables assets relating to the Project (current & fixed) including movable plant, machinery, equipments, machinery spares, tools, accessories, furniture, fixtures, vehicles and all other movable assets, both present and future, the stock of raw materials, semi-finished and finished goods, consumable goods relating to the project site, intangible assets, book debts, operating cash flow, revenue & receivables of the Parent Company relating to the project and all current assets, commissions and any revenue of any nature, Trust and Retention account, letter of credit, other reserves and any other bank accounts in relation to the project and on all rights, titles, interest, benefits, claims and demands relating to the project.
- (iii) There were no continuing defaults in repayments of loans and interest as at 31 March 2017. The Short term loan facility amounting to ₹ 8,896.00 lakhs was due for repayment on 21 February 2016 and remained outstanding as at 31 March 2016 and paid in June 2016 and July 2016.
- (iv) There were no continuing defaults in payment of interest and repayment of Cash Credit facility, Inter Corporate Deposits from related parties and other and interest thereon as at 31 March 2017, 31 March 2016 and 1 April 2015.

### 23. Trade payables

Due to micro and small enterprises (refer note 50)

#### Due to others

Dues for goods and services- acceptances

Dues for goods and services- other than acceptances

(Amount in ₹ Lakhs)		
31 March 2017	31 March 2016	1 April 2015
-	-	-
-	15,707.11	-
5,322.94	12,384.27	9,203.17
<b>5,322.94</b>	<b>28,091.38</b>	<b>9,203.17</b>

### 24. Current tax liabilities (net)

Provision for taxation

(Amount in ₹ Lakhs)		
31 March 2017	31 March 2016	1 April 2015
447.20	498.62	33.51
<b>447.20</b>	<b>498.62</b>	<b>33.51</b>

# Notes to the Consolidated Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## 25. Revenue from operations

### Operating revenue

Revenue from operation of power plant
Income from embedded lease of power plant
Interest on finance lease receivable
Income from investment advisory services

(Amount in ₹ Lakhs)	
31 March 2017	31 March 2016
58,710.09	179,139.34
74,959.43	75,164.80
4,907.44	5,001.27
474.60	290.00
<b>139,051.56</b>	<b>259,595.41</b>

## 26. Other income

### Income from current investments

Dividend received
-------------------

### Interest on :

Bank deposits
Security deposits
Inter corporate deposits
Overdue trade receivables
VAT refund

### Other income

Profit on sale of investments
Unclaimed balances and excess provisions written back
Profit on sale of property, plant and equipment
Miscellaneous income

(Amount in ₹ Lakhs)	
31 March 2017	31 March 2016
173.24	289.91
<b>173.24</b>	<b>289.91</b>
543.67	725.57
73.57	103.37
126.60	137.72
14,449.57	6,437.26
83.78	40.93
<b>15,277.19</b>	<b>7,444.85</b>
7.08	58.23
0.12	297.49
0.06	-
74.48	18.17
<b>81.74</b>	<b>373.89</b>
<b>15,532.17</b>	<b>8,108.65</b>

## 27. Cost of fuel, water and power consumed

Coal consumed
Other consumables consumed
Electricity consumed
Water consumed

(Amount in ₹ Lakhs)	
31 March 2017	31 March 2016
43,501.33	141,879.98
482.27	418.19
1,917.68	1,072.10
810.87	855.03
<b>46,712.15</b>	<b>144,225.30</b>

## 28. Employee benefits expense

Salaries and wages
Contribution to provident and other funds
Provision for gratuity/ compensated absences/ superannuation benefits
Recruitment and training
Staff welfare expenses

(Amount in ₹ Lakhs)	
31 March 2017	31 March 2016
9,561.66	6,394.96
43.14	28.22
1,942.45	2,905.87
3.60	8.23
69.02	79.73
<b>11,619.87</b>	<b>9,417.01</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

### 29. Finance costs

#### Interest on

Term loans
Inter corporate deposits
Cash credit facility
Short-term loan facility
Acceptances
Car loans
Others

#### Other finance costs

Loan processing fees
Letter of credit charges
Bank guarantee charges

(Amount in ₹ Lakhs)

31 March 2017	31 March 2016
106,608.78	107,683.57
4,439.82	2,842.37
8,520.83	3,781.99
2,437.41	3,178.56
136.47	623.29
14.79	10.51
57.26	5.62
924.82	1,421.11
5.34	250.85
623.65	601.13
<b>123,769.17</b>	<b>120,399.00</b>

### 30. Depreciation and amortisation

#### Depreciation on

Property, plant and equipment
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#### Amortisation on

Intangible assets
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(Amount in ₹ Lakhs)

31 March 2017	31 March 2016
25,256.96	23,488.48
94.53	111.79
<b>25,351.49</b>	<b>23,600.27</b>

### 31. Other expenses

Rent
Rates and taxes
Legal and professional charges
Advertisement
Communication
Printing and stationery
Postage and telegram
Travelling and conveyance
Operation and maintenance expenses
Tender expenses
Insurance expenses
Running and maintenance - vehicles
Repairs and maintenance
Office
Others
Security expenses
Software
Business promotion
Payments to statutory auditors
for audit
for certification
reimbursement of expenses
Payments to cost auditors
Membership and subscription fee
Loss on disposal of tangible asset (net)
Field hostel expenses
Bank charges
Loss on foreign currency transactions and translation (Net)
Miscellaneous expenses

(Amount in ₹ Lakhs)

31 March 2017	31 March 2016
426.40	386.91
337.83	419.79
862.32	1,013.84
23.26	13.31
95.04	94.35
38.16	43.57
8.11	13.35
310.35	514.71
4,983.70	5,523.71
0.63	9.74
720.60	1,084.29
31.41	57.19
244.04	209.08
48.44	35.04
379.80	427.68
44.96	48.88
18.61	22.59
125.62	147.43
-	4.00
1.00	8.00
0.25	0.25
44.66	90.95
22.68	3.88
44.71	164.35
2.86	7.37
195.44	235.49
513.30	42.79
<b>9,524.18</b>	<b>10,622.54</b>

## 32. Details of contingent liabilities, pending litigations and other matters:

### A. Contingent Liabilities of pending litigations not provided for in respect of:

#### For Parent Company

- 1 Writ Petition has been filed by the Company challenging the validity of demand raised by Water Resource Department (WRD) for payment of irrigation restoration charges @ ₹ 1.00 Lakh per hectare vide letter dated 29 January 2013 instead of ₹ 0.50 Lakh per hectare (as provided in Circular dated 21 February 2004). Out of the demand of ₹ 23,218.00 Lakhs, Company has already paid ₹ 11,657.00 Lakhs. The Respondents – WRD have been restrained from taking any coercive steps till further orders. The Hon'ble Bombay High Court of Mumbai bench vide Order dated 3 August 2015 has return the matter to be presented before Nagpur Bench. The Hon'ble High Court of Bombay, Nagpur Bench had reserved the order on 10 February 2016.

The Hon'ble High Court of Bombay, Nagpur Bench vide its Order dated 05 May 2016 has partly allowed the petition and declared that demand of IRC at revised rate i.e. as per decision dated 6 March 2009 from the petitioner is illegal and unsustainable. The said decision dated 6 March 2009 fixes maximum rate of IRC at ₹ 1.00 Lakh per Hectare prospectively from 1 April 2009 and is not applicable in case of petitioner to whom water allocation is finalized on 12 December 2007. Hence, the Respondents shall accordingly receive the IRC at the rate of ₹ 0.50 Lakh per Hectare with interest as mentioned supra.

A Caveat has been filed by the Company before the Hon'ble Supreme Court of India. A special leave petition has been filed by State of Maharashtra through Water Resource Department. The Hon'ble Court after hearing parties has issued notice to the Company and has granted time to file Counter Affidavit. The pecuniary risk involved in the present case cannot be quantified.

- 2 Arbitration proceeding has been initiated by BHEL against the Company alleging the payment outstanding against the Company in respect of the materials supplied by BHEL. BHEL has filed its Statement of Claim accompanied by documents. Earlier in the petition filed before Hon'ble High Court of Delhi, the Hon'ble Court has directed to maintain status quo in regard to invocation of Bank Guarantees subject to the condition that BHEL keeps the same alive. The Hon'ble High Court has vide its Order dated 7 January 2016 disposed off the petition upon the instruction of parties that petition before Hon'ble High Court be treated as an application under Section 17 of the Arbitration and Conciliation Act, 1996 before the Arbitral Tribunal. Interim Order is to be continued unless otherwise varied by the Arbitral Tribunal. Reply to the Application u/s 17 of the Claimant has already been filed before the Hon'ble Tribunal. On 14 April 2016 The Claimant (BHEL) has filed the following three fresh applications:

1. Application under Section 17 of the Arbitration and Conciliation Act, 1996 seeking an interim prayer of release of bank guarantees.
2. Application under Section 31(6) of the Arbitration and Conciliation Act, 1996 seeking an interim award on the basis of admissions.
3. Application seeking amendment of the Claim petition. By way of the present application, merely figures in relation to BHEL Hyderabad Unit was sought to be inserted. Accordingly the Hon'ble Tribunal allowed the said application of the Claimant.

The Company has filed its statement of defense and Counter- Claim before the Arbitral Tribunal. The pecuniary risk involved in the present case cannot be quantified.

- 3 A Suo moto Public Interest Litigation (PIL) has been registered before Bombay High Court with regard to the occupation hazards of the employees working in various thermal power plant stations in the county. The Company has been made a party in the said PIL. The Company has filed its reply before Bombay High Court. One of the parties (Respondent) has filed an Application for Intervention. The matter is listed for completion of service of the parties in respect to the Application for Intervention. The pecuniary risk involved in the present case cannot be quantified.
- 4 A suit for seeking declaration/ injunction for right of way has been filed before the Civil Judge, Senior Division, Amravati by Keshav Puranlal Bunde & Others against the Company. In the said Suit, it has been alleged that due to railway line to the plant of the Company and construction of boundary wall surrounding the project, the approach road to the Plaintiffs land has been obstructed and that they are unable to access their land for cultivation. The Company (Defendant) denied the allegations in its Written Statement and is contesting the suit. The Court has declined the prayer of the Plaintiffs for grant of temporary injunction. The matter is listed for Framing of issues. A



## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

Civil Appeal in the said matter has also been filed in District Court, Amravati by Keshav Bunde & Others (Plaintiff) against the Court's order of declining the prayer of the Plaintiffs for grant of temporary injunction. The pecuniary risk involved in the present case cannot be quantified.

- 5 A Petition has been filed by the Company before the Maharashtra Electricity Regulatory Commission (MERC) challenging the imposition of Liquidated Damages by MSEDCL. MERC vide interim Order has stayed the imposition of Liquidated Damages. In said petition MSEDCL has imposed an amount of ₹ 25,947.00 Lakhs as Liquidated Damages. The said Petition has been disposed off in favour of the Company by MERC on 24 November 2016 and as on date there is no obligation to pay the said amount by the Company.
- 6 A suit has been filed by Microsoft Corporation against the Company before High Court of Delhi alleging shortfall in the entitled software licenses being used by the Company in its offices and as such allegedly, the Company has infringed copyright in the Microsoft program/ software titles and has thereby prayed for permanent injunction against the Company and further prayed for rendition of accounts of profits and for damages. The pleadings were completed before the Joint Registrar on 17 August 2016 and the Hon'ble Registrar has listed the matter before the Court for framing of issues. The pecuniary risk involved in the present case cannot be quantified.
- 7 A vendor ('Plaintiff') has filed case before Civil Judge Senior Division, Amravati claiming ₹ 116.25 Lakhs and Court fees of ₹ 1.54 Lakhs against the work done pursuant to the work order dated 25 May 2012 which was issued to the plaintiff for supply, plantation and maintenance of 100,000 tree plants at the Company's 5 X 270 MW thermal power plant situated at Plot no. D-2 & D-2 (part) at additional MIDC, Nandgaonpeth Amravati. Plaintiff has also alleged that the contract was wrongly terminated by the Company vide letter dated 6 February 2014 in which the Company has also claimed liquidated damages from the plaintiff. Plaintiff is alleging that the letter was issued to them only to avoid outstanding payment. Application u/s 8 of the Arbitration and Conciliation Act has been filed for the dismissal of the suit. A Deletion Application has been filed by the company. The matter is listed for Order on the said application. The pecuniary risk involved in the present case cannot be quantified.
- 8 During the year, a writ petition has been filed by the Company before Nagpur Bench of Bombay High Court to issue appropriate Writ against the Order dated 24 February 2016 passed by Tahsildar whereby Tahsildar without considering the arguments and documents filed on record, directed the Appellant to deposit the amount of ₹ 400.00 lakhs towards payment of Royalty for using the minor minerals excavated during the construction of the Power Plant and utilized in the embankment work Railway Line on the plot of MIDC allotted to the appellant. The State of Maharashtra has filed its reply. The pecuniary risk involved in the present case cannot be quantified.
- 9 During the year, Public Interest Litigation ('PIL') has been filed by the petitioner before Nagpur Bench of Bombay High Court, alleging that due to heavy transportation of coal by the Company, various difficulties are being faced by the citizens i.e. threat to life and threat to health. Petitioner has alleged that the Company is not taking any steps to construct road as per standard norms required to transport 5000 MT coal from Walgaon to Nandgaonpeth MIDC. The matter is listed for arguments. The pecuniary risk involved in the present case cannot be quantified.
- 10 During the year, Becquerel Industries Private Limited has filed a Suit in Nagpur District Court for recovery of ₹ 20.73 Lakhs against Preeti Engineering alleging that the dues are pending against Preeti Engineering to whom the Non Destructive Test work had been sublet by Brothers Engineering The work to Brothers Engineering had been sublet by Bharat Heavy Electricals Limited (BHEL) and the work to BHEL had been given by the Company. The service of summons to the parties has been completed. The matter is listed for reply of the Company. The pecuniary risk involved in the present case cannot be quantified.

### For RattanIndia Nasik Power Limited (RNPL)

- 11 A Writ Petition has been filed by BHEL before the Hon'ble High Court of Madras regarding the Tamil Nadu VAT reversal relating to supply agreement executed between BHEL and RNPL for supply of Boiler, Turbine, Generators (BTG) items for Nashik Project and consequential recovery of the same. The matter was listed for hearing and the Hon'ble High Court has issued a notice and had ordered for status quo in the said case. The Notice for the same has been accepted by the state counsel. The Hon'ble High Court had heard the matter and reserved the order. The pecuniary risk involved in the present case is ₹ 1,100.00 Lakhs (Previous year ₹ 1,100.00 Lakhs).
- 12 Two suits for permanent injunction has been filed before the Civil Judge, Junior Division, Sinnar, Nashik by Ramdas Pandurang Kakad and Others and Ramnath Mahadu Gade (together 'plaintiffs') respectively against RNPL with

respect to the pipeline works which is being done in the Sinnar Nagar Palika area. It was alleged that the land of the plaintiffs was not acquired for this purpose and the RNPL's activity of laying pipeline work in the plaintiffs' property is illegal and it will damage the crops, land, and well of the Plaintiffs permanently. RNPL denied the allegations in its written statement and is contesting the suit. Pipeline work has also been completed. The pecuniary risk involved in the present case cannot be quantified.

- 13 A suit has been filed during financial year 2012-13 by the Balaji Railroads Systems Limited ('Plaintiff') at Patiala House Courts, New Delhi for recovery of ₹ 6.51 lakhs claimed to be the amount outstanding for the work done by it under the work order given by RNPL for consultancy services for the proposed railway siding. RNPL has opposed the claim and is contesting the same.
- 14 A PIL has been filed in connection with Nashik Kumbh Mela and it was also alleged that due to failure on the part of Nashik Municipal Corporation (NMC), untreated water is being discharged in to river Godawari and seeking a direction to prevent the NMC from polluting the river and initiate criminal prosecution under the provisions of Water (Prevention and Control of Pollution) Act, 1981. In this PIL, RNPL has been impleaded to ascertain whether the company's power plant is causing any activities resulting in release of polluted water into the river and also to ascertain whether RNPL has an obligation to take treated water from NMC's Sewerage Treatment Plants ('STP'). RNPL has filed detailed replies in the Hon'ble High Court inter-alia submitting that RNPL's power plant is a zero discharge unit and also that RNPL has no obligation either statutory or contractual to receive water from STPs of NMC. The Hon'ble High Court vide order dated 11 September 2015 has directed the Government of Maharashtra to take decision as to from where RNPL should lift the water. RNPL has filed SLP before Hon'ble Supreme Court against the said order on the ground that conscious decision has already been taken by the Government of Maharashtra allowing RNPL to lift water from Eklahare barrage. During the pendency of said SLP the State Government has taken decision which is placed on record before the Hon'ble High Court of Bombay in the form of letter dated 22 February 2016 conveying that present arrangement of drawing water from Eklahare Barrage shall not be disturbed till the tenure of the agreement of RNPL with WRD. The said letter has also been filed before the Hon'ble Supreme Court of India in the form of additional document on 12 April 2016. On 19 April 2016 the Hon'ble Supreme Court dismissed the petition as withdrawn and accordingly the RNPL is entitled to lift the treated water released by NMC as per the direction of the Court.
- 15 Arbitration proceeding has been initiated during the year by BHEL against the Company alleging the payment outstanding against the Company in respect of the materials supplied by BHEL. BHEL has filed its Statement of Claim accompanied by documents. Earlier in the petition filed before Hon'ble High Court of Delhi, the Hon'ble Court has directed to maintain status quo in regard to invocation of Bank Guarantees subject to the condition that BHEL keeps the same alive. The Hon'ble High Court has vide its Order dated 7 January 2016 disposed off the petition upon the instruction of parties that petition before Hon'ble High Court be treated as an application under Section 17 of the Arbitration and Conciliation Act, 1996 before the Arbitral Tribunal. Interim order is to be continued unless otherwise varied by the Arbitral Tribunal. Reply to the Application u/s 17 of the Claimant has already been filed before the Hon'ble Tribunal. On 14 April 2016, BHEL has filed application seeking amendment of the Claim petition which is allowed by the Hon'ble Tribunal. The Company has filed its Statement of Defense and Counter-Claim before the Arbitral Tribunal. The pecuniary risk involved in the present case cannot be quantified.
- 16 A writ petition has been filed by RNPL against WRD whereby RNPL has prayed before the Hon'ble High Court for :-
  - (i) Holding and declaring that WRD cannot recover water tariffs at the rate of ₹ 64 per 10,000 liters in absence of any decision being taken by the Government of Maharashtra or Maharashtra Water Resources Regulatory Authority ('MWRRA'). WRD can at the most charge @ ₹ 10.70 per 10,000 liters with 25% concession.
  - (ii) Holding and declaring that RNPL is not liable to pay water commitment charges as the same does not find any place in agreements executed between the parties. Quashing and setting aside the demands, bills raised by WRD towards fixation of water tariffs at the rate of ₹ 64 per 10,000 liters towards water bills and water commitment charges.
  - (iii) Pending disposal of this petition, direct the WRD to not to insist the RNPL to pay the water bills and water commitment charges calculated at the rate of ₹ 64 per 10,000 liters and not to take any coercive steps in connection thereto. The pecuniary risk involved in the present case cannot be quantified.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

- 17 A Petition has been filed by RNPL against WRD and Nashik Irrigation Department whereby RNPL has prayed before MWRRRA :-
- (i) to determine criteria and tariff as may be applicable to treated water allocated to RNPL under the agreements dated 16 January 2012 and 8 February 2012 in accordance with provisions of MWRRRA Act and Rules made there under and also in accordance with other applicable law;
  - (ii) to stay the demand of WRD and Nashik Irrigation Department;
  - (iii) Pending disposal of this petition to stay the operation of the letter dated 30 November 2015 of WRD and Nashik Irrigation Department.

The pecuniary risk involved in the present case cannot be quantified.

### For Amravati Power Transmission Company Limited (APTCL)

- 18 An appeal has been filed by APTCL against MERC before the Hon'ble Appellate Tribunal for Electricity for seeking :-
- (i) To set aside the impugned order dated 15 July 2016 passed by the MERC in Case No 61 of 2016.
  - (ii) To direct MERC to allow the recovery of interest during construction amounting to ₹ 23.83 crores for a period pertaining to delay in construction of quad line; effect to the impugned decision dated 22 July 2010. The matter is listed for Reply by Maharashtra Electricity Regulatory Commission. The next date of hearing in the matter is 29 May 2017.

### For Poena Power Development Limited (PPDL)

- 19 A civil suit is filed against PPDL for the inadequacy of compensation given in terms of the award under Land Acquisition Act 1894. Restoration application filed by the petitioner and notice has been issued by Civil Sub Divisional Court, Budhlada, Mansa. The pecuniary risk involved in the present case cannot be quantified.

## B. Contingent Liabilities of Demand pending under the Income Tax Act, 1961 and other not provided for in respect of:

### I Under the Income Tax Act, 1961

In respect of the F.Y. 2009-10 demand of ₹ 77.38 Lakhs (31 March 2016: ₹ 77.38 Lakhs and 1 April 2015: ₹ 77.38 Lakhs) was pending under section 143(3) of the Income Tax Act, 1961 against disallowance u/s 14A of the Income Tax Act, 1961 against which appeal had been filed which is pending before ITAT Delhi, as at 31 March 2017. The demand of ₹ 77.38 Lakhs had been adjusted against refund for the F.Y. 2012-13 during the FY 2015-16 by the Income Tax department. However, the appeal filed during the FY 2015-16 is pending before ITAT Delhi, as at 31 March 2017.

### II Others

Guarantee provided on behalf of RattanIndia Nasik Power Limited (formerly known as Indiabulls Realtech Limited) (RNPL), a wholly owned subsidiary, towards Commitment Bank Guarantees of ₹ 5,903.79 Lakhs (31 March 2016: ₹ 5,903.79 Lakhs and 1 April 2015: ₹ 5,903.79 Lakhs) issued to subsidiaries of Coal India Limited for issuance of Letter of Assurance for supply of coal for RNPL's Nashik Thermal Power Project, partly secured by way of pledge of fixed deposits of ₹ 442.95 Lakhs (31 March 2016: ₹ 442.95 Lakhs and 1 April 2015: ₹ 442.95 Lakhs) of the Company and partly by way of pledge of fixed deposits of ₹ 152.44 Lakhs (31 March 2016: ₹ 152.44 Lakhs and 1 April 2015: ₹ 152.44 Lakhs) of RattanIndia Nasik Power Limited.

Future cash outflows in respect of the above, if any, is determinable only on receipt of judgement/ decision pending with the relevant authorities. The Company does not expect the outcome of the matters stated above to have a material adverse impact on its financial condition, results of operations and cash flows.

The Company and its subsidiaries are involved in various legal proceedings and other regulatory matters relating to conduct of its business. In respect of the other claims, the Group believes, these claims do not constitute material litigation matters and with its meritorious defenses, the ultimate disposition in these matters will not have material adverse effect on its Consolidated Financial Statements.

## C. Other pending litigations as on 31 March 2017 are:

### For Parent Company

- 1 A Petition has been filed before Maharashtra Electricity Regulatory Commission (MERC) by the Company for realizing the shortfall in supply under coal linkage granted by Government of India under New Coal Distribution Policy (NCDP), the Cabinet Committee of Economic Affairs (CCEA) approved mechanism where after Ministry of Coal amended the NCDP and communicated its decision to allow pass through of the incremental cost of procuring coal from alternative sources to meet the shortfall in supply of domestic coal under coal linkage. MERC vide its Order dated 15 July 2014 and 20 August 2014 laid down methodology to recover compensatory fuel charges. The Company on 28 August 2014 filed review petition before MERC against said Orders dated 15 July 2014 as well as Order dated 20 August 2014. MSEDCL and Prayas Energy further filed review petition against the Orders of MERC dated 20 August 2014. The review petition filed by MSEDCL stands dismissed vide Order dated 16 July 2015 and the review petition filed by the Company also got disposed of vide Order 30 October 2015. A petition has also been filed by the Company before MERC for direction to MSEDCL to implement Orders dated 15 July 2014 & 20 August 2014 of MERC. The same petition has been withdrawn on 18 February 2016. The Company has also filed appeals before Appellate Tribunal for Electricity (APTEL) against Orders dated 15 July 2014, 20 August 2014 & 30 October 2015. Both the appeals have been admitted. The matter is now listed for Directions by the Hon'ble Tribunal. The pecuniary risk involved in the present case cannot be quantified.
- 2 A Petition has been filed by the Company before the Nagpur bench of Bombay High Court challenging the illegal demand of Water Commitment charges and for refund of ₹ 593.22 Lakhs appropriated by the Water Resources Department of the Government of Maharashtra. The State of Maharashtra has filed its reply. The matter is listed for arguments. The pecuniary risk involved in the present case is ₹ 593.22 Lakhs.
- 3 During the year, a Petition has been filed by the Company for asking MERC to
  - (i) direct MSLDC to revise the Merrit Order Despatch (MOD) Stack for the month of September, 2016 and prepare future MOD Stacks in accordance with the Availability Based Tariff (ABT) Order and applicable legal framework taking into consideration Energy Charge as approved/ determined by this Hon'ble Commission
  - (ii) direct to revise the MOD Stack principles to take into account the fixed as well as variable charge including any fuel adjustment surcharge or any other charge which increases the total tariff of generating stations.
  - (iii) grant compensation to the Company for the revenue loss incurred.
  - (iv) grant compensation to the Company for loss incurred on account of wrongful and frequent backing down instructions and in terms of the principles contained in the Regulations 6.3B (3) of the CERC (Indian Electricity Grid Code) (Fourth Amendment) Regulations, 2016.
  - (v) devise an appropriate mechanism to provide for technical minimum operation of generating stations in accordance with the Indian Electricity Grid Code. And,
  - (vi) direct the Respondents to provide detailed working of the MOD Stack publically and in a transparent manner.

In the last hearing, the Commission has directed that, for the purpose of monthly MOD stack, the Energy Charges Rate/ Variable Charges for the Generating Stations for which the Tariff is determined by the Commission shall be considered as the Energy Charges as approved by the Commission for the financial year for the respective Station plus Fuel Surcharge Adjustment for previous month, i.e., n-1 month. The Commission directs Maharashtra State Power Generation Company Limited to submit following information:

1. Copies of Fuel Surcharge Adjustment Bills for all months from December 2015 to July 2016.
2. Station-wise comparison of all parameters considered for MOD rate vis-à-vis tariff determined by the Commission pertaining to all months starting from February, 2016 to September, 2016. It should be indicated whether MOD rates so arrived are inclusive of Other Variable Charges. The pecuniary risk involved in the present case cannot be quantified.
- 4 During the year, a Petition has been filed by the Company before MERC under Section 86 of the Electricity Act, 2003 read with statutory framework governing procurement of power through competitive bidding and Article 10 of the Power Purchase Agreements dated 22 April 2010 and 05 June 2010 executed between the Company and Maharashtra State Electricity Distribution Company Limited for compensation due to Change in Law

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

impacting revenues and costs during the period from the date of commencement of supply of power by the Company. The matter is listed for Admission. The pecuniary risk involved in the present case cannot be quantified.

- 5 During the year, a Petition has been filed by the Company before MERC under Section 86 of The Electricity Act, 2003 for seeking a declaration for sale of un-availed Capacity to third parties in terms of Article 4.5.3 of the PPA of Power Purchase Agreements dated 22 April 2010 and 5 June 2010. the Company has sought:-

- (i) For quashing of communication dated 13 January 2017 whereby MSEDCL has refused the sale of un-availed capacity to third parties.
- (ii) To direct MSEDCL to grant Short Term Open Access.
- (iii) To direct MSEDCL to grant sufficient time period for recalling the unscheduled capacity.

On the last date of hearing it was agreed that MSEDCL and the Company would meet to discuss the issues in granting Open Access vis a vis provisions of PPA as the Generator is under zero scheduling. The Commission had directed them to meet on 8 February or 9 February, 2017 in the office of Executive Director (Commercial), MSEDCL and submit the Minutes of Meeting duly signed by both the parties within a week's time. the Company is at liberty to apply for Short Term Open Access, which would be decided by MSEDCL on merits in terms of the DOA Regulations. The matter has been Reserved for Order.

- 6 During the year, a Petition has been filed by MSEDCL before MERC under Section 86 of the Electricity Act, 2003 read with Article 13 of PPAs under Case 1 Stage 1 and Article 10 of PPAs under Case 1 Stage 2, whereby, MSEDCL has sought:-

- (i) To declare and accept the Guidelines/Circulars issued by RBI as Change in Law as provided in respective PPAs.
- (ii) To allow to make the late payment surcharge in the event of delay in payment at the rate of two (2) percent excess of the applicable base rate per annum on the amount of outstanding payment calculated on day to day basis for each day of delay against the PPAs mentioned in aforesaid Para 2.2 and 2.3 from 1 July 2010 till 31 March 2016 and thereafter at the rate of two (2) percent in excess of the applicable rate under MCLR system.

The matter is pending before MERC for adjudication. The pecuniary risk involved in the present case cannot be quantified.

- 7 A Petition has been filed before Central Electricity Regulatory Commission (CERC) by Company seeking modification/ revision of the mechanism for calculation of the escalation index for domestic coal by linking it with actual coal price of CIL on the ground that thermal power plants based on domestic coal and get fuel through coal linkage granted by the GOI. Although such domestic coal is supplied by CIL, the escalation index for domestic coal published by CERC for the purpose of payment in PPA under Case -1 bidding process stakes WPI for non-coking coal as the basis for calculating the index. The matter was reserved for Orders on 4 February 2016. By Order dated 25 May 2016 the CERC disposed off the said petition whereby the CERC held that the Ministry of Commerce and Industry has set up a Committee to revise the WPI and create a separate index for the coal used in the power sector and it would be premature on the part of CERC to undertake any exercise for revision of indices without taking into consideration the WPI being developed by Ministry of Commerce and Industry for the power sector and that the new series of WPI for power sector would address the concerns of the petitioners and other generators. A review petition was filed by the Company before CERC against the Order dated 25 May 2016. The said review petition has been Disposed off vide Order dated 20 October 2016. The pecuniary risk involved in the present case cannot be quantified.
- 8 The company has filed an application before the Nagpur Bench of the Hon'ble High Court to bring to its knowledge the publication of an article by Hitavada newspaper that casts aspersions against Indiabulls (now the Company) and the Advocate General. There is no notice regarding any listing of the matter since long. The pecuniary risk in the matter cannot be quantified.
- 9 A Petition has been filed by the Company before the MERC for direction to MSEDCL to make payments of ₹ 55,811.00 Lakhs towards the outstanding amount due and payable to the Company for supply of power and also for direction to MSEDCL to open a Letter of Credit as per Article 8.4.2 of the PPAs and further for payment of penal interest @ 2% above prime lending rate of State Bank of India on the outstanding amounts. The matter is listed for arguments on the next date of hearing. The pecuniary risk in the matter cannot be quantified.
- 10 A Petition has been filed before Maharashtra Electricity Regulatory Commission (MERC) by the Company for



direction to Maharashtra State Electricity Distribution Company Limited (MSEDCL) to permit settling/netting of consumption towards start-up power in energy terms against the power supplied in terms of PPAs and for refund of amount of ₹ 921.06 Lakhs paid by the Company towards start up power during October 2012 to May 2015 on account of excess recovery of charges for start-up by incorrect categorization of the Company in to HT-Commercials instead of "Industrial category". The Order in the said Petition has been reserved.

- 11 The Company was restrained from sourcing the shortfall on account of linkage coal through alternate sources, as was required pursuant to the decision of the Cabinet Committee on Economic Affairs of June 2013, followed by change in the National Coal Distribution Policy and direction from the Ministry of Power to the regulatory commissions in July 2013. Further, as per the Power Purchase Agreements ("PPAs") entered into between the Company and Maharashtra State Electricity Distribution Company Limited ("MSEDCL"), MSEDCL was to make arrangements for evacuation of entire contracted capacity of 1200 MW. However due to transmission constraints, MSEDCL could arrange for evacuation of only 750 MW. As a result of the above, during the previous year, the Company has raised its claim estimated at ₹ 39,689.02 Lakhs with MSEDCL in respect of resultant unscheduled units and is in the process of filing its petition for the same with the appropriate authority. Consequently, the same has not been recognized in the financial statements.

## For RattanIndia Nasik Power Limited (RNPL)

- 12 A PIL has been filed before Aurangabad Bench by Machindra and Other agriculturists from Kopargaon against State of Maharashtra and Others challenging allocation of water for Nashik Thermal Power Plant of RNPL. Company has filed its reply and raised objections as to the maintainability of the PIL. The pecuniary risk involved in the present case cannot be quantified.
- 13 A review petition had been filed by RNPL against the order of APTEL dated 10 February 2015 allowing an appeal by Wardha Power Company Limited against the order of MERC approving procurement of additional quantum of 650 MW power from RNPL. The Review petition got disposed off by APTEL vide Order dated 18 May 2015. The Company has filed Appeal before the Hon'ble Supreme Court against the orders dated 10 February 2015 as well as 18 May 2015. The Hon'ble Supreme Court on 24 September 2015 passed order of status quo. The pecuniary risk involved in the present case cannot be quantified.
- 14 A writ petition has been filed before Bombay Bench of Hon'ble Bombay High Court by Maharashtra Suraksha Rakshak Kamgar Union against Nashik Security Guard Board & RNPL alleging violation of provisions of Security Guard Scheme 2002. The pecuniary risk involved in the present case cannot be quantified.
- 15 A Writ Petition has been filed during the year by RNPL against Southern Power Distribution Company of Telangana Limited (TSSPDCL) and others who has issued RFQ document in clear deviation of Model RFQ prescribed by the Government of India, thereby imposing unreasonable restrictions in consequence of which petitioner would be ineligible to participate in the bidding process. The deviations, if any, were supposed to be subject to approval from the appropriate Commission prior issuance of RFQ whereas the Telangana State Electricity Regulatory Commission (TSERC) accorded post facto approval. As such the Company filed another writ petition against TSERC which also got tagged with the said writ petition against TSSPDCL. The Hon'ble High Court vide Order dated 22 June 2015 admitted the writ petitions for hearing but did not grant any interim relief. The Company challenged the said Order dated 22 June 2015 by way of writ appeals before Hon'ble Division Bench which stand dismissed vide Order dated 24 July 2015. The pecuniary risk involved in the present case cannot be quantified.
- 16 A petition has been filed under the Electricity Act, 2003 before Maharashtra Electricity Commission by RNPL against Maharashtra State Electricity Transmission Company Limited for permitting RNPL to operationalise the BPTA dated 4 January 2011 and the LOTA incrementally as and when RNPL enters into long-term arrangements/ PPAs for sale of power. The matter has been reserved for order on 21 March 2017. The pecuniary risk involved in the present case cannot be quantified.
- 17 A petition has been filed by MSEDCL under Section 33(1), (4) and Section 86 of the Electricity Act, 2003 for seeking directions for optimization of power generation in the state of Maharashtra by reducing the technical minimum operation of generating power plant as per CERC defined norms and also applicable provisions of Maharashtra State Grid Code and Maharashtra Scheduling and Dispatch Code. MSEDCL has sought to set technical minimum capacity of all generating stations coming under the jurisdiction of MERC and having PPA with MSEDCL at uniform level of 55% and to issue directions to MSLDC for backing down power plant to 55% while managing the demand by observing MOD. The pecuniary risk involved in the present case cannot be quantified.

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

33. Estimated amount of contracts remaining to be executed on account of capital and other commitments towards the Project not provided for: ₹ 1,106,206.97 lakhs (31 March 2016: ₹ 1,236,472.66 lakhs and 1 April 2015: ₹ 1,190,178.16 lakhs) – advances made there against ₹ 130,176.68 lakhs (31 March 2016: ₹ 115,440.50 lakhs 1 April 2015: ₹ 108,715.55 lakhs)

Further, the Parent Company has signed a long term power purchase agreement (PPA) with Maharashtra State Electricity Distribution Company Limited for supply of 1,200 MW of power generated from the power station. The PPA has tenure of twenty five years.

34. Fixed deposits include interest accrued but not due of ₹ 652.54 lakhs (31 March 2016: ₹ 547.37 lakhs and 1 April 2015: ₹ 359.65 lakhs) on fixed deposits pledged with banks.

### 35. Employee Stock Options Schemes

The Company has formulated ESOS/ ESOP schemes for applicable/ eligible employees. The schemes so formulated are also applicable to the eligible employees of its subsidiaries and of other companies under common control with the Company. The subsidiaries have adopted the said schemes of the Company which are administered by a Compensation Committee constituted by the Board of Directors of the Company.

#### Stock Option Schemes of RattanIndia Power Limited ("RPL"):

##### RPL ESOP - 2008

On 10 January 2008 the erstwhile IPSL, had established the IPSL ESOS Plan, under which, IPSL was authorised to issue upto 20,000,000 equity settled options at an exercise price of ₹ 10 per option to eligible employees. Employees covered by the plan were granted an option to purchase equity shares of IPSL subject to the requirements of vesting. A Compensation Committee constituted by the Board of Directors of IPSL administered the plan. All these options were outstanding as at 1 April 2008.

Pursuant to a Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956, duly approved by the Hon'ble High Court of Delhi at New Delhi vide its order dated 1 September 2008, IPSL was amalgamated with Sophia Power Company Limited ("SPCL"). With effect from the Appointed Date the IPSL ESOS Plan was terminated and in lieu, in terms of Clause 14 (c) of the Scheme of Amalgamation, SPCL – IPSL Employees Stock Option Plan - 2008 ("SPCL – IPSL ESOP - 2008") was established in SPCL for the outstanding, unvested options for the benefit of the erstwhile IPSL option holders, on terms and conditions not less favorable than those provided in the erstwhile IPSL ESOS Plan and taking into account the share exchange ratio i.e. one equity share of SPCL of face value ₹ 10 each for every one equity share of IPSL of face value ₹ 10 each. All the option holders under the IPSL ESOS Plan on the Effective Date were granted options under the SPCL – IPSL ESOP - 2008 in lieu of their cancelled options under the IPSL ESOS Plan. The SPCL – IPSL ESOP - 2008 was treated as a continuation of the IPSL ESOS Plan and all such options were treated outstanding from their respective date of grant under the IPSL ESOS Plan. During the year ended 31 March 2015, pursuant to the name change of the Company from Indiabulls Power Limited. to RattanIndia Power Limited, the name of the ESOP scheme SPCL - IPSL Employees' Stock Option Plan 2008 ("SPCL-IPSL ESOP 2008") was changed to RattanIndia Power Limited Employees' Stock Option Plan 2008 ("RPL ESOP 2008"). These options vest uniformly over a period of 10 years commencing one year after the date of grant.

##### RPL ESOS 2009

During the financial year ended 31 March 2010, the Company had established the "Indiabulls Power Limited Employees' Stock Option Scheme 2009" ("IPL ESOS 2009"). The Company had issued 20,000,000 equity settled options at an exercise price of ₹ 14 per option under the IPL ESOS 2009 to eligible employees which gave them the right to subscribe to stock options representing an equal number of equity shares of face value ₹ 10 each of RPL. During the year ended 31 March 2015, pursuant to the name change of the Company from Indiabulls Power Limited. to RattanIndia Power Limited, the name of the ESOS scheme IPL ESOS 2009 was changed to RattanIndia Power Limited Employees' Stock Option Scheme 2009 ("RPL ESOS 2009"). These options vest uniformly over a period of 10 years commencing one year after the date of grant.

##### RPL ESOS 2011

During the Financial Year ended 31 March 2012, the Company has established the "Indiabulls Power Limited Employee Stock Option Scheme -2011" ("IPL ESOS -2011"). The Company had issued 50,000,000 equity settled options at an exercise price of ₹ 12 per option equivalent to the fair market value of the equity shares of RPL on the date of grant of option under the IPL ESOS -2011 to the eligible employees of the Company which gave them the right to subscribe an equal number of equity shares of face value of ₹ 10 each of RPL. During the year ended 31 March 2015, pursuant to the name change of the Company from Indiabulls Power Limited. to RattanIndia Power Limited, the name of the ESOS scheme IPL ESOS 2011 was changed to RattanIndia Power Limited Employees' Stock Option Scheme 2011 ("RPL ESOS 2011"). These options vest uniformly over a period of 10 years commencing one year after the date of grant.



The Fair values of the options under the RPL ESOP – 2008, RPL ESOS 2009 and RPL ESOS 2011 is calculated using the binomial pricing model, based on which fair value of RPL ESOS 2009 plan is ₹ 1.00 per option, RPL ESOP - 2008 plan is ₹ 1.58 per option and RPL ESOS 2011 plan is ₹ 1.78 per option as certified by an independent firm of Chartered Accountants.

Sr. No.	Particulars	RPL ESOP - 2008	RPL ESOS 2009	RPL ESOS 2011
		Grant on 10 January 2008	Grant on 4 July 2009	Grant on 7 October 2011
1	Exercise price (₹ Per option)	₹ 10.00	₹ 14.00	₹ 12.00
2	Expected volatility	0%	0%	30.48%
3	Expected forfeiture percentage on each vesting date	5%	5%	0%
4	Option Life	1 through 10 years	1 through 10 years	1 through 10 years
5	Expected Dividend Yield	8%	6.50%	16.67 % from 2014 onwards
6	Risk Free rate of Interest	8%	6.50%	8.12% to 8.72%

Summary of options granted in respect of the RPL ESOP-2008 are as under:

	31 March 2017		31 March 2016	
	Average exercise price per share option (INR)	Number of options	Average exercise price per share option (INR)	Number of options
Opening balance	10	1,093,800	10	1,245,300
Options surrendered/ lapsed during the year	10	99,000	10	151,500
Closing balance	10	994,800	10	1,093,800
Vested and exercisable options		696,600		695,400

	31 March 2017	31 March 2016	1 April 2015
Weighted average remaining contractual life of options outstanding at the end of period	43 months	55 months	57 months

Summary of options granted in respect of the RPL ESOS 2009 are as under:

	31 March 2017		31 March 2016	
	Average exercise price per share option (INR)	Number of options	Average exercise price per share option (INR)	Number of options
Opening balance	14	815,200	14	995,200
Options surrendered/ lapsed during the year	14	120,800	14	180,000
Closing balance	14	694,400	14	815,200
Vested and exercisable options		434,000		468,000

	31 March 2017	31 March 2016	1 April 2015
Weighted average remaining contractual life of options outstanding at the end of period	38 months	50 months	53 months

Summary of options granted in respect of the RPL ESOS 2011 are as under:

	31 March 2017		31 March 2016	
	Average exercise price per share option (INR)	Number of options	Average exercise price per share option (INR)	Number of options
Opening balance	12	495,000	12	830,000
Options surrendered/ lapsed during the year	12	62,500	12	335,000
Closing balance	12	432,500	12	495,000
Vested and exercisable options		205,000		198,000

	31 March 2017	31 March 2016	1 April 2015
Weighted average remaining contractual life of options outstanding at the end of period	62 months	74 months	79 months

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## 36. Employee Benefits

### Defined contribution:

Contributions are made to the Government Provident Fund and Family Pension Fund which cover all regular employees eligible under applicable Acts. Both the eligible employees and the Company make pre-determined contributions to the Provident Fund. The contributions are normally based upon a proportion of the employee's salary. The Company has recognized in the Statement of Profit and Loss an amount of ₹ 35.09 lakhs (31 March 2016: ₹ 26.12 lakhs) and in expenditure during construction ₹ 6.95 lakhs (31 March 2016: ₹ 8.14 lakhs) towards employer's contribution towards Provident Fund.

### Defined benefits:

Provision for unfunded Gratuity payable and Superannuation benefits payable to eligible employees on retirement/separation is based upon an actuarial valuation as at the year ended 31 March 2017. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The commitments are actuarially determined using the 'Projected Unit Credit Method' as at the year end. Gains/ losses on changes in actuarial assumptions are accounted for in the other comprehensive income/ Capital work-in-progress, as applicable and as identified by the Management of the Company.

### Other benefits:

Provision for unfunded compensated absences payable to eligible employees on availment/ retirement/ separation is based upon an actuarial valuation as at the year ended 31 March 2017. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The commitments are actuarially determined using the 'Projected Unit Credit Method' as at the year end. Gains/ losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss/ Capital work-in-progress, as applicable and as identified by the Management of the Company.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of Gratuity, Compensated Absences and Superannuation and the amounts recognised in the financial statements for the year ended 31 March 2017:

Particulars	(Amount in ₹ Lakhs)					
	Gratuity		Compensated Absences		Superannuation	
	(Unfunded)		(Unfunded)		(Unfunded)	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
<b>Liability recognised in the Balance sheet:</b>						
Present value of obligation as at the beginning of the year	572.49	547.88	609.13	622.91	9,454.38	9,358.82
Current service cost	106.03	99.61	85.99	81.78	756.35	337.69
Interest cost	46.21	41.10	47.59	38.58	936.51	362.65
Benefits paid	(50.07)	(49.56)	(28.48)	(50.30)	-	-
Actuarial (gains)/ losses	(2.33)	(66.54)	4.75	(83.84)	2,898.39	(604.78)
<b>Present Value of obligation at the end of the year (as per Actuarial valuation)</b>	<b>672.33</b>	<b>572.49</b>	<b>718.98</b>	<b>609.13</b>	<b>14,045.63</b>	<b>9,454.38</b>
<b>Expenses during the year</b>						
Current service cost	106.03	99.61	85.99	81.78	756.35	337.69
Interest Cost	46.21	41.10	47.59	38.58	936.51	362.65
Actuarial (gains)/ losses	-	-	4.75	(83.84)	-	-
<b>Component of defined benefit cost charged to statement of profit and loss/ Capital work-in-progress</b>	<b>152.24</b>	<b>140.71</b>	<b>138.33</b>	<b>36.52</b>	<b>1,692.86</b>	<b>700.34</b>
Re-measurement of post-employment benefit obligations:						
Actuarial (gains)/ losses	(2.33)	(66.54)	-	-	2,898.39	(604.78)
<b>Component of defined benefit cost recognised in other comprehensive income</b>	<b>(2.33)</b>	<b>(66.54)</b>	<b>-</b>	<b>-</b>	<b>2,898.39</b>	<b>(604.78)</b>

## Actuarial (gains)/ losses on obligation

(Amount in ₹ Lakhs)

Particulars	Gratuity (Unfunded)		Compensated Absences		Superannuation	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Actuarial (gain)/ loss on arising from change in demographic assumptions	-	-	-	-	-	-
Actuarial (gain)/ loss on arising from change in financial assumptions	18.59	(12.67)	25.66	(14.37)	657.68	(317.59)
Actuarial (gain)/ loss on arising from change in experience adjustments	(40.11)	(56.46)	(21.42)	(69.47)	2,240.72	(287.19)

The actuarial valuation in respect of commitments and expenses relating to unfunded Gratuity, Compensated Absences and Superannuation are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

### (a) Economic assumptions

	31 March 2017	31 March 2016
Discount rate	7.61%	8.00%
Expected rate of salary increase	5.00%	5.00%

### (b) Demographic assumptions

	31 March 2017	31 March 2016
Retirement Age	60 Years	60 Years
Mortality Table	IALM (2006 - 08)	IALM (2006 - 08)
Ages	Withdrawal rate (%)	Withdrawal rate (%)
- Upto 30 Years	3	3
- From 31 to 44 Years	2	2
- Above 44 Years	1	1

### (c) Sensitivity analysis of defined benefit obligation

(Amount in ₹ Lakhs)

	31 March 2017	31 March 2016
<b>a) Impact of the change in discount rate</b>		
i) Impact due to increase of 1.00% (31 March 2016: 0.50%)	(1,095.55)	(508.83)
ii) Impact due to decrease of 1.00% (31 March 2016: 0.50%)	896.97	554.04
<b>b) Impact of the change in salary increase</b>		
i) Impact due to increase of 1.00% (31 March 2016: 0.50%)	(134.44)	53.74
ii) Impact due to decrease of 1.00% (31 March 2016: 0.50%)	(137.90)	(59.82)

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

### (d) Maturity analysis of undiscounted defined benefit obligations

(Amount in ₹ Lakhs)

	31 March 2017	31 March 2016	1 April 2015
Less than 1 year	373.63	454.57	347.53
Year 1 to 5	814.19	591.25	559.31
More than 5 years	14,249.11	9,590.18	6,886.58

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

### 37. Earnings Per Equity Share (EPS):

Particulars	Amount in ₹ Lakhs (except number of shares)	
	For the year ended 31 March 2017	For the year ended 31 March 2016
Profit/ (loss) for the year	(63,057.28)	(43,167.43)
Weighted average number of Shares used in computing Basic earnings per equity share (Number of Shares)	2,845,433,353	2,845,433,353
Add: Effect of number of equity shares on account of Employees Stock option plans of the Company	-	-
Weighted average number of Shares used in computing Diluted earnings per equity share (Number of Shares)*	2,845,433,353	2,845,433,353
Face Value per equity share – (₹)	10.00	10.00
Basic Earnings per equity share – (₹)	(2.22)	(1.52)
Diluted Earnings per equity share – (₹)	(2.22)	(1.52)

\*ESOSs and ESOPs which are anti-dilutive have been ignored from earnings per equity share calculation.

38. The Group has taken various premises on operating leases/ leave and license and lease payments recognized in the statement of profit and loss and property, plant and equipment amounting to ₹ 774.51 lakhs and ₹ 126.45 lakhs respectively for the year ended 31 March 2017 (31 March 2016: ₹ 411.87 lakhs for statement of profit and loss and ₹ 231.75 lakhs for property, plant and equipment) in respect of the same. The underlying agreements are executed for a period generally ranging from 11 months to three years, renewable at the option of the Group and are cancellable, by giving a notice generally of 30 to 90 days. An agreement is entered into by the Parent Company for a period of 9 years with non-cancellable period of initial 3 years. There are no restrictions imposed by such leases and there are no subleases. The minimum lease rentals outstanding as at Balance Sheet dates are as under:

	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
<b>Minimum lease rentals payable</b>			
Within one year	652.23	653.19	449.93
One to Five years	540.92	1,190.03	1,556.81
Above Five Years	Nil	Nil	Nil

The Parent Company has entered into a Power Purchase Agreement with MSEDCL (Lessee) for the supply of electricity for a term of 25 years, which has been considered to include an embedded lease arrangement for the Group's power plant. Such lease is classified as operating lease, and as such the revenue is recognized on straight line basis. Considering that the capacity charges per unit is higher in the initial years, there is a negative impact to P&L on account of straightlining. Accordingly, capacity charges charged by the Group are treated as lease rentals. The minimum lease payments under non-cancellable operating leases to be charged by the Group are as follows:

	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
<b>Minimum lease rentals receivable</b>			
Within one year	98,287.20	98,287.20	98,556.48
One to Five years	335,339.28	364,378.68	393,418.08
Above Five Years	1,107,489.66	1,176,737.46	1,245,985.26

The Group has leased land, which has been classified as finance lease. The reconciliation between the total of future minimum lease payments and their present value at the end reporting period is as follows:

(Amount in ₹ Lakhs)

	Minimum lease rentals payable			
	Less than 1 year	1-5 years	More than 5 years	Total
<b>As at 31 March 2017</b>				
Lease payment	198.28	793.10	16,372.15	<b>17,363.53</b>
Finance income	198.27	793.07	14,719.94	<b>15,711.28</b>
Net present value	0.01	0.03	1,652.21	<b>1,652.25</b>
<b>As at 31 March 2016</b>				
Lease payment	198.28	793.10	16,570.42	<b>17,561.80</b>
Finance income	198.27	793.07	14,918.20	<b>15,909.54</b>
Net present value	0.01	0.03	1,652.22	<b>1,652.26</b>
<b>As at 1 April 2015</b>				
Lease payment	163.90	655.61	13,672.28	<b>14,491.79</b>
Finance income	163.90	655.59	12,306.49	<b>13,125.98</b>
Net present value	-	0.02	1,365.80	<b>1,365.82</b>

APTCL has entered into an agreement with MSETCL (Lessee) for the transmission of electricity for a term of 25 years, which has been considered have an embedded lease arrangement for the Group's power plant, this lease has been classified as finance lease. Accordingly, the transmission charges charged by the Group are treated as lease rentals. The minimum lease payments under finance leases to be charged by the Group are as follows:

(Amount in ₹ Lakhs)

	Minimum lease rentals receivable			
	Less than 1 year	1-5 years	More than 5 years	Total
<b>As at 31 March 2017</b>				
Lease payment	5,369.44	21,577.07	55,481.20	<b>82,427.71</b>
Finance income	4,810.24	18,109.57	32,512.45	<b>55,432.26</b>
Net present value	559.20	3,467.50	22,968.75	<b>26,995.45</b>
<b>As at 31 March 2016</b>				
Lease payment	5,433.00	21,375.95	61,051.76	<b>87,860.71</b>
Finance income	4,907.44	18,658.14	36,774.12	<b>60,339.70</b>
Net present value	525.56	2,717.81	24,277.64	<b>27,521.01</b>
<b>As at 1 April 2015</b>				
Lease payment	5,520.00	21,011.81	66,848.89	<b>93,380.70</b>
Finance income	5,001.27	19,069.33	41,270.37	<b>65,340.97</b>
Net present value	518.73	1,942.49	25,578.52	<b>28,039.74</b>

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

### 39 Disclosures in respect of related parties:

As per Ind AS-24 "Related Party Disclosure", the related parties where control exist or where significant influence exists and with whom transactions have taken place are as below:

#### Related parties where control exists:

<b>I. Company having substantial interest</b>	RattanIndia Infrastructure Limited (formerly known as Indiabulls Infrastructure and Power Limited)
<b>II. Enterprise over which Key Management Personnel have significant influence (with whom transactions have been entered during the year/ previous year)</b>	IIC Limited
	Sepset Constructions Limited
	Citra Real Estate Limited
	RattanIndia Solar Private Limited (Formerly known as RattanIndia Solar Limited)
	Ashkit Power Limited (w.e.f. 5 August 2015)
	Notus Infrastructure Limited
	RR Infralands Private Limited
	Vikhyat Finlease And Trading Private Limited
	Tupelo Builders Private Limited
	Priapus Infrastructure Limited
	Priapus Real Estate Private Limited <sup>#</sup>
	Priapus Properties Private Limited <sup>#</sup>
	Priapus Developers Private Limited <sup>#</sup>
<b>III. Key Management Personnel</b>	
<b>Name</b>	<b>Designation</b>
Rajiv Rattan	Chairman and Director of the Company (Whole Time Director upto 6 March 2015)
Jayant Shriniwas Kawale	Managing Director of the Company (w.e.f. 1 October 2014)
Vishna Chandra Vishwakarma	Whole Time Director of Company (upto 7 July 2015)
Himanshu Mathur	Whole Time Director of the Company (w.e.f. 8 July 2015)
Venugopal Keshanakurthy	CFO of the Company (from 12 February 2016 to 20 January 2017)
Samir Taneja	CFO of the Company (w.e.f. 8 February 2017)

<sup>#</sup> During the year, Priapus Properties Private Limited ('PPPL') and Priapus Real Estate Private Limited ('PREPL') were merged with Priapus Developers Private Limited ('PDPL').

#### IV. Summary of transactions with related parties:

(Amount in ₹ Lakhs)

Nature of transactions	Year ended	Company having Substantial Interest	Enterprises over which Key Management Personnel have significant influence	Key Management Personnel	Total
<b>Finance</b>					
Sale of investment in equity shares of subsidiary company	31-Mar-17	-	50.00	-	<b>50.00</b>
	31-Mar-16	-	95.81	-	<b>95.81</b>
Loan/ Inter corporate deposit Given	31-Mar-17	-	-	-	-
	31-Mar-16	-	3,595.00	-	<b>3,595.00</b>
Loan/ Inter corporate deposit received back	31-Mar-17	-	-	-	-
	31-Mar-16	-	9,958.50	-	<b>9,958.50</b>
Loan/ Inter corporate deposit taken	31-Mar-17	-	132,512.89	-	<b>132,512.89</b>
	31-Mar-16	13,553.50	52,026.62	-	<b>65,580.12</b>
Loan/ Inter corporate deposit repaid	31-Mar-17	-	70,961.43	-	<b>70,961.43</b>
	31-Mar-16	13,553.50	47,453.65	-	<b>61,007.15</b>

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

Nature of transactions	Year ended	Company having Substantial Interest	Enterprises over which Key Management Personnel have significant influence	Key Management Personnel	Total
<b>Expenses</b>					
Interest on loan/ Inter corporate deposit taken	31-Mar-17	-	4,439.82	-	<b>4,439.82</b>
	31-Mar-16	653.21	2,189.16	-	<b>2,842.37</b>
Construction contracts expenses	31-Mar-17	-	457.66	-	<b>457.66</b>
	31-Mar-16	-	2,423.29	-	<b>2,423.29</b>
Consultancy income (excluding taxes)	31-Mar-17	-	480.39	-	<b>480.39</b>
	31-Mar-16	-	303.06	-	<b>303.06</b>
Reimbursement received/ (made) for bank guarantee financing charges including general expenses	31-Mar-17	30.08	9.58	-	<b>39.66</b>
	31-Mar-16	36.93	1.30	-	<b>38.23</b>
Reimbursement of general expense towards employment services	31-Mar-17	-	-	0.62	<b>0.62</b>
	31-Mar-16	-	-	2.74	<b>2.74</b>
Short-term employee benefits	31-Mar-17	-	-	5,049.86	<b>5,049.86</b>
	31-Mar-16	-	-	3,682.69	<b>3,682.69</b>
Post employment benefits	31-Mar-17	-	-	4,653.63	<b>4,653.63</b>
	31-Mar-16	-	-	2,841.21	<b>2,841.21</b>
<b>Income</b>					
Interest on loans/ Inter corporate deposits given	31-Mar-17	-	-	-	
	31-Mar-16	-	9.11	-	<b>9.11</b>
<b>Others</b>					
Capital Work-in-Progress (excluding taxes)	31-Mar-17	-	13,793.37	-	<b>13,793.37</b>
	31-Mar-16	-	6,277.31	-	<b>6,277.31</b>
Capital advance	31-Mar-17	-	494.03	-	<b>494.03</b>
	31-Mar-16	-	3,869.31	-	<b>3,869.31</b>
Short term advances received back	31-Mar-17	-	-	-	-
	31-Mar-16	-	-	53.41	<b>53.41</b>
Pledge of shares	31-Mar-17	Refer note 18		-	-
	31-Mar-16			-	-



# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## V. Summary of outstanding balances:

(Amount in ₹ Lakhs)

Nature of transactions	As at ended	Company having Substantial Interest	Enterprises over which Key Management Personnel have significant influence	Key Management Personnel	Total
Reimbursement of general expense towards employment services payable	31-Mar-17	-	-	0.62	0.62
	31-Mar-16	-	-	2.74	2.74
	1-Apr-15	0.61	-	-	0.61
General and personnel cost receivable/ (payable)	31-Mar-17	-	-	-	-
	31-Mar-16	-	18.00	-	18.00
	1-Apr-15	(25.19)	18.19	-	(7.00)
Loans and advances to employees - Amount held in trust for the Company	31-Mar-17	-	-	-	-
	31-Mar-16	-	-	-	-
	1-Apr-15	-	-	53.41	53.41
Loan Given/ Inter corporate deposit given	31-Mar-17	-	-	-	-
	31-Mar-16	-	-	-	-
	1-Apr-15	-	1,192.20	-	1,192.20
Loan/ Inter corporate deposit taken	31-Mar-17	-	73,524.43	-	73,524.43
	31-Mar-16	-	11,972.97	-	11,972.97
	1-Apr-15	-	7,400.00	-	7,400.00
Trade receivable	31-Mar-17	-	549.54	-	549.54
	31-Mar-16	-	303.06	-	303.06
	1-Apr-15	-	-	-	-
Trade payable	31-Mar-17	-	2,661.81	-	2,661.81
	31-Mar-16	-	2,823.46	-	2,823.46
	1-Apr-15	-	1,387.58	-	1,387.58
Short term advance	31-Mar-17	-	1,752.87	-	1,752.87
	31-Mar-16	-	1,131.89	-	1,131.89
	1-Apr-15	-	1,418.88	-	1,418.88
Capital advances	31-Mar-17	-	79,333.71	-	79,333.71
	31-Mar-16	-	79,662.48	-	79,662.48
	1-Apr-15	-	81,657.87	-	81,657.87
Retention money payable/ Payables on purchase of property, plant and equipments	31-Mar-17	-	11,138.93	-	11,138.93
	31-Mar-16	-	10,984.93	-	10,984.93
	1-Apr-15	-	10,580.23	-	10,580.23
Employee benefit liability	31-Mar-17	-	-	14,386.26	14,386.26
	31-Mar-16	-	-	9,718.07	9,718.07
	1-Apr-15	-	-	6,862.32	6,862.32
Remuneration payable	31-Mar-17	-	-	-	-
	31-Mar-16	-	-	226.93	226.93
	1-Apr-15	-	-	-	-
Pledge of shares	31-Mar-17 31-Mar-16 1-Apr-15	- - -	Refer note 18		- - -

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## VI. Detail of outstanding balance:

Name of Related Party		(Amount in ₹ Lakhs)											
		As at ended	Reimbursement of general expense towards employment services payable	General and personnel costs receivable/ (payable)	Loans and advances to employees - amount held in trust for the Company	Loan/ inter Corporate deposit given	Loan/ inter Corporate deposit taken	Trade receivable	Trade payable	Short term advances	Capital advances	Retention money payable/ payables on purchase of fixed assets	Employee benefit liability
Company having substantial interest													
RattanIndia Infrastructure Limited (formerly known as Indiabulls Infrastructure and Power Limited)	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15	0.61	(25.19)	-	-	-	-	-	-	-	-	-	-
Enterprise over which Key Management Personnel have significant influence													
IIC Limited	31-Mar-17	-	-	-	-	-	-	-	2,661.81	1,752.87	79,333.71	11,138.93	-
	31-Mar-16	-	-	18.00	-	-	-	-	2,823.46	1,131.89	79,662.48	10,984.93	-
	1-Apr-15	-	-	18.19	-	1,192.20	-	-	1,387.58	1,418.88	81,657.87	10,580.23	-
Priapus Real Estate Private Limited	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	6,000.00	-	-	-	-	-	-
	1-Apr-15	-	-	-	-	-	-	-	-	-	-	-	-
Priapus Developers Private Limited	31-Mar-17	-	-	-	-	-	37,383.00	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15	-	-	-	-	-	-	-	-	-	-	-	-
Vikhyat Finlease And Trading Private Limited	31-Mar-17	-	-	-	-	-	27,956.43	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15	-	-	-	-	-	-	-	-	-	-	-	-
Tupelo Builders Private Limited	31-Mar-17	-	-	-	-	-	8,185.00	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15	-	-	-	-	-	-	-	-	-	-	-	-
Citra Real Estate Limited	31-Mar-17	-	-	-	-	-	-	261.88	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	130.63	-	-	-	-	-
	1-Apr-15	-	-	-	-	-	400.00	-	-	-	-	-	-
Devona Power Limited (Formerly known as Indiabulls Power Generation Limited)	31-Mar-17	-	-	-	-	-	-	199.66	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	99.28	-	-	-	-	-
	1-Apr-15	-	-	-	-	-	-	-	-	-	-	-	-
Priapus Properties Private Limited	31-Mar-17	-	-	-	-	-	5,972.97	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15	-	-	-	-	-	7,000.00	-	-	-	-	-	-
Key Management Personnel													
Rajiv Rattan	31-Mar-17	-	-	-	-	-	-	-	-	-	-	14,349.00	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	9,665.83	226.93
	1-Apr-15	-	-	-	-	-	-	-	-	-	-	6,843.08	-
Jayant Shrinivas Kawale	31-Mar-17	0.62	-	-	-	-	-	-	-	-	-	12.37	-
	31-Mar-16	2.74	-	-	-	-	-	-	-	-	-	38.01	-
	1-Apr-15	-	-	-	53.41	-	-	-	-	-	-	10.92	-

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## VII. Statement of material transactions

(Amount in ₹ Lakhs)

Name of related party	Year ended	Sale of investment in equity shares of subsidiary company	Loan/ Inter corporate deposit given	Loan/ Inter corporate deposit received back	Loan/ Inter corporate deposit taken	Loan/ Inter corporate deposit repaid	Interest on loans/ inter corporate deposits given	Interest on loans taken/ Inter corporate deposits taken	Construction contracts expenses	Consultancy income (excluding taxes)	Sale of goods	Reimbursement received of BG financing charges including general expenses
<b>Company having Substantial Interest</b>												
RattanIndia Infrastructure Limited (formerly known as Indiabulls Infrastructure and Power Limited)	31-Mar-17	-	-	-	-	-	-	-	-	-	-	30.08
	31-Mar-16	-	-	-	-	13,553.50	13,553.50	653.21	-	-	-	36.93
<b>Enterprises over which Key Management Personnel have significant influence</b>												
IIC Limited	31-Mar-17	-	-	-	-	-	-	-	457.66	-	-	2.28
	31-Mar-16	15.00	9,958.50	11,150.70	-	-	9.11	-	2,423.29	-	-	-
Priapus Infrastructure Limited	31-Mar-17	-	-	-	-	-	-	-	-	-	-	0.33
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	0.29
RattanIndia Solar Private Limited (formerly known as RattanIndia Solar Limited)	31-Mar-17	50.00	-	-	-	-	-	-	-	-	-	2.31
	31-Mar-16	75.81	-	-	-	-	-	-	-	-	-	0.46
Sepset Constructions Limited	31-Mar-17	-	-	-	-	-	-	-	-	157.50	-	4.25
	31-Mar-16	-	-	-	-	-	-	-	-	31.35	-	0.20
Poena Power Development Limited	31-Mar-17	-	-	-	-	-	-	-	-	-	-	0.41
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	0.35
Citra Real Estate Limited	31-Mar-17	-	-	-	-	-	-	-	-	143.75	-	-
	31-Mar-16	-	-	-	-	400.00	800.00	2.71	-	130.63	-	-
Priapus Real Estate Private Limited	31-Mar-17	-	-	-	-	-	6,000.00	337.64	-	-	-	-
	31-Mar-16	-	-	-	-	10,000.00	4,000.00	874.02	-	-	-	-
Devona Power Limited (Formerly known as Indiabulls Power Generation Limited)	31-Mar-17	-	-	-	-	-	-	-	-	109.94	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	99.28	-	-
Gragerious Construction Materials Limited (Formerly known as Indiabulls Construction Materials Limited)	31-Mar-17	-	-	-	-	-	-	-	-	23.00	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	41.80	-	-
Crocus Infra Reality Limited	31-Mar-17	-	-	-	-	-	-	-	-	46.20	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-
Priapus Developers Private Limited	31-Mar-17	-	-	-	-	25,724.00	23,461.00	685.08	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-
RR Infralands Pvt. Ltd.	31-Mar-17	-	-	-	-	23,598.00	23,598.00	137.52	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-
Vikhyat Finlease And Trading Private Limited	31-Mar-17	-	-	-	-	28,000.00	43.57	657.53	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-
Priapus Properties Private Limited	31-Mar-17	-	-	-	-	47,005.89	17,858.86	2,610.41	-	-	-	-
	31-Mar-16	-	-	-	-	41,626.62	42,653.65	1,312.43	-	-	-	-

## VII. Statement of material transactions

(Amount in ₹ Lakhs)

Name of Related Party	Year ended	Capital Work-in-Progress (Excluding Taxes)	Capital advances	Reimbursement of general expense towards employment services	Short term advances given/ (received back)	Short-term employee benefits	Post employment benefits
<b>Enterprises over which Key Management Personnel have significant influence</b>							
IIC Limited	31-Mar-17	13,793.37	494.03	-	-	-	-
	31-Mar-16	6,277.31	3,869.31	-	-	-	-
<b>Key Management Personnel</b>							
Rajiv Rattan	31-Mar-17	-	-	-	-	4,463.58	4,663.95
	31-Mar-16	-	-	-	-	3,306.35	2,822.75
Jayant Shriniwas Kawale	31-Mar-17	-	-	0.62	-	302.75	(25.64)
	31-Mar-16	-	-	2.74	(53.41)	250.00	7.43
Venugopal Keshanakurthy	31-Mar-17	-	-	-	-	173.59	-
	31-Mar-16	-	-	-	-	32.38	2.50

## 40. Financial instruments

### i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

### ii) Financial assets and liabilities measured at fair value - recurring fair value measurements

(Amount in ₹ Lakhs)

	Level	31 March 2017	31 March 2016	1 April 2015
<b>Financial assets</b>				
<b>Investments at FVTPL</b>				
Investments in Mutual Funds	Level 2	7,000.00	-	-
<b>Total financial assets</b>		<b>7,000.00</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>				
Derivative liability	Level 2	-	100.82	-
<b>Total financial liabilities</b>		<b>-</b>	<b>100.82</b>	<b>-</b>

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## (iii) Fair value of financial assets and liabilities measured at amortised cost

(Amount in ₹ Lakhs)

	Level	31 March 2017		31 March 2016		1 April 2015	
		Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>							
(i) Loans	Level-3	1,552.02	1,552.02	1,882.64	1,882.64	1,802.26	1,802.26
(ii) Other financial assets	Level-3	31,384.60	31,384.60	33,970.54	33,970.54	35,722.80	35,722.80
<b>Total financial assets</b>		<b>32,936.62</b>	<b>32,936.62</b>	<b>35,853.18</b>	<b>35,853.18</b>	<b>37,525.06</b>	<b>37,525.06</b>
<b>Financial liabilities</b>							
(i) Borrowings	Level-3	1,213,533.83	1,213,533.83	1,200,366.08	1,200,366.08	1,055,661.97	1,055,661.97
(ii) Other financial liabilities	Level-3	12,723.85	12,723.85	26,293.51	26,293.51	16,929.39	16,929.39
<b>Total financial liabilities</b>		<b>1,226,257.68</b>	<b>1,226,257.68</b>	<b>1,226,659.59</b>	<b>1,226,659.59</b>	<b>1,072,591.36</b>	<b>1,072,591.36</b>

The carrying amount of other financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values. (refer note 41(ii)).

## (iv) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- Mutual funds: Use of NAV's obtained from the asset manager.
- Derivatives: Use of dealer quotes for similar instruments.

## 41. Financial risk management

### i) Financial instruments by category

(Amount in ₹ Lakhs)

Particulars	31 March 2017			31 March 2016			1 April 2015		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>									
Investments in:									
Mutual Funds	7,000.00	-	-	-	-	-	-	-	-
Loans:									
Security deposits	-	-	1,898.27	-	-	2,172.85	-	-	1,940.00
Loans	-	-	12.87	-	-	19.05	-	-	61.73
Inter corporate deposits	-	-	1,320.47	-	-	1,342.97	-	-	2,544.20
Trade receivables	-	-	79,158.80	-	-	85,698.91	-	-	20,607.39
Cash and cash equivalents	-	-	27,631.07	-	-	28,521.09	-	-	21,413.44
Other bank balances	-	-	3,385.00	-	-	330.35	-	-	4,082.41
Other financial assets	-	-	51,099.78	-	-	85,803.01	-	-	45,764.71
<b>Total</b>	<b>7,000.00</b>	<b>-</b>	<b>164,506.26</b>	<b>-</b>	<b>-</b>	<b>203,888.23</b>	<b>-</b>	<b>-</b>	<b>96,413.88</b>
<b>Financial liabilities</b>									
Borrowings	-	-	1,501,569.65	-	-	1,380,771.03	-	-	1,186,714.71
Trade payable	-	-	5,322.94	-	-	28,091.38	-	-	9,203.17
Other financial liabilities	-	-	126,058.93	100.82	-	117,473.71	-	-	129,884.23
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,632,951.52</b>	<b>100.82</b>	<b>-</b>	<b>1,526,336.12</b>	<b>-</b>	<b>-</b>	<b>1,325,802.11</b>

### ii) Risk Management

The Group is exposed to various risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarised in note 41(i). The main types of risks are market risk, credit risk and liquidity risk. The most significant financial risks to which the Group is exposed are described below:

The Group's risk management is carried out by a central finance department (of the Group) under direction of the Board of Directors. The Board of Directors provides principles for overall risk management, and covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

## A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortised cost and deposits with banks and financial institutions. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at 31 March, as summarised below:

(Amount in ₹ Lakhs)

Particulars	31 March 2017	31 March 2016	1 April 2015
Loans (i)	3,231.61	3,534.87	4,545.93
Trade receivables (ii)	79,158.80	85,698.91	20,607.39
Cash and cash equivalents (iii)	27,631.07	28,521.09	21,413.44
Other bank balances (iii)	3,385.00	330.35	4,082.41
Other financial assets (i)	51,099.78	85,803.01	45,764.71

The Group continuously monitors defaults of customers and other counterparties, and incorporates this information into its credit risk controls. The Group's policy is to deal only with creditworthy counterparties.

The Group's management considers that these financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due. A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

- (i) The Group's management considers assets other than trade receivables, which are 30 days past due and analyses facts and circumstances surrounding each such defaults separately. If the facts indicate a probability of loss of value, the assets then expected cash flows are plotted in an present value based impairment model to determine the amount of impairment loss. Amounts are written off only in the following circumstances: a) no probable legal recourse is available for recovery, b) the counterparty is bankrupt, c) the cost of recovery is more than the amount or d) after all possible efforts the Group is unable to recover amounts after a period of 3 years.
- (ii) Group's major trade receivables are only with, government owned counterparty and are recovery under the power purchase agreement and bulk power transmission agreements. Therefore, these trade receivables are considered high quality and accordingly no life time expected credit losses are recognised on such receivables based on simplified approach. Any provisions against such receivables are for liquidated damages and not related to credit worthiness of the counterparty. The Group considers that trade receivables are not credit impaired as these are receivable from Government undertaking.
- (iii) The credit risk for cash and cash equivalents and other bank balances is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

## B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

### Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(Amount in ₹ Lakhs)

31 March 2017	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings*	420,147.83	948,412.98	1,271,644.32	2,640,205.13
Trade payable	5,322.94	-	-	5,322.94
Other financial liabilities	113,347.93	18,362.41	1,004.95	132,715.29
<b>Total</b>	<b>538,818.70</b>	<b>966,775.39</b>	<b>1,272,649.27</b>	<b>2,778,243.36</b>

31 March 2016	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings*	350,795.42	937,017.49	1,208,806.71	2,496,619.62
Trade payable	28,091.37	-	-	28,091.37
Other financial liabilities	91,293.86	37,737.03	1,017.79	130,048.68
<b>Total</b>	<b>470,180.65</b>	<b>974,754.52</b>	<b>1,209,824.50</b>	<b>2,654,759.67</b>

1 April 2015	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings*	268,309.94	977,681.72	779,169.21	2,025,160.87
Trade payable	9,203.17	-	-	9,203.17
Other financial liabilities	112,967.67	28,788.69	1,030.63	142,786.99
<b>Total</b>	<b>390,480.78</b>	<b>1,006,470.41</b>	<b>780,199.84</b>	<b>2,177,151.03</b>

\* Borrowings excludes finance lease obligations, refer note 38 for disclosure of maturity profile of finance lease obligations.

## C) Market Risk

### a) Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Group's functional currency.

#### Foreign currency risk exposure:

The Group's exposure to foreign currency risk at the end of the reporting periods are as follows:

Particulars	31 March 2017	31 March 2016	1 April 2015
<b>Derivatives</b>			
Forward contract outstanding (In USD buy)	-	USD 5,221,944 (₹ 3,718.78 lakhs)	-
<b>Financial liabilities</b>			
Trade payable- Acceptance	-	USD 101,327 (₹ 67.21 lakhs)	-

#### Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(Amount in ₹ Lakhs)

Particulars	31 March 2017	31 March 2016
<b>USD sensitivity</b>		
INR/USD- increase by 4.09% (31 March 2016 4.92%)*	-	179.66
INR/USD- decrease by 4.09% (31 March 2016 4.92%)*	-	(179.66)

\* Holding all other variables constant



## b) Interest rate risk

### i) Liabilities/ assets

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2017, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Group's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

### Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

(Amount in ₹ Lakhs)

Particulars	31 March 2017	31 March 2016	1 April 2015
<b>Variable rate:</b>			
Borrowings	1,499,917.40	1,379,118.77	1,185,348.88
Loan assets	-	-	-
<b>Total variable rate exposure</b>	<b>1,499,917.40</b>	<b>1,379,118.77</b>	<b>1,185,348.88</b>
<b>Fixed rate:</b>			
Borrowings	1,652.25	1,652.26	1,365.83
Loans and deposits	63,808.79	66,866.44	61,403.09
<b>Total fixed rate exposure</b>	<b>62,156.54</b>	<b>65,214.18</b>	<b>60,037.26</b>

### Sensitivity

Below is the sensitivity of profit or loss and equity due to changes in interest rates, assuming no change in other variables:

(Amount in ₹ Lakhs)

Particulars	31 March 2017	31 March 2016
<b>Interest sensitivity</b>		
Interest rates – increase by 100 basis points (31 March 2016: 150 basis points)	(15,015.70)	(20,711.57)
Interest rates – decrease by 100 basis points (31 March 2016: 150 basis points)	15,015.70	20,711.57

## c) Price risk

### Exposure

The Group is exposed to price risk in respect of its investment in mutual funds (see note 12). The mutual funds are unquoted investments.

### Sensitivity

Below is the sensitivity of profit or loss and equity changes in fair value of investments, assuming no change in other variables:

(Amount in ₹ Lakhs)

Particulars	31 March 2017	31 March 2016
<b>Price sensitivity</b>		
Price increase by 1000 basis points	700.00	-
Price decrease by 1000 basis points	(700.00)	-

## Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

### 42. Capital management

The Group's capital management objectives are

- to ensure the Group's ability to continue as a going concern
- to provide an adequate return to shareholders

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The amounts managed as capital by the Group for the reporting periods under review are summarised as follows:

(Amount in ₹ Lakhs)

Particulars	31 March 2017	31 March 2016	1 April 2015
Long-term borrowings including finance lease obligations	1,213,533.83	1,200,366.08	1,055,661.97
Current maturities of long-term borrowings including finance lease obligations	93,350.95	58,312.50	77,579.28
Short-term borrowings	163,342.59	96,516.50	32,270.03
Interest accrued on borrowings	31,342.28	25,575.95	21,203.43
<b>Total borrowings</b>	<b>1,501,569.65</b>	<b>1,380,771.03</b>	<b>1,186,714.71</b>
Less:			
Cash and cash equivalents	27,631.07	28,521.09	21,413.44
Other bank balances	8,333.35	7,305.44	12,284.20
Investment of excess fund in mutual funds	7,000.00	-	-
<b>Net debts</b>	<b>1,458,605.23</b>	<b>1,344,944.50</b>	<b>1,153,017.07</b>
<b>Total equity</b>	<b>406,873.24</b>	<b>474,775.39</b>	<b>509,235.31</b>
<b>Net debt to equity ratio</b>	<b>358.49%</b>	<b>283.28%</b>	<b>226.42%</b>

(i) Equity includes capital and all reserves of the Group that are managed as capital.

### 43. Details of assets pledged

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(Amount in ₹ Lakhs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>Current</b>			
Inventories and trade receivables (to the extent pledged)	87,308.65	112,664.05	28,958.70
Finance lease receivable	5,121.66	7,207.10	1,482.27
<b>Non Current</b>			
Finance lease receivable	26,436.25	26,995.45	27,521.01
Property, plant and equipment	1,057,636.69	904,932.72	849,769.91
Capital work-in-progress	635,031.28	665,966.91	648,323.92
Other intangibles assets	127.74	240.53	328.05
Shares of subsidiaries	271,505.61	255,559.18	201,739.95

## 44. Effective tax reconciliation

(Amount in ₹ Lakhs)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Loss before tax	(62,393.13)	(40,560.06)
Domestic tax rate	34.61%	34.61%
<b>Expected tax expense [A]</b>	<b>(21,594.26)</b>	<b>(14,037.84)</b>
Adjustment for non-deductible expenses	92.53	57.64
Adjustment for exempt income	(7.13)	(30,954.97)
Adjustment due to changes in tax rates	-	722.13
Deferred tax liability to be reversed during tax holiday period	-	15,446.67
Deferred assets on unabsorbed losses and depreciation	(433.53)	(424.64)
Deferred tax assets not recognised	22,563.77	31,318.55
Minimum alternate tax	42.77	479.83
<b>Total adjustments [B]</b>	<b>22,258.41</b>	<b>16,645.21</b>
<b>Actual tax expense [C=A+B]</b>	<b>664.15</b>	<b>2,607.37</b>
<b>Tax expense comprises:</b>		
Current tax expense	46.06	493.47
Deferred tax credit	618.09	2,113.90
<b>Tax expense recognized in Statement of profit and loss [D]</b>	<b>664.15</b>	<b>2,607.37</b>

## 45. Disclosure on Specified Bank Notes (SBN)

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

(Amount in ₹ Lakhs)

Particulars	SBNs	Other denomination Notes	Total
Closing cash on hand as on 8 November 2016	63.30	4.67	67.97
Add:- Permitted receipts	-	15.92	15.92
Less :- Permitted payments	-	6.07	6.07
Less :- Amount deposited in banks	63.30	-	63.30
Closing cash on hand as on 30 December 2016	-	14.52	14.52

For the purpose of this clause 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8 November, 2016.

46. (i) The Company had, on 20 October 2010, allotted 420,000,000 share warrants to certain Promoter Group entities which were partly paid and at the option of the warrant holders were convertible into equivalent number of Equity shares of the Company. Under the Court approved Scheme of Arrangement by and amongst Indiabulls Real Estate Limited, Indiabulls Infrastructure and Power Limited, Indiabulls Builders Limited, the Company, Poena Power Supply Limited and their respective shareholders and creditors (Scheme - 2011), it had been stipulated that any of such Warrants remaining outstanding on the day of the Scheme - 2011 becoming effective, would stand converted into partly paid Equity shares of the Company. However, prior to the effectiveness of the Scheme - 2011 the warrant holding entities conveyed to the Company their unwillingness to exercise the warrants per se, so that as on the date of effectiveness of the Scheme - 2011, no warrants were outstanding. Consequently, an amount of ₹ 30,450.00 lakhs representing the upfront money paid on these warrants was forfeited by the Board of Directors of the Company and appropriated towards the Capital Reserve of the Company.
- (ii) During the previous year, the Company received an amount of ₹ 5,876.43 lakhs consequent to disposal of its investment in IPL- PPSL Scheme Trust as part settlement of corpus of ₹ 950.00 lakhs, the resulting balance of ₹ 4,926.43 lakhs has been credited to Capital Reserves.

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## 47. Interests in other entities

The Group's subsidiaries at 31 March 2017 are set out below. Unless otherwise stated, they have share capital consisting solely of equity share that are held directly by the Group, and the proportion of ownership interest held equals the voting right held by the group as at reporting date. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the Group			Ownership interest held by non-controlling interests			Principal activities
		31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	
Airmid Power Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Albina Power Limited **	India	-	-	100%	-	-	-	Currently no principal activities
Amravati Power Transmission Company Limited	India	100%	100%	100%	-	-	-	Transmission of Power
Angina Power Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Apesh Power Limited **	India	-	-	100%	-	-	-	Currently no principal activities
Aravali Properties Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Ashkit Power Limited **	India	-	-	100%	-	-	-	Currently no principal activities
Bracond Limited	Cyprus	100%	100%	100%	-	-	-	Currently no principal activities
Chloris Power Limited **	India	-	-	100%	-	-	-	Currently no principal activities
Citra Thermal Power And Infrastructure Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Devona Thermal Power And Infrastructure Limited	India	100%	100%	99%	-	-	1%	Currently no principal activities
Diana Energy Limited	India	74%	74%	74%	26%	26%	26%	Currently no principal activities
Diana Power Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Elena Power And Infrastructure Limited	India	100%	100%	100%	-	-	-	Engineering Procurement Contractor
Fornax Power Limited **	India	-	-	100%	-	-	-	Currently no principal activities
Genoformus Limited *	Cyprus	100%	100%	100%	-	-	-	Currently no principal activities
Hecate Electric Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Hecate Energy Private Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Hecate Energy Trading Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Hecate Hydro Electric Power Limited	India	-	100%	100%	-	-	-	Currently no principal activities
Hecate Power And Energy Resources Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Hecate Power Company Limited	India	-	100%	100%	-	-	-	Currently no principal activities
Hecate Power Development Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Hecate Power Distributors Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Hecate Power Generation Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Hecate Power Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Hecate Power Management Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Hecate Power Projects Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Hecate Power Services Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Hecate Power Solutions Limited **	India	-	-	100%	-	-	-	Currently no principal activities

Name of entity	Place of business/ country of incorporation	Ownership interest held by the Group			Ownership interest held by non-controlling interests			Principal activities
		31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	
Hecate Power Supply Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Hecate Power Systems Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Hecate Power Transmission Limited	India	80%	80%	80%	20%	20%	20%	Currently no principal activities
Hecate Power Utility Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Hecate Powergen Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Hecate Thermal Power And Infrastructure Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Sentia Power Limited (formerly known as Indiabulls CSEB Bhaiyathan Power Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Sentia Electric Limited (formerly known as Indiabulls Electric Company Limited)	India	-	-	100%	-	-	-	Currently no principal activities
Sentia Electric Energy Limited (formerly known as Indiabulls Electric Energy Limited) **	India	-	-	100%	-	-	-	Currently no principal activities
Devona Electric Limited (formerly known as Indiabulls Electric Limited) **	India	-	-	100%	-	-	-	Currently no principal activities
Sentia Electric Power Limited (formerly known as Indiabulls Electric Power Limited) **	India	100%	100%	100%	-	-	-	Currently no principal activities
Sentia Electricity Limited (formerly known as Indiabulls Electricity Company Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Sentia Electricity Generation Limited (formerly known as Indiabulls Electricity Generation Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Sentia Hydro Electric Power Limited (formerly known Indiabulls Hydro Electric Power Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Sentia Hydro Energy Limited (formerly known Indiabulls Hydro Energy Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Sentia Hydro Power Limited (formerly known Indiabulls Hydro Power Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Sentia Hydro Power Projects Limited (formerly known Indiabulls Hydro Power Projects Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Devona Power Development Limited (formerly known Indiabulls Power Development Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Devona Power Distribution Limited (formerly known Indiabulls Power Distribution Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Devona Power Generation Limited (formerly known Indiabulls Power Generation Company Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Devona Power Limited (formerly known Indiabulls Power Generation Limited)	India	74%	74%	74%	26%	26%	26%	Currently no principal activities

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

Name of entity	Place of business/ country of incorporation	Ownership interest held by the Group			Ownership interest held by non-controlling interests			Principal activities
		31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	
Devona Power Infrastructure Limited (formerly known Indiabulls Power Infrastructure Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Devona Power Management Limited (formerly known Indiabulls Power Management Limited)	India	-	100%	100%	-	-	-	Currently no principal activities
Devona Power Projects Development Limited (formerly known Indiabulls Power Projects Development Limited) **	India	-	-	100%	-	-	-	Currently no principal activities
Devona Power Projects Limited (formerly known Indiabulls Power Projects Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Devona Power Solutions Limited (formerly known Indiabulls Power Solutions Limited)	India	-	100%	100%	-	-	-	Currently no principal activities
Devona Power Supply Limited (formerly known Indiabulls Power Supply Limited)	India	-	100%	100%	-	-	-	Currently no principal activities
Devona Power Systems Limited (formerly known Indiabulls Power Systems Limited)	India	-	100%	100%	-	-	-	Currently no principal activities
Albina Power Trading Limited (formerly known Indiabulls Power Trading Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Albina Power Transmission Limited (formerly known Indiabulls Power Transmission Limited)	India	100%	100%	51%	-	-	49%	Currently no principal activities
Albina Power Utility Limited (formerly known Indiabulls Power Utility Limited)	India	-	100%	100%	-	-	-	Currently no principal activities
Albina Powergen Limited (formerly known Indiabulls Powergen Limited)	India	-	100%	100%	-	-	-	Currently no principal activities
RattanIndia Nasik Power Limited (formerly known Indiabulls Realtech Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Albina Thermal Energy Limited (formerly known Indiabulls Thermal Energy Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Albina Thermal Power Limited (formerly known Indiabulls Thermal Power Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Albina Thermal Power Management Limited (formerly known Indiabulls Thermal Power Management Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Devona Thermal Power Projects Limited (formerly known Indiabulls Thermal Power Projects Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Albina Thermal Projects Limited (formerly known Indiabulls Thermal Projects Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

Name of entity	Place of business/ country of incorporation	Ownership interest held by the Group			Ownership interest held by non-controlling interests			Principal activities
		31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	
Albina Water Supply and Waste Management Services Limited* (formerly known as Indiabulls Water Supply and Waste Management Services Limited)	India	100%	100%	100%	-	-	-	Currently no principal activities
Kaya Hydropower Projects Limited	India	100%	100%	100%	-	-	-	Hydro power projects
Lenus Power Limited **	India	-	-	100%	-	-	-	Currently no principal activities
Lucina Power And Infrastructure Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Mabon Power Limited	India	-	100%	100%	-	-	-	Currently no principal activities
Mariana Power Limited **	India	-	-	100%	-	-	-	Currently no principal activities
Poana Power Systems Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Poena Power Solutions Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Poena Hydro Power Projects Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Poena Power Company Limited	India	-	100%	100%	-	-	-	Currently no principal activities
Poena Power Development Limited	India	100%	100%	100%	-	-	-	Power Generation
Poena Power Distributors Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Poena Power Generation Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Poena Power Limited	India	81%	81%	81%	19%	19%	19%	Currently no principal activities
Poena Power Management Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Poena Power Services Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Poena Power Trading Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Poena Power Utility Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Poena Thermal Power Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Renemark Limited*	Cyprus	100%	100%	100%	-	-	-	Currently no principal activities
Selene Power Company Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Sentia Thermal Power And Infrastructure Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Sepla Hydropower Projects Limited	India	100%	100%	100%	-	-	-	Hydro power projects
Sepset Thermal Power And Infrastructure Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Serida Power Limited **	India	-	-	100%	-	-	-	Currently no principal activities
Sinnar Power Transmission Company Limited*	India	100%	100%	100%	-	-	-	Transmission of Power
Tharang Warang Hydropower Projects Limited	India	100%	100%	100%	-	-	-	Hydro power projects
Triton Energy Limited	India	100%	100%	100%	-	-	-	Currently no principal activities
Varali Power Limited **	India	-	-	100%	-	-	-	Currently no principal activities
IPL-PPSL Scheme Trust	India	100%	100%	100%	-	-	-	Currently no principal activities
Zeus Energy Limited **	India	-	-	100%	-	-	-	Currently no principal activities

\* These companies are step down subsidiaries of the Company.

\*\* Sale of 10 wholly owned subsidiaries were effected during 31 March 2017 and 15 wholly owned subsidiaries were effected during 31 March 2016 to certain promoter group entities.



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of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## 48. Additional information required by Schedule III

(Amount in ₹ Lakhs)

Name of entity	31 March 2017					31 March 2016				
	Net assets (total assets minus total liabilities)		Share of profit or (loss)			Net assets (total assets minus total liabilities)		Share of profit or (loss)		
	As % of consolidated net assets	Amounts	As % of consolidated profit or loss*	Consolidated profit or loss*	As % of Consolidated comprehensive income	Total Comprehensive income*	As % of consolidated net assets	Amounts	As % of consolidated profit or loss*	Total Comprehensive income*
Albina Water Supply and Waste Management Services Limited	0.00%	(0.38)	0.00%	(0.16)	0.00%	(0.16)	0.00%	(0.22)	0.00%	(0.17)
Lucina Power And Infrastructure Limited	0.00%	(0.17)	0.00%	(0.35)	0.00%	(0.35)	0.00%	0.18	0.00%	(0.34)
Aravali Properties Limited	0.00%	(2.53)	0.00%	(0.61)	0.00%	(0.61)	0.00%	(1.92)	0.00%	(0.62)
Devona Power Limited	0.20%	819.10	0.16%	(101.19)	0.15%	(101.19)	0.19%	920.29	0.21%	(90.87)
Sentia Hydro Electric Power Limited	0.00%	(0.37)	0.00%	(0.16)	0.00%	(0.16)	0.00%	(0.21)	0.00%	(0.18)
Sentia Hydro Energy Limited	0.00%	(0.43)	0.00%	(0.16)	0.00%	(0.16)	0.00%	(0.27)	0.00%	(0.18)
Sentia Hydro Power Limited	0.00%	3.65	0.00%	0.01	0.00%	0.01	0.00%	3.64	0.01	0.00%
Sentia Hydro Power Projects Limited	0.00%	3.74	0.00%	0.03	0.00%	0.03	0.00%	3.71	0.00%	0.03
Devona Power Projects Limited	0.00%	3.21	0.00%	-	0.00%	-	0.00%	3.21	0.00%	-
Devona Power Infrastructure Limited	0.00%	(1.73)	0.00%	(0.14)	0.00%	(0.14)	0.00%	(1.59)	0.00%	(0.16)
Albina Thermal Energy Limited	0.00%	3.28	0.00%	-	0.00%	-	0.00%	3.28	0.00%	0.01
Albina Thermal Power Limited	0.00%	3.34	0.00%	-	0.00%	-	0.00%	3.34	0.00%	0.01
Sentia Electricity Limited	0.00%	(0.48)	0.00%	(0.15)	0.00%	(0.15)	0.00%	(0.32)	0.00%	(0.18)
Diana Power Limited	0.00%	2.74	0.00%	(0.02)	0.00%	(0.02)	0.00%	2.76	0.00%	(0.03)
Diana Energy Limited	0.00%	18.26	0.00%	0.09	0.00%	0.09	0.00%	18.18	0.00%	0.29
Devona Thermal Power and Infrastructure Limited	0.00%	(10.73)	0.00%	(0.61)	0.00%	(0.61)	0.00%	(10.13)	0.00%	(0.65)
Cltra Thermal Power and Infrastructure Limited	0.00%	(0.90)	0.00%	(0.16)	0.00%	(0.16)	0.00%	(0.75)	0.00%	(0.19)
Selene Power Company Limited	0.00%	6.99	0.00%	0.53	0.00%	0.53	0.00%	6.46	0.00%	0.60
Sentia Thermal Power and Infrastructure Limited	0.00%	(1.78)	0.00%	(0.60)	0.00%	(0.60)	0.00%	(1.18)	0.00%	(0.63)
Sespt Thermal Power and Infrastructure Limited	0.00%	(1.68)	0.00%	(0.61)	0.00%	(0.61)	0.00%	(1.08)	0.00%	(0.61)
Triton Energy Limited	0.00%	(2.05)	0.00%	(0.61)	0.00%	(0.61)	0.00%	(1.44)	0.00%	(0.61)
Sepila Hydropower Projects Limited	0.00%	(1.03)	0.00%	(0.60)	0.00%	(0.60)	0.00%	(0.43)	0.00%	(0.55)
Kaya Hydropower Projects Limited	0.00%	2.16	0.00%	(0.05)	0.00%	(0.05)	0.00%	2.21	0.00%	(0.05)
Tharang Warang Hydropower Projects Limited	0.00%	(0.61)	0.00%	(0.61)	0.00%	(0.61)	0.00%	(0.01)	0.00%	(0.63)
Airmid Power Limited	0.00%	(3.30)	0.00%	(0.62)	0.00%	(0.62)	0.00%	(2.69)	0.00%	(0.61)
Mabon Power Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	4.69	0.00%	0.10
Angina Power Limited	0.00%	1.05	0.00%	(0.60)	0.00%	(0.60)	0.00%	1.65	0.00%	(0.62)
Hecate Power Limited	0.00%	5.95	0.00%	0.13	0.00%	0.13	0.00%	5.82	0.00%	0.15
Hecate Power Company Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	4.39	0.00%	0.07
Hecate Power Services Limited	0.00%	5.79	0.00%	0.12	0.00%	0.12	0.00%	5.66	0.00%	0.13
Hecate Thermal Power And Infrastructure Limited	0.00%	6.08	0.00%	0.14	0.00%	0.14	0.00%	5.94	0.00%	0.16
Hecate Hydro Electric Power Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	3.14	0.00%	0.02
Hecate Power Generation Limited	0.00%	5.93	0.00%	0.13	0.00%	0.13	0.00%	5.80	0.00%	0.14
Hecate Power Distributors Limited	0.00%	5.92	0.00%	0.13	0.00%	0.13	0.00%	5.79	0.00%	0.14
Hecate Power & Energy Resources Limited	0.00%	5.95	0.00%	0.14	0.00%	0.14	0.00%	5.81	0.00%	0.15
Poena Power Limited	0.00%	0.45	0.00%	0.09	0.00%	0.09	0.00%	0.36	0.00%	0.10
Hecate Energy Trading Limited	0.00%	5.93	0.00%	0.13	0.00%	0.13	0.00%	5.80	0.00%	0.14
Hecate Energy Private Limited	0.00%	5.97	0.00%	0.14	0.00%	0.14	0.00%	5.83	0.00%	0.16
Hecate Power Projects Limited	0.00%	(0.36)	0.00%	(0.14)	0.00%	(0.14)	0.00%	(0.22)	0.00%	(0.17)
Poena Power Company Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	1.61	0.00%	(0.07)
Poena Thermal Power Limited	0.00%	5.93	0.00%	0.13	0.00%	0.13	0.00%	5.80	0.00%	0.14

# Notes to the Consolidated Financial Statements (Contd.)

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Name of entity	31 March 2017				31 March 2016			
	Net assets (total assets minus total liabilities)		Share of profit or (loss)		Net assets (total assets minus total liabilities)		Share of profit or (loss)	
	As % of consolidated net assets	Amounts	As % of consolidated profit or loss*	Consolidated profit or loss*	As % of consolidated net assets	Amounts	As % of consolidated profit or loss*	Consolidated profit or loss*
Poena Power Services Limited	0.00%	5.91	0.00%	0.13	0.00%	5.77	0.00%	0.15
Poena Power Generation Limited	0.00%	5.93	0.00%	0.13	0.00%	5.79	0.00%	0.14
Poena Power Distributors Limited	0.00%	5.95	0.00%	0.13	0.00%	5.82	0.00%	0.15
Poena Hydro Power Projects Limited	0.00%	5.83	0.00%	0.13	0.00%	5.70	0.00%	0.14
Poena Power Trading Limited	0.00%	5.94	0.00%	0.14	0.00%	5.81	0.00%	0.14
Devona Power Development Limited	0.00%	3.42	0.00%	0.01	0.00%	3.41	0.00%	0.03
Devona Power Systems Limited	0.00%	-	0.00%	-	0.00%	4.18	0.00%	0.06
Devona Power Management Limited	0.00%	-	0.00%	-	0.00%	3.29	0.00%	0.01
Devona Power Supply Limited	0.00%	-	0.00%	-	0.00%	4.16	0.00%	0.06
Albina Power Utility Limited	0.00%	-	0.00%	-	0.00%	4.18	0.00%	0.06
Devona Power Solutions Limited	0.00%	-	0.00%	-	0.00%	4.17	0.00%	0.06
Albina Power Transmission Limited	0.00%	11.39	0.00%	0.37	0.00%	11.01	0.00%	0.39
Devona Power Generation Limited	0.00%	0.49	0.00%	(0.55)	0.00%	1.04	0.00%	(0.52)
Albina Powergen Limited	0.00%	-	0.00%	-	0.00%	3.30	0.00%	0.03
Hecate Power Development Limited	0.00%	5.92	0.00%	0.13	0.00%	5.79	0.00%	0.14
Hecate Power Systems Limited	0.00%	4.00	0.00%	(0.14)	0.00%	4.14	0.00%	(0.15)
Hecate Power Management Limited	0.00%	5.89	0.00%	0.13	0.00%	5.76	0.00%	0.14
Hecate Power Supply Limited	0.00%	5.86	0.00%	0.12	0.00%	5.74	0.00%	0.15
Hecate Power Utility Limited	0.00%	5.50	0.00%	0.10	0.00%	5.40	0.00%	0.13
Hecate Power Transmission Limited	0.00%	(0.61)	0.00%	(0.15)	0.00%	(0.46)	0.00%	(0.15)
Hecate Powergen Limited	0.00%	5.91	0.00%	0.12	0.00%	5.79	0.00%	0.14
Hecate Electric Limited	0.00%	4.53	0.00%	0.05	0.00%	4.48	0.00%	0.07
Poena Power Systems Limited	0.00%	0.26	0.00%	0.12	0.00%	0.14	0.00%	0.14
Poena Power Management Limited	0.00%	(0.28)	0.00%	(0.16)	0.00%	(0.13)	0.00%	(0.14)
Poena Power Utility Limited	0.00%	5.93	0.00%	0.13	0.00%	5.81	0.00%	0.15
Poena Power Solutions Limited	0.00%	5.95	0.00%	0.14	0.00%	5.81	0.00%	0.16
Sentia Electric Limited	0.00%	(0.51)	0.00%	(0.62)	0.00%	0.11	0.00%	(0.59)
Sentia Electricity Generation Limited	0.00%	3.31	0.00%	0.01	0.00%	3.30	0.00%	-
Albina Thermal Power Management Limited	0.00%	3.36	0.00%	-	0.00%	3.36	0.00%	0.02
Devona Thermal Power Projects Limited	0.00%	3.37	0.00%	0.01	0.00%	3.37	0.00%	0.03
Albina Thermal Projects Limited	0.00%	3.30	0.00%	-	0.00%	3.30	0.00%	0.02
Albina Power Trading Limited	0.06%	232.77	0.00%	0.89	0.05%	231.88	0.01%	(2.43)
Devona Power Distribution Limited	0.00%	0.81	0.00%	(0.10)	0.00%	0.91	0.00%	(0.09)
Bracond Limited - Consol	15.36%	62,512.76	0.22%	(140.87)	0.21%	64,092.74	0.28%	(120.19)
Sentia Power Limited	0.00%	5.10	0.00%	(1.21)	0.00%	6.30	0.00%	(1.45)
Poena Power Development Limited	0.00%	(9.43)	0.01%	(5.97)	0.00%	(3.46)	0.01%	(5.62)
Sinar Power Transmission Company Limited	1.24%	5,040.01	0.00%	(2.71)	0.00%	1,397.98	0.02%	(7.95)
Amravati Power Transmission Company Limited	2.33%	9,474.87	-3.72%	2,347.14	1.50%	7,127.77	0.49%	(210.54)
Elena Power And Infrastructure Limited	-1.51%	(6,158.50)	2.48%	(1,562.02)	6.53%	(4,441.20)	2.58%	(1,112.82)
JPL-PPSL Scheme Trust	0.26%	1,075.00	0.00%	-	-0.32%	1,075.00	0.00%	-
RattanIndia Nasik Power Limited (formerly known as Indiabulls Realtech Limited)	49.61%	201,967.85	46.98%	(29,621.18)	43.57%	200,175.42	64.58%	(27,877.98)
RattanIndia Power Limited	121.79%	495,795.97	50.83%	(32,052.07)	47.18%	527,823.72	25.08%	(10,825.19)
Total Eliminations/ Consolidation Adjustment	-89.38%	(363,845.82)	3.03%	(1,913.46)	5.79%	(326,333.85)	6.74%	(2,908.77)
<b>Total</b>	<b>100.00%</b>	<b>407,090.84</b>	<b>100.00%</b>	<b>(63,057.28)</b>	<b>100.00%</b>	<b>475,013.34</b>	<b>100.00%</b>	<b>(43,167.43)</b>
								<b>(40,362.07)</b>

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## 49. First time adoption of Ind AS

These are the Group's first consolidated financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 3 have been applied in preparing the consolidated financial statements for the year ended 31 March 2017, the comparative information presented in these consolidated financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the Group's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in the following tables and notes.

### A Ind AS optional exemptions

#### 1 Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

#### 2 Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The Group has elected to apply this exemption for such contracts/ arrangements.

#### 3 Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. The Group elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

### B Ind AS mandatory exceptions

#### 1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

#### 2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

- The effects of the retrospective application or retrospective restatement are not determinable;
- The retrospective application or restatement requires assumptions about what management's intent would have been in that period;

The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

### 3 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

### C (i) Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

#### 1 Reconciliation of total equity as at 31 March 2016 and 1 April 2015

(Amount in ₹ Lakhs)

	Notes to first time adoption	31 March 2016	1 April 2015
<b>Total equity (shareholder's funds) as per previous GAAP</b>		<b>499,927.41</b>	<b>509,834.97</b>
<b>Adjustments:</b>			
Arrangements in respect of generation assets considered as operating lease and straight lining income on such operating leases	Note – 1	(22,303.65)	1,088.03
Financial assets and liabilities accounted for at fair value at inception, and subsequently at amortised cost	Note – 2	(1,384.60)	614.06
Impact of consolidation of IPL-PPSL Scheme Trust as subsidiary	Note – 3	(1,075.00)	(2,025.00)
Effect of changes in pattern of recognition of lease rentals and incentives	Note – 4	(140.15)	-
Others		(4.67)	(3.39)
<b>Total adjustments</b>		<b>(24,908.07)</b>	<b>(326.30)</b>
<b>Total equity as per Ind AS</b>		<b>475,019.34</b>	<b>509,508.67</b>

#### 2 Reconciliation of total comprehensive income for the year ended 31 March 2016

(Amount in ₹ Lakhs)

	Notes to first time adoption	31 March 2016
<b>Profit/ (loss) after tax as per previous GAAP</b>		<b>(19,093.27)</b>
<b>Adjustments:</b>		
Arrangements in respect of generation assets considered as operating lease and straight lining income on such operating leases	Note – 1	(23,391.51)
Financial assets and liabilities accounted for at fair value at inception, and subsequently at amortised cost	Note – 2	(1,996.67)
Effect of changes in pattern of recognition of lease rentals and incentives	Note – 4	(140.15)
Actuarial gain/ (loss)		1,457.39
Others		(3.22)
<b>Profit/ (loss) after tax under Ind AS</b>		<b>(43,167.43)</b>
Re-measurement of post employment defined benefit plans	Note – 5	(1,457.39)
Changes in foreign currency translation reserve - forming part of other comprehensive income		4,262.75
<b>Total comprehensive income for the year ended 31 March 2016</b>		<b>(40,362.07)</b>

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## (ii) - Reconciliation between previous GAAP and Ind AS for impact on balance sheet

(Amount in ₹ Lakhs)

Sr. No.	Particulars	Notes to first time adoption	Previous GAAP as at 31 March 2016	Adjustments	Ind AS as at 31 March 2016	Previous GAAP as at 1 April 2015	Adjustments	Ind AS as at 1 April 2015
	<b>ASSETS</b>							
	<b>Non-current assets</b>							
(a)	Property, plant and equipment	1	955,086.44	(28,591.94)	926,494.50	879,123.62	(29,296.90)	849,826.72
(b)	Capital work-in-progress	2	682,901.77	(17,020.83)	665,880.94	667,388.16	(15,390.28)	651,997.88
(c)	Goodwill		31.23	-	31.23	31.23	-	31.23
(d)	Other intangible assets		240.53	-	240.53	328.05	-	328.05
(e)	Financial assets							
(i)	Investments	2	1,075.00	(1,075.00)	-	2,025.00	(2,025.00)	-
(ii)	Loans	2	2,099.54	(216.90)	1,882.64	1,943.73	(141.47)	1,802.26
(iii)	Other financial asset	2&4	6,975.09	26,995.45	33,970.54	8,201.79	27,521.01	35,722.80
(f)	Deferred tax assets (net)		1,185.84	-	1,185.84	1,173.82	-	1,173.82
(g)	Non-current tax assets (net)		4,435.02	-	4,435.02	3,830.95	-	3,830.95
(h)	Other non-current assets	2	135,632.86	929.61	136,562.47	156,787.11	1,203.46	157,990.57
			<b>1,789,663.32</b>	<b>(18,979.61)</b>	<b>1,770,683.71</b>	<b>1,720,833.46</b>	<b>(18,129.18)</b>	<b>1,702,704.28</b>
	<b>Current assets</b>							
(a)	Inventories		26,965.17	-	26,965.17	8,351.30	-	8,351.30
(b)	Financial assets							
(i)	Trade receivables		85,698.91	-	85,698.91	20,607.39	-	20,607.39
(ii)	Cash and cash equivalents		28,521.09	-	28,521.09	21,413.44	-	21,413.44
(iii)	Other bank balances		330.35	-	330.35	4,082.41	-	4,082.41
(iv)	Loans		1,652.23	-	1,652.23	2,743.67	-	2,743.67
(v)	Other financial assets	2	51,306.89	525.58	51,832.47	9,789.84	252.07	10,041.91
(c)	Current tax assets (net)		0.10	-	0.10	-	-	-
(d)	Other current assets	2	87,933.58	35.95	87,969.53	80,588.90	292.70	80,881.60
			<b>282,408.32</b>	<b>561.53</b>	<b>282,969.85</b>	<b>147,576.95</b>	<b>544.77</b>	<b>148,121.72</b>
			<b>2,072,071.64</b>	<b>(18,418.08)</b>	<b>2,053,653.56</b>	<b>1,868,410.41</b>	<b>(17,584.41)</b>	<b>1,850,826.00</b>
	<b>EQUITY AND LIABILITIES</b>							
	<b>EQUITY</b>							
(a)	Equity share capital		295,293.34	(10,750.00)	284,543.34	295,293.34	(20,250.00)	275,043.34
(b)	Other equity		204,449.28	(14,217.23)	190,232.05	214,353.37	19,838.60	234,191.97
(c)	Non-controlling interests		184.79	59.16	243.95	188.26	85.10	273.36
			<b>499,927.41</b>	<b>(24,908.07)</b>	<b>475,019.34</b>	<b>509,834.97</b>	<b>(326.30)</b>	<b>509,508.67</b>
	<b>LIABILITIES</b>							
	<b>Non-current liabilities</b>							
(a)	Financial liabilities							
(i)	Borrowings	2	1,204,203.53	(3,837.45)	1,200,366.08	1,060,037.89	(4,375.92)	1,055,661.97
(ii)	Other financial liabilities	2	37,792.79	(11,499.28)	26,293.51	28,844.41	(11,915.02)	16,929.39
(b)	Deferred tax liabilities (net)		2,776.18	146.11	2,922.29	686.50	121.89	808.39
(c)	Provisions		10,423.86	-	10,423.86	7,408.76	-	7,408.76
(d)	Other non-current liabilities	4	3,130.00	22,303.65	25,433.65	3,130.00	-	3,130.00
			<b>1,258,326.36</b>	<b>7,113.03</b>	<b>1,265,439.39</b>	<b>1,100,107.56</b>	<b>(16,169.05)</b>	<b>1,083,938.51</b>
	<b>Current liabilities</b>							
(a)	Financial Liabilities							
(i)	Borrowings		96,516.50	-	96,516.50	32,270.03	-	32,270.03
(ii)	Trade payables	2	28,150.56	(59.18)	28,091.38	9,203.17	-	9,203.17
(iii)	Other financial liabilities	2&4	175,733.33	(563.86)	175,169.47	212,826.61	(1,089.06)	211,737.55
(b)	Other current liabilities		9,955.22	-	9,955.22	696.95	-	696.95
(c)	Provisions		2,963.64	-	2,963.64	3,437.61	-	3,437.61
(d)	Current tax liabilities (net)		498.62	-	498.62	33.51	-	33.51
			<b>313,817.87</b>	<b>(623.04)</b>	<b>313,194.83</b>	<b>258,467.88</b>	<b>(1,089.06)</b>	<b>257,378.82</b>
			<b>2,072,071.64</b>	<b>(18,418.08)</b>	<b>2,053,653.56</b>	<b>1,868,410.41</b>	<b>(17,584.41)</b>	<b>1,850,826.00</b>

## (iii)- Reconciliation between previous GAAP and Ind AS for impact on Statement of profit and loss

(Amount in ₹ Lakhs)

Particulars	Notes to first time adoption	Previous GAAP For the year 31 March 2016	Adjustments	Ind AS For the year 31 March 2016
<b>Revenue</b>				
Revenue from operations	1 & 4	283,505.82	(23,910.41)	259,595.41
Other income	2	8,081.47	27.18	8,108.65
		<b>291,587.29</b>	<b>(23,883.23)</b>	<b>267,704.06</b>
<b>Expenses</b>				
Cost of fuel, water and power consumed		144,225.30	-	144,225.30
Employee benefits expense	5	10,872.27	(1,455.26)	9,417.01
Finance costs	2	118,132.60	2,266.40	120,399.00
Depreciation and amortisation expense	2	24,264.53	(664.26)	23,600.27
Other expenses	2	10,600.36	22.18	10,622.54
		<b>308,095.06</b>	<b>169.06</b>	<b>308,264.12</b>
<b>Profit/ (loss) before tax</b>		<b>(16,507.77)</b>	<b>(24,052.29)</b>	<b>(40,560.06)</b>
Tax expense		2,583.14	24.23	2,607.37
<b>Net Profit/ (loss) for the year</b>		<b>(19,090.91)</b>	<b>(24,076.52)</b>	<b>(43,167.43)</b>
Other comprehensive income				
A. Items that will not be reclassified to profit and loss				
i) Re-measurements of defined benefit plans	5	-	(1,457.39)	(1,457.39)
B. Items that will be reclassified to profit or loss				
i) Exchange differences in translating the foreign operations		-	4,262.75	4,262.75
<b>Other comprehensive income for the year</b>		<b>-</b>	<b>2,805.36</b>	<b>2,805.36</b>
<b>Total comprehensive income for the year</b>		<b>(19,090.91)</b>	<b>(21,271.16)</b>	<b>(40,362.07)</b>

### Note – 1

#### Arrangements in respect of generation assets considered as operating lease and straight lining income on such operating leases

Under previous GAAP, arrangement for sale of electricity has been considered has revenue transaction and amount received has been considered revenue from sale of electricity.

Under Ind AS this arrangement has been considered an operating lease in accordance with Appendix C of Ind AS 17, portion of consideration received/ receivable from sale of electricity has been considered as lease rent and this has been straight lined over the lease term.

### Note – 2

#### Financial assets and liabilities at amortised cost

Under previous GAAP, all financial assets and financial liabilities were carried at cost.

Under Ind AS, financial assets and financial liabilities are initially measured at fair value and subsequently certain financial assets and liabilities are measured at amortised cost which involves the application of effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the fair value amount on the date of recognition of financial asset or financial liability.

### Note – 3

#### Impact of consolidation of IPL-PPSL Scheme Trust as subsidiary

Under Ind AS, the Parent Company was concluded to control over the IPL-PPSL Scheme Trust, which was accordingly consolidated as a subsidiary of the Parent Company. Upon consolidation of IPL-PPSL Scheme Trust, equity shares on the Parent Company held by IPL-PPSL Scheme Trust were treated as treasury shares by the Group and reduced form Equity.

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## Note – 4

### Effect of changes in pattern of recognition of lease rentals and incentives

Under Ind AS, lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Also lessee shall recognise the aggregate benefit of incentive as a reduction of rental expenses over the lease term, on a straight-line basis.

## Note – 5

### Remeasurements of post-employment benefit obligations

Under Ind AS, re-measurements i.e. actuarial gains and losses, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the profit or loss for the year.

### 50. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	(Amount in ₹ Lakhs)	
	As at 31 March 2017	As at 31 March 2016
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	Nil	Nil
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

The above information and that given in Note 23 - 'Trade Payables' 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.

51. During the year, the Group sold its investments at cost in 10 wholly owned subsidiaries; viz. Mabon Power Limited, Hecate Power Company Limited, Hecate Hydro Electric Power Limited, Poena Power Company Limited, Devona Power Systems Limited, Devona Power Management Limited, Devona Power Supply Limited, Albina Power Utility Limited, Devona Power Solutions Limited, Albina Powergen Limited.
52. The Company is engaged in power generation and the setting up of power projects for generating, transmitting and supplying all forms of electrical energy and to undertake allied/ incidental activities in connection therewith. Considering the nature of the Company's business and operations, and the information reviewed by the Chief Operating Decision Maker (CODM) to allocate resources and assess performance, the company has one reportable business segment i.e. "Power generation and allied activities" as per the requirements of Ind AS 108 – 'Operating Segments'. Revenue of ₹ 133,450.34 lakhs (31 March 2016- ₹ 254,106.14 lakhs) are derived from a single external customer and the Company operates in one geography.
53. In respect of amounts as mentioned under Section 125 of the Companies Act, 2013, there are no delays in transfer of dues required to be credited to the Investor Education and Protection Fund as at 31 March 2017. There were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2016 and 1 April 2015.



54. The Board of Directors of Parent Company in its meeting held on 22 May 2017 has decided to constitute a Refinancing and Restructuring Committee to (a) evaluate various refinancing/ restructuring schemes (including S4A) under guidelines issued by RBI from time to time for Amravati power plant under the Company and (b) consider, examine and evaluate the ways and means of bringing about a restructuring of the core business of the Company through a proposed demerger of Nashik plant from the Company, in a mode and manner which is in the best interests of the two companies and their shareholders. The necessary steps in this direction shall be taken post a thorough examination and evaluation of the proposals received from the said committee.
55. The Parent Company is covered under Section 135 of the Companies Act, 2013 and accordingly constituted a Corporate Social Responsibility Committee of the Board. However, as the Company did not have average net profits based on the immediately preceding three financial years, the Company is not required to spend amounts towards Corporate Social Responsibility in terms of the Companies Act, 2013.

**For Walker Chandio & Co. LLP**  
**Chartered Accountants**

**per Neeraj Goel**  
**Partner**

**For and on behalf of the Board of Directors**

**Rajiv Rattan**  
**Chairman**  
**DIN: 00010849**

**Jayant Kawale**  
**Managing Director**  
**DIN: 00076038**

**Samir Taneja**  
**Chief Financial Officer**

**Gaurav Toshkhani**  
**Company Secretary**

Place: New Delhi  
Date: 22 May 2017

# Form AOC 1

(Pursuant to first proviso to sub-section(3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

## Form AOC-1

(Pursuant to first proviso to sub-section(3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

### Statement Containing Salient features of the financial statement of subsidiaries/associates companies/ joint ventures

#### Part "A": Subsidiaries

S. No.	Name of Subsidiary	Date of Acquisition	Reporting Period	Reporting Currency	Exchange rate	Share capital	Other Equity	Total Assets	Total Liability	Total Investments	Revenue from operations	Profit/(loss) before tax	Tax Expense	Profit/(loss) after Tax	Total Comprehensive Income	Proposed Dividend	% Shareholding
1	Albina Water Supply and Waste Management Services Limited (formally known as Indiabulls Water Supply and Waste Management Services Limited)*	17 May 2010	31 March 2017	INR	1	9.09	(9.47)	0.05	0.43	-	-	(0.16)	-	(0.16)	(0.16)	-	100%
2	Lucina Power And Infrastructure Limited	3 December 2008	31 March 2017	INR	1	12.00	(12.17)	0.95	1.12	-	-	(0.35)	-	(0.35)	(0.35)	-	100%
3	Aravali Properties Limited	3 December 2008	31 March 2017	INR	1	41.00	(43.53)	0.54	3.08	-	-	(0.61)	-	(0.61)	(0.61)	-	100%
4	Devona Power Limited (formally known as Indiabulls Power Generation Limited)	3 December 2008	31 March 2017	INR	1	50.00	769.10	2,890.37	2,071.26	-	-	(155.37)	(54.18)	(101.19)	(101.19)	-	74%
5	Sentia Hydro Electric Power Limited (formally known as Indiabulls Hydro Electric Power Limited)	3 December 2008	31 March 2017	INR	1	12.62	(12.99)	0.06	0.43	-	-	(0.16)	-	(0.16)	(0.16)	-	100%
6	Sentia Hydro Energy Limited (formally known as Indiabulls Hydro Energy Limited)	3 December 2008	31 March 2017	INR	1	22.55	(22.98)	0.05	0.48	-	-	(0.16)	-	(0.16)	(0.16)	-	100%
7	Sentia Hydro Power Limited (formally known as Indiabulls Hydro Power Limited)	3 December 2008	31 March 2017	INR	1	5.00	(1.35)	3.77	0.12	-	-	0.01	-	0.01	0.01	-	100%
8	Sentia Hydro Power Projects Limited (formally known as Indiabulls Hydro Power Projects Limited)	3 December 2008	31 March 2017	INR	1	5.00	(1.26)	3.86	0.12	-	-	0.03	-	0.03	0.03	-	100%
9	Devona Power Projects Limited (formally known as Indiabulls Power Projects Limited)	3 December 2008	31 March 2017	INR	1	5.00	(1.79)	3.33	0.12	-	-	-	-	-	-	-	100%
10	Devona Power Infrastructure Limited (formally known as Indiabulls Power Infrastructure Limited)	3 December 2008	31 March 2017	INR	1	45.00	(46.73)	0.09	1.82	-	-	(0.14)	-	(0.14)	(0.14)	-	100%

# Form AOC 1 (Contd.)

(Pursuant to first proviso to sub-section(3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

S. No.	Name of Subsidiary	Date of Acquisition	Reporting Period	Reporting Currency	Exchange rate	Share capital	Other Equity	Total Assets	Total Liability	Total Investments	Revenue from operations	Profit/(loss) before tax	Tax Expense	Profit/(loss) after Tax	Total Comprehensive Income	Proposed Dividend	% Shareholding
11	Albina Thermal Energy Limited (formerly known as Indiabulls Thermal Energy Limited)	3 December 2008	31 March 2017	INR	1	5.00	(1.72)	3.40	0.12	-	-	-	-	-	-	-	100%
12	Albina Thermal Power Limited (formerly known as Indiabulls Thermal Power Limited)	3 December 2008	31 March 2017	INR	1	5.00	(1.66)	3.46	0.12	-	-	-	-	-	-	-	100%
13	Sentia Electricity Limited (formerly known as Indiabulls Electricity Company Limited)	3 December 2008	31 March 2017	INR	1	16.00	(16.48)	0.07	0.55	-	-	(0.15)	-	(0.15)	(0.15)	-	100%
14	Diana Power Limited	3 December 2008	31 March 2017	INR	1	5.00	(2.26)	2.86	0.12	-	-	(0.02)	-	(0.02)	(0.02)	-	100%
15	Diana Energy Limited	3 December 2008	31 March 2017	INR	1	50.00	(31.74)	18.84	0.58	-	-	0.09	-	0.09	0.09	-	74%
16	Devona Thermal Power and Infrastructure Limited	3 December 2008	31 March 2017	INR	1	115.00	(125.73)	0.17	10.91	-	-	(0.61)	-	(0.61)	(0.61)	-	100%
17	Citra Thermal Power and Infrastructure Limited	3 December 2008	31 March 2017	INR	1	20.00	(20.90)	0.12	1.02	-	-	(0.16)	-	(0.16)	(0.16)	-	100%
18	Selene Power Company Limited	3 December 2008	31 March 2017	INR	1	5.00	1.99	15.45	8.47	-	-	0.53	-	0.53	0.53	-	100%
19	Sentia Thermal Power and Infrastructure Limited	3 December 2008	31 March 2017	INR	1	6.89	(8.67)	0.04	1.82	-	-	(0.60)	-	(0.60)	(0.60)	-	100%
20	Sepset Thermal Power and Infrastructure Limited	3 December 2008	31 March 2017	INR	1	5.60	(7.28)	0.08	1.76	-	-	(0.61)	-	(0.61)	(0.61)	-	100%
21	Triton Energy Limited	3 December 2008	31 March 2017	INR	1	5.00	(7.05)	0.06	2.11	-	-	(0.61)	-	(0.61)	(0.61)	-	100%
22	Sepla Hydropower Projects Limited	3 December 2008	31 March 2017	INR	1	6.00	(7.03)	108.57	109.60	-	-	(0.60)	-	(0.60)	(0.60)	-	100%
23	Kaya Hydropower Projects Limited	3 December 2008	31 March 2017	INR	1	5.00	(2.84)	99.71	97.54	-	-	(0.05)	-	(0.05)	(0.05)	-	100%
24	Tharang Warang Hydropower Projects Limited	3 December 2008	31 March 2017	INR	1	25.00	(25.61)	96.67	97.28	-	-	(0.61)	-	(0.61)	(0.61)	-	100%
25	Airmid Power Limited	3 December 2008	31 March 2017	INR	1	33.00	(36.30)	0.03	3.33	-	-	(0.62)	-	(0.62)	(0.62)	-	100%
26	Angina Power Limited	3 December 2008	31 March 2017	INR	1	5.00	(3.95)	64.57	63.52	-	-	(0.60)	-	(0.60)	(0.60)	-	100%
27	Hecate Power Limited	3 December 2008	31 March 2017	INR	1	5.00	0.95	6.07	0.12	-	-	0.13	-	0.13	0.13	-	100%
28	Hecate Power Services Limited	3 December 2008	31 March 2017	INR	1	5.00	0.79	5.90	0.12	-	-	0.12	-	0.12	0.12	-	100%
29	Hecate Thermal Power And Infrastructure Limited	3 December 2008	31 March 2017	INR	1	5.00	1.08	6.19	0.12	-	-	0.14	-	0.14	0.14	-	100%
30	Hecate Power Generation Limited	3 December 2008	31 March 2017	INR	1	5.00	0.93	6.05	0.12	-	-	0.13	-	0.13	0.13	-	100%

# Form AOC 1 (Contd.)

(Pursuant to first proviso to sub-section(3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

S. No.	Name of Subsidiary	Date of Acquisition	Reporting Period	Reporting Currency	Exchange rate	Share capital	Other Equity	Total Assets	Total Liability	Total Investments	Revenue from operations	Profit/(loss) before tax	Tax Expense	Profit/(loss) after Tax	Total Comprehensive Income	Proposed Dividend	% Shareholding
31	Hecate Power Distributors Limited	3 December 2008	31 March 2017	INR	1	5.00	0.92	6.03	0.12	-	-	0.13	-	0.13	0.13	-	100%
32	Hecate Power and Energy Resources Limited	3 December 2008	31 March 2017	INR	1	5.00	0.95	6.07	0.12	-	-	0.14	-	0.14	0.14	-	100%
33	Poena Power Limited	3 December 2008	31 March 2017	INR	1	7.00	(6.55)	5.11	4.67	-	-	0.09	-	0.09	0.09	-	81.43%
34	Hecate Energy Trading Limited	3 December 2008	31 March 2017	INR	1	5.00	0.93	6.05	0.12	-	-	0.13	-	0.13	0.13	-	100%
35	Hecate Energy Private Limited	3 December 2008	31 March 2017	INR	1	5.00	0.97	6.20	0.23	-	-	0.14	-	0.14	0.14	-	100%
36	Hecate Power Projects Limited	3 December 2008	31 March 2017	INR	1	5.92	(6.28)	0.11	0.47	-	-	(0.14)	-	(0.14)	(0.14)	-	100%
37	Poena Thermal Power Limited	3 December 2008	31 March 2017	INR	1	5.00	0.93	6.04	0.12	-	-	0.13	-	0.13	0.13	-	100%
38	Poena Power Services Limited	3 December 2008	31 March 2017	INR	1	5.00	0.91	6.02	0.12	-	-	0.13	-	0.13	0.13	-	100%
39	Poena Power Generation Limited	3 December 2008	31 March 2017	INR	1	5.00	0.93	6.04	0.12	-	-	0.13	-	0.13	0.13	-	100%
40	Poena Power Distributors Limited	3 December 2008	31 March 2017	INR	1	5.00	0.95	6.06	0.12	-	-	0.13	-	0.13	0.13	-	100%
41	Poena Hydro Power Projects Limited	3 December 2008	31 March 2017	INR	1	5.00	0.83	5.94	0.12	-	-	0.13	-	0.13	0.13	-	100%
42	Poena Power Trading Limited	3 December 2008	31 March 2017	INR	1	5.00	0.94	6.06	0.12	-	-	0.14	-	0.14	0.14	-	100%
43	Devona Power Development Limited (formally known as Indiabulls Power Development Limited)	3 December 2008	31 March 2017	INR	1	5.00	(1.58)	3.53	0.12	-	-	0.01	-	0.01	0.01	-	100%
44	Albina Power Transmission Limited (formally known as Indiabulls Power Transmission Limited)	3 December 2008	31 March 2017	INR	1	10.00	1.39	11.50	0.12	-	-	0.37	-	0.37	0.37	-	100%
45	Devona Power Generation Limited (formally known as Indiabulls Power Generation Company Limited)	3 December 2008	31 March 2017	INR	1	5.00	(4.51)	1.07	0.58	-	-	(0.55)	-	(0.55)	(0.55)	-	100%
46	Hecate Power Development Limited	3 December 2008	31 March 2017	INR	1	5.00	0.92	6.03	0.12	-	-	0.13	-	0.13	0.13	-	100%
47	Hecate Power Systems Limited	3 December 2008	31 March 2017	INR	1	5.00	(1.00)	14.54	10.54	-	-	(0.14)	-	(0.14)	(0.14)	-	100%
48	Hecate Power Management Limited	3 December 2008	31 March 2017	INR	1	5.00	0.89	6.01	0.12	-	-	0.13	-	0.13	0.13	-	100%
49	Hecate Power Supply Limited	3 December 2008	31 March 2017	INR	1	5.00	0.86	5.98	0.12	-	-	0.12	-	0.12	0.12	-	100%
50	Hecate Power Utility Limited	3 December 2008	31 March 2017	INR	1	5.00	0.50	5.61	0.12	-	-	0.10	-	0.10	0.10	-	100%

(Pursuant to first proviso to sub-section(3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

S. No.	Name of Subsidiary	Date of Acquisition	Reporting Period	Reporting Currency	Exchange rate	Share capital	Other Equity	Total Assets	Total Liability	Total Investments	Revenue from operations	Profit/(loss) before tax	Tax Expense	Profit/(loss) after Tax	Total Comprehensive Income	Proposed Dividend	% Shareholding
51	Hecate Power Transmission Limited	3 December 2008	31 March 2017	INR	1	12.27	(12.88)	0.13	0.74	-	-	(0.15)	-	(0.15)	(0.15)	-	80.03%
52	Hecate Powergen Limited	3 December 2008	31 March 2017	INR	1	5.00	0.91	6.03	0.12	-	-	0.12	-	0.12	0.12	-	100%
53	Hecate Electric Limited	3 December 2008	31 March 2017	INR	1	5.00	(0.47)	4.64	0.12	-	-	0.05	-	0.05	0.05	-	100%
54	Poana Power Systems Limited	3 December 2008	31 March 2017	INR	1	9.50	(9.24)	5.99	5.74	-	-	0.12	-	0.12	0.12	-	100%
55	Poana Power Management Limited	3 December 2008	31 March 2017	INR	1	5.00	(5.28)	0.03	0.32	-	-	(0.16)	-	(0.16)	(0.16)	-	100%
56	Poana Power Utility Limited	3 December 2008	31 March 2017	INR	1	5.00	0.93	6.05	0.12	-	-	0.13	-	0.13	0.13	-	100%
57	Poana Power Solutions Limited	3 December 2008	31 March 2017	INR	1	5.00	0.95	6.07	0.12	-	-	0.14	-	0.14	0.14	-	100%
58	Sentia Electric Limited (formerly known as Indiabulls Electric Company Limited)	3 December 2008	31 March 2017	INR	1	5.00	(5.51)	0.07	0.58	-	-	(0.62)	-	(0.62)	(0.62)	-	100%
59	Sentia Electricity Generation Limited (formerly known as Indiabulls Electricity Generation Limited)	3 December 2008	31 March 2017	INR	1	5.00	(1.69)	3.43	0.12	-	-	0.01	-	0.01	0.01	-	100%
60	Albina Thermal Power Management Limited (formerly known as Indiabulls Thermal Power Management Limited)	3 December 2008	31 March 2017	INR	1	5.00	(1.64)	3.47	0.12	-	-	-	-	-	-	-	100%
61	Devona Thermal Power Projects Limited (formerly known as Indiabulls Thermal Power Projects Limited)	3 December 2008	31 March 2017	INR	1	5.00	(1.63)	3.49	0.12	-	-	0.01	-	0.01	0.01	-	100%
62	Albina Thermal Projects Limited (formerly known as Indiabulls Thermal Projects Limited)	3 December 2008	31 March 2017	INR	1	5.00	(1.70)	3.42	0.12	-	-	-	-	-	-	-	100%
63	Albina Power Trading Limited (formerly known as Indiabulls Power Trading Limited)	3 December 2008	31 March 2017	INR	1	175.00	57.77	233.35	0.58	-	-	0.89	-	0.89	0.89	-	100%
64	Devona Power Distribution Limited (formerly known as Indiabulls Power Distribution Limited)	3 December 2008	31 March 2017	INR	1	5.00	(4.19)	1.03	0.23	-	-	(0.10)	-	(0.10)	(0.10)	-	100%
65	Bracond Limited	12 August 2008	31 March 2017	USD	64.18	43,277.11	21,509.86	76,161.85	11,374.88	76,161.85	-	(133.97)	-	(133.97)	(133.97)	-	100%
66	Genoformus Limited*	26 August 2008	31 March 2017	USD	64.18	1.37	57,690.58	57,706.35	14.40	-	-	(3.45)	-	(3.45)	(3.45)	-	100%

# Form AOC 1

(Pursuant to first proviso to sub-section(3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

S. No.	Name of Subsidiary	Date of Acquisition	Reporting Period	Reporting Currency	Exchange rate	Share capital	Other Equity	Total Assets	Total Liability	Total Investments	Revenue from operations	Profit/(loss) before tax	Tax Expense	Profit/(loss) after Tax	Total Comprehensive Income	Proposed Dividend	% Shareholding
67	Renemark Limited*	23 August 2008	31 March 2017	USD	64.18	1.37	16,194.32	16,209.65	13.96	-	-	(3.45)	-	(3.45)	(3.45)	-	100%
68	Sentia Power Limited (formally known as Indiabulls CSEB Bhayathian Power Limited)	3 December 2008	31 March 2017	INR	1	207.40	(202.30)	36.94	31.84	-	-	(1.21)	-	(1.21)	(1.21)	-	100%
69	Poena Power Development Limited	3 December 2008	31 March 2017	INR	1	5.00	(14.43)	23,954.63	23,964.05	-	-	(5.97)	-	(5.97)	(5.97)	-	100%
70	Sinnar Power Transmission Company Limited*	3 December 2008	31 March 2017	INR	1	92.00	4,948.01	15,683.18	10,643.17	-	-	(2.71)	-	(2.71)	(2.71)	-	100%
71	Annavati Power Transmission Company Limited	3 December 2008	31 March 2017	INR	1	82.17	9,302.70	36,454.06	26,979.19	-	5,633.90	3,008.00	660.86	2,347.14	2,347.10	-	100%
72	Elena Power And Infrastructure Limited	3 December 2008	31 March 2017	INR	1	500.00	(6,658.50)	53,378.00	59,536.50	-	2,725.23	(1,562.02)	-	(1,562.02)	(4,441.20)	-	100%
73	IPL-PPSL Scheme Trust	1 April 2011	31 March 2017	INR	1	10,750.00	(9,675.00)	1,075.00	-	1,075.00	-	-	-	-	-	-	100%
74	RattanIndia Nask Power Limited (formally known as Indiabulls Reatech Limited)	3 December 2008	31 March 2017	INR	1	2,705.72	199,258.13	992,139.24	790,171.38	5,067.70	-	(29,621.18)	-	(29,621.18)	(29,618.39)	-	100%

\* These companies are step down subsidiaries of the Company.

Names of subsidiaries which have been sold during the year				
Mabon Power Limited	Hecate Hydro Electric Power Limited	Devona Power Systems Limited	Devona Power Supply Limited	Devona Power Solutions Limited
Hecate Power Company Limited	Poena Power Company Limited	Devona Power Management Limited	Albina Power Utility Limited	Albina Powergen Limited
Names of subsidiaries which are yet to commence operations				
Airmid Power Limited	Hecate Power Development Limited	Sentia Power Limited	Devona Power Projects Limited	Poena Hydro Power Projects Limited
Angina Power Limited	Hecate Power Distributors Limited	Sentia Electric Limited	Albina Power Trading Limited	Poena Power Distributors Limited
Aravali Properties Limited	Hecate Power Generation Limited	Sentia Electricity Limited	Albina Power Transmission Limited	Poena Power Generation Limited
Bracond Limited	Hecate Power Limited	Sentia Electricity Generation Limited	Kaya Hydropower Projects Limited	Poena Power Limited
Citra Thermal Power And Infrastructure Limited	Hecate Power Management Limited	Sentia Hydro Electric Power Limited	Albina Thermal Energy Limited	Poena Power Management Limited
Devona Thermal Power And Infrastructure Limited	Hecate Power Projects Limited	Sentia Hydro Energy Limited	Albina Thermal Power Limited	Poena Power Services Limited
Diana Energy Limited	Hecate Power Services Limited	Sentia Hydro Power Limited	Albina Thermal Power Management Limited	Poena Power Trading Limited
Diana Power Limited	Hecate Power Supply Limited	Sentia Hydro Power Projects Limited	Devona Thermal Power Projects Limited	Poena Power Utility Limited
Genoforus Limited*	Hecate Power Systems Limited	Devona Power Development Limited	Albina Thermal Projects Limited	Poena Thermal Power Limited
Hecate Electric Limited	Hecate Power Transmission Limited	Devona Power Distribution Limited	Lucina Power And Infrastructure Limited	Renemark Limited
Hecate Energy Private Limited	Hecate Power Utility Limited	Devona Power Generation Limited	Poana Power Systems Limited	Selene Power Company Limited
Hecate Energy Trading Limited	Hecate Powergen Limited	Devona Power Limited	Poena Power Solutions Limited	Sentia Thermal Power And Infrastructure Limited
Hecate Power And Energy Resources Limited	Hecate Thermal Power And Infrastructure Limited	Devona Power Infrastructure Limited	Triton Energy Limited	Sepset Thermal Power And Infrastructure Limited
Albina Water Supply and Waste Management Services Limited*	Septia Hydropower Projects Limited	Tharang Warang Hydropower Projects Limited		

**Part “B”: Associates and Joint Ventures**

(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Venture)

S. No	Name of Associates/ Joint Ventures	Name 1
1	Latest audited Balance Sheet Date	N.A.
2	Date on which the Associate or Joint Venture was associated or acquired	
3	Shares of Associate/Joint Ventures held by the company on the year end	
	Number of shares	
	Amount of Investment in Associates/Joint Venture	
	Extend of Holding %	
4	Description of how there is significant influence	
5	Reason why the associate/joint venture is not consolidated	
6	Networth attributable to Shareholding as per latest audited Balance Sheet	
7	Profit / Loss for the year	
i	Considered in Consolidation	
ii	Not Considered in Consolidation	

**Additional Disclosures:**

- Names of associates or joint ventures which are yet to commence operations N.A.
- Names of associates or joint ventures which have been liquidated or sold during the year N.A.

**For and on behalf of the Board of Directors**

**Rajiv Rattan**  
Chairman  
DIN: 00010849

**Jayant Kawale**  
Managing Director  
DIN: 00076038

**Samir Taneja**  
Chief Financial Officer

**Gaurav Toshkhani**  
Company Secretary

Place: New Delhi  
Date: 22 May 2017



# Independent Auditor's Report

## TO THE MEMBERS OF

**RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.)**

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

1. We have audited the accompanying standalone financial statements of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) ('the Company'), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

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

### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. 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.
5. 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 these standalone financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these standalone financial statements.

### **Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2017, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### **Other Matter**

9. The comparative financial information for the year ended 31 March 2016 and the transition date opening balance sheet as at 1 April 2015 prepared in accordance with Ind AS included in these standalone financial statements, are based on the previously issued statutory financial statements for the year ended 31 March 2016 and 31 March 2015 respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act which were audited by the predecessor auditor whose reports dated 25 May 2016 and 28 May 2015 respectively expressed unmodified opinion on those standalone

financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the standalone financial statements dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;
  - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164(2) of the Act;
  - f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 22 May 2017 as per Annexure B expressed unmodified opinion;
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company, as detailed in Note 33 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position;
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
    - iv. the Company, as detailed in Note 46 to the standalone financial statements, has made requisite disclosures in these standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained by the company.

**For Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

**per Neeraj Goel**

Partner

Membership No. 099514

Place : New Delhi

Date : 22 May 2017

# Annexure A to the Independent Auditor's Report

## **Annexure A to the Independent Auditor's Report of even date to the members of RattanIndia Power Limited (formerly Indiabulls Power Limited.), on the standalone financial statements for the year ended 31 March 2017**

### **Annexure A**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. Discrepancies noticed on physical verification during the year have been properly dealt with in the books of account.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) There are no dues payable to debenture-holders and there are no loans or borrowings payable to government. The Company has defaulted in repayment of loans and borrowings to the following banks, financial institutions:

**Statement of delays in repayment of borrowings from banks and financial institutions that are paid on or before Balance Sheet date:**

(Amount in ₹ Lakhs)

Particulars	0-30 days	31-60 days	61-90 days
<b>Banks</b>			
Axis Bank	498.24	221.44	-
Bank of India	901.54	801.08	-
Canara Bank	537.16	238.08	-
Central Bank of India	460.00	460.00	-
ICICI Bank	300.00	-	-
IDBI Bank	750.00	3,000.00	-
Punjab National Bank	901.02	400.45	-
State Bank of Bikaner and Jaipur	189.61	84.27	-
State Bank of India	1,948.50	866.00	-
State Bank of Travancore	388.83	-	-
Syndicate Bank	362.84	161.26	-
UCO Bank	540.00	540.00	-
United Bank of India	422.42	187.74	-
Life Insurance Corporation	502.47	1,004.93	502.47
Power Finance Corporation	8,998.79	8,998.79	-
Rural Electrification Corporation	1,581.28	790.64	-

**Statement of defaults in repayment of borrowings from banks and financial institutions that are not paid as at Balance Sheet date:**

(Amount in ₹ Lakh)

Particulars	Amount of default	Days of default till 31 March 2017
<b>Bank</b>		
Axis Bank	276.80	1
Canara Bank	299.09	1
ICICI Bank	300.00	1
Punjab National Bank	500.57	1
State Bank of Bikaner and Jaipur	105.34	1
State Bank of India	1,082.50	1
State Bank of Travancore	149.55	1
Syndicate Bank	201.58	1
United Bank of India	234.68	1
Financial Institution		
Rural Electrification Corporation	988.00	1

- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purpose for which the loans were obtained, though idle funds which were not required for immediate utilization have been invested in liquid investments, payable on demand.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

## Annexure A to the Independent Auditor's Report *(contd.)*

- (xi) Managerial remuneration has been paid by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

**per Neeraj Goel**

Partner

Membership No. 099514

Place : New Delhi

Date : 22 May 2017

**Annexure B to the Independent Auditor's Report of even date to the members of RattanIndia Power Limited (formerly Indiabulls Power Limited.), on the standalone financial statements for the year ended 31 March 2017**

**Annexure B**

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of RattanIndia Power Limited (formerly Indiabulls Power Limited.) ('the Company') as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting (IFCoFR) of the company as of that date.

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

2. The Company's Board of Directors 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 ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's 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 Act.

#### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 IFCoFR.

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

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

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 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 issued by ICAI.

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

**per Neeraj Goel**

Partner

Membership No. 099514

Place : New Delhi  
Date : 22 May 2017

# Balance Sheet

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) as at 31 March 2017

	Note	As at 31 March 2017	As at 31 March 2016	(Amount in ₹ Lakhs) As at 1 April 2015
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, plant and equipment	4	741,430.20	737,004.89	677,600.60
(b) Capital work-in-progress		73,717.66	90,642.26	146,552.36
(c) Intangible assets	5	105.93	170.31	208.09
(d) Financial assets				
(i) Investments	6A	330,233.78	314,144.96	282,947.82
(ii) Loans	7	32,785.57	31,227.33	27,334.39
(iii) Other financial assets	8	20,876.23	6,532.83	6,061.74
(e) Deferred tax assets (net)	9	691.06	691.06	691.06
(f) Non-current tax assets (net)	10	1,377.56	1,470.58	1,381.77
(g) Other non-current assets	11	66,089.33	69,441.59	65,058.44
		<b>1,267,307.32</b>	<b>1,251,325.81</b>	<b>1,207,836.27</b>
<b>Current assets</b>				
(a) Inventories	12	7,134.82	26,254.75	7,559.28
(b) Financial assets				
(i) Investments	6B	7,000.00	-	-
(ii) Trade receivables	13	78,873.65	85,698.91	20,607.39
(iii) Cash and cash equivalents	14	6,612.48	1,649.12	19,470.42
(iv) Other bank balances	15	1,538.18	282.71	1,035.32
(v) Loans	7	25,134.43	762.01	3,098.49
(vi) Other financial assets	8	14,593.49	44,625.25	8,553.05
(c) Other current assets	11	9,372.61	4,400.02	5,208.73
		<b>150,259.66</b>	<b>163,672.77</b>	<b>65,532.68</b>
<b>TOTAL ASSETS</b>		<b>1,417,566.98</b>	<b>1,414,998.58</b>	<b>1,273,368.95</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	16	295,293.34	295,293.34	295,293.34
(b) Other equity	17	200,502.63	232,530.38	238,372.82
		<b>495,795.97</b>	<b>527,823.72</b>	<b>533,666.16</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	18	538,729.10	574,869.10	562,533.69
(ii) Other financial liabilities	19	7,341.05	6,492.31	5,588.66
(b) Provisions	20A	609.37	409.64	355.10
(c) Other non-current liabilities	21	45,631.42	22,303.65	-
		<b>592,310.94</b>	<b>604,074.70</b>	<b>568,477.45</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	22	201,813.55	148,386.50	54,875.66
(ii) Trade payables	23	1,151.20	24,417.35	3,082.99
(iii) Other financial liabilities	24	122,960.64	106,716.04	109,669.73
(b) Other current liabilities	25	705.94	683.50	352.63
(c) Provisions	20B	2,828.74	2,896.77	3,244.33
		<b>329,460.07</b>	<b>283,100.16</b>	<b>171,225.34</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,417,566.98</b>	<b>1,414,998.58</b>	<b>1,273,368.95</b>
Summary of significant accounting policies	3			
The accompanying notes are integral part of the financial statements.	1 - 55			

This is the balance sheet referred to in our report of even date.

For Walker Chandio & Co. LLP  
Chartered Accountants

For and on behalf of the Board of Directors

per Neeraj Goel  
Partner

Rajiv Rattan  
Chairman  
DIN: 00010849

Jayant Kawale  
Managing Director  
DIN: 00076038

Samir Taneja  
Chief Financial Officer

Gaurav Toshkhani  
Company Secretary

Place: New Delhi  
Date: 22 May 2017



# Statement of Profit and Loss

**RattanIndia**

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

		(Amount in ₹ Lakhs)	
	Note	For the year ended 31 March 2017	For the year ended 31 March 2016
<b>Revenue</b>			
Revenue from operations	26	133,450.34	254,106.14
Other income	27	16,921.63	9,883.01
		<b>150,371.97</b>	<b>263,989.15</b>
<b>Expenses</b>			
Cost of fuel, water and power consumed	28	46,675.61	143,683.05
Employee benefits expense	29	4,666.45	4,128.21
Finance costs	30	101,708.40	98,400.26
Depreciation and amortisation expense	31	20,760.05	19,475.96
Other expenses	32	8,613.53	9,126.86
		<b>182,424.04</b>	<b>274,814.34</b>
<b>Profit/ (loss) before tax</b>		<b>(32,052.07)</b>	<b>(10,825.19)</b>
<b>Tax expense</b>		-	-
<b>Net profit/ (loss) for the year</b>		<b>(32,052.07)</b>	<b>(10,825.19)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit and loss			
Re-measurement of post-employment benefit obligations		(19.18)	54.52
<b>Other comprehensive income for the year</b>		<b>(19.18)</b>	<b>54.52</b>
<b>Total comprehensive income for the year</b>		<b>(32,071.25)</b>	<b>(10,770.67)</b>
<b>Earnings per equity share (Face value ₹10)</b>	38		
Basic (₹)		(1.09)	(0.37)
Diluted (₹)		(1.09)	(0.37)
<b>Summary of significant accounting policies</b>	3		
<b>The accompanying notes are integral part of the financial statements.</b>	1-55		

This is the statement of profit and loss referred to in our report of even date.

For Walker Chandio & Co. LLP  
Chartered Accountants

For and on behalf of the Board of Directors

per Neeraj Goel  
Partner

Rajiv Rattan  
Chairman  
DIN: 00010849

Jayant Kawale  
Managing Director  
DIN: 00076038

Samir Taneja  
Chief Financial Officer

Gaurav Toshkhani  
Company Secretary

Place: New Delhi  
Date: 22 May 2017

# Statement of changes in equity

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## A Equity share capital (refer note 16)

(Amount in ₹ Lakhs)

Particulars	Balance as at 1 April 2015	Movement during the year	Balance as at 31 March 2016	Movement during the year	Balance as at 31 March 2017
Equity share capital	295,293.34	-	295,293.34	-	295,293.34

## B Other equity (refer note 17)

(Amount in ₹ Lakhs)

Particulars	Reserves and Surplus				Total
	Capital reserve	Securities premium reserve	Employee's stock options outstanding	Retained earnings	
<b>Balance as at 1 April 2015</b>	<b>30,450.00</b>	<b>255,767.87</b>	<b>60.03</b>	<b>(47,905.08)</b>	<b>238,372.82</b>
Profit/ (loss) for the year	-	-	-	(10,825.19)	(10,825.19)
Other comprehensive income	-	-	-	54.52	54.52
Employee's stock options vested (refer note 36)	-	-	1.80	-	1.80
Employee's stock options lapsed (refer note 36)	-	-	(10.16)	10.16	-
Addition during the year (refer note 47 (ii))	4,926.43	-	-	-	4,926.43
<b>Balance as at 31 March 2016</b>	<b>35,376.43</b>	<b>255,767.87</b>	<b>51.67</b>	<b>(58,665.59)</b>	<b>232,530.38</b>
Profit/ (loss) for the year	-	-	-	(32,052.07)	(32,052.07)
Other comprehensive income	-	-	-	(19.18)	(19.18)
Employee's stock options vested (refer note 36)	-	-	43.50	-	43.50
Employee's stock options lapsed (refer note 36)	-	-	(3.88)	3.88	-
<b>Balance as at 31 March 2017</b>	<b>35,376.43</b>	<b>255,767.87</b>	<b>91.29</b>	<b>(90,732.96)</b>	<b>200,502.63</b>

The accompanying notes are integral part of the financial statements (refer note 1-55).

This is the statement of changes in equity referred to in our report of even date.

For Walker Chandiok & Co LLP  
Chartered Accountants

For and on behalf of the Board of Directors

per Neeraj Goel  
Partner

Rajiv Rattan  
Chairman  
DIN: 00010849

Jayant Kawale  
Managing Director  
DIN: 00076038

Samir Taneja  
Chief Financial Officer

Gaurav Toshkhani  
Company Secretary

Place: New Delhi  
Date: 22 May 2017

# Cash Flow Statement

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

	<b>(Amount in ₹ Lakhs)</b>	
	<b>For the year ended 31 March 2017</b>	<b>For the year ended 31 March 2016</b>
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (loss) before tax	(32,052.07)	(10,825.19)
<b>Adjustments for:</b>		
Depreciation/ amortisation expense	20,760.05	19,475.96
Rent expenses	(297.85)	(29.29)
(Gain)/ loss on disposal of fixed assets (net)	(0.06)	3.88
Interest income	(2,637.03)	(2,550.37)
Dividend income	(65.02)	(167.83)
Loss/ (gain) on foreign currency transactions (net)	457.89	(407.11)
Finance costs	101,708.40	98,400.26
Profit on sale of non current investments	(1.44)	-
Employee stock options vested	1.76	1.96
<b>Operating profit before working capital changes</b>	<b>87,874.63</b>	<b>103,902.27</b>
<b>Movement in working capital</b>		
Movement in inventories	19,119.93	(18,695.47)
Movement in other financial assets	14,344.30	(31,517.17)
Movement in other assets	(4,573.10)	(3,496.76)
Movement in trade and other receivables	6,825.26	(65,091.52)
Movement in other financial liabilities	(1,782.15)	(1,427.71)
Movement in other liabilities	23,421.87	22,214.24
Movement in trade and other payables	(23,325.34)	21,334.36
<b>Cash flow generated/ (used) from operating activities post working capital changes</b>	<b>121,905.40</b>	<b>27,222.24</b>
Income tax refund/ (paid) (net)	93.02	(88.81)
<b>Net cash flow generated/ (used) from operating activities (A)</b>	<b>121,998.42</b>	<b>27,133.43</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work-in-progress)	(395.37)	(31,075.22)
Proceeds from sale/ disposal of property, plant and equipment	0.36	3.37
Purchase of intangible assets	(17.80)	(63.17)
Loans given	(24,582.99)	(293.59)
Purchase of investments	(22,929.49)	(31,418.44)
Proceeds from sale of investments	51.44	5,972.24
Movement in fixed deposits	343.86	773.63
Interest received	514.09	617.91
Dividend received	65.02	167.83
<b>Net cash flows generated/ (used) in investing activities (B)</b>	<b>(46,950.88)</b>	<b>(55,315.44)</b>

# Cash Flow Statement *(Contd.)*

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

	(Amount in ₹ Lakhs)	
	For the year ended 31 March 2017	For the year ended 31 March 2016
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long-term borrowings	(27,606.95)	23,419.17
Proceeds/ (Repayment) from/(of) short-term borrowings (net)	53,427.05	93,510.84
Finance cost paid	(95,904.28)	(106,569.30)
<b>Net cash generated/ (used) in financing activities (C)</b>	<b>(70,084.18)</b>	<b>10,360.71</b>
<b>Increase/ (Decrease) in cash and cash equivalents (A+B+C)</b>	<b>4,963.36</b>	<b>(17,821.30)</b>
Cash and cash equivalents at the beginning of the year	1,649.12	19,470.42
<b>Cash and cash equivalents at the end of the year (refer note 14)</b>	<b>6,612.48</b>	<b>1,649.12</b>

The accompanying notes are integral part of the financial statements (refer note 1-55).

This is the cash flow statement referred to in our report of even date.

For Walker Chandiok & Co LLP  
Chartered Accountants

For and on behalf of the Board of Directors

per Neeraj Goel  
Partner

Rajiv Rattan  
Chairman  
DIN: 00010849

Jayant Kawale  
Managing Director  
DIN: 00076038

Samir Taneja  
Chief Financial Officer

Gaurav Toshkhani  
Company Secretary

Place: New Delhi  
Date: 22 May 2017

## 1. Corporate Information

### Nature of Operations

RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) ("the Company", "RPL") is principally engaged in the business of dealing in power generation, distribution, trading and transmission and other ancillary and incidental activities.

The Company is in process of setting up a Thermal Power Project at Amravati ("Amravati Project", "the Project") in the State of Maharashtra in two phases of 1,350 MW each, with an ultimate capacity of 2,700 MW. Upon COD of the Company's Amravati Power Project - Unit-I (Phase-I) on 03 June 2013, Unit-II (Phase-I) on 28 March 2014, Unit-III (Phase-I) on 02 February 2015, Unit-IV (Phase-I) on 07 March 2015 and Unit-V (Phase-I) on 13 March 2015, the Plant & Equipment and Building - Plants of respective units were capitalised on respective CODs.

During the financial year 2014-15 pursuant to the announcements on restructuring of the promoters' inter-se roles, there had been declassifications in respect of certain Promoters/ Promoter Company Entities/ Persons Acting in Concert with Promoters (PACs) of the Company, as was intimated by the Company to NSE and BSE (the Stock Exchanges) on 18 July 2014 and 28 October 2014 respectively.

Pursuant to an understanding arrived at between the erstwhile promoters of the Indiabulls group namely, Mr. Sameer Gehlaut, Mr. Saurabh Mittal and Mr. Rajiv Rattan, during the financial year 2014-2015, Mr. Sameer Gehlaut and Mr. Saurabh Mittal relinquished the ownership rights, management and control as also the supervision of the Power Business. Accordingly Mr. Sameer Gehlaut and Mr. Saurabh Mittal transferred their direct and indirect shareholding in power group entities to Mr. Rajiv Rattan and the entities owned and promoted by him pursuant to an inter-se transfer and subsequently resigned from their directorships and chairmanship/ vice chairmanship of the Power Business respectively. Thus the ownership, management and control of the Power Business and its supervision rights came to vest with Mr. Rajiv Rattan who also assumed the Chairmanship of the Power Business.

During the financial year 2014-15, in accordance with the provisions of Section 13 and other applicable provisions of the Companies Act, 2013, the members of the Company through postal ballot declared on 16 October 2014, accorded their approval to change the name of the Company from Indiabulls Power Limited. to RattanIndia Power Limited. The Company received fresh certificate of incorporation consequent upon change of name from the Registrar of Companies, Delhi dated 30 October 2014 in respect of the said change.

### General information and statement of compliance with Ind AS

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')). The Company has uniformly applied the accounting policies during the periods presented.

For all periods up to and including the year ended 31 March 2016, the Company has prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). These financial statements for the year ended 31 March 2017 are the first which the Company has prepared in accordance with Ind AS (see note 43 for explanation for transition to Ind AS). For the purpose of comparatives, financial statements for the year ended 31 March 2016 are also prepared under Ind AS.

The financial statements for the year ended 31 March 2017 were approved by the Board of Directors on 22 May 2017.

## 2. Recent accounting pronouncements

### Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendment to Ind AS 7, 'Statement of cash flows'. This amendment is in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendment is applicable to the Company from 1 April 2017.

# Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## Amendments to Ind AS 7

The amendments to Ind AS 7 require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

### 3. Summary of significant accounting policies

#### a) Overall consideration

The financial statements have been prepared using the significant accounting policies and measurement basis as summarised below. These were used throughout all periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

#### Basis of preparation

The standalone financial statements have been prepared on going concern basis under the historical cost basis except for the following –

- Certain financial assets and liabilities which are measured at fair value;
- Defined benefit plans – liability of which is recognised as per actuarial valuation; and
- Share based payments which are measured at fair value of the options

#### b) Revenue recognition

Revenue arises from the supply of power. Revenue is recognised when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/ receivable net of rebates and taxes. The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below.

##### *Revenue from operation of plant*

Revenue from operation of plant is recognised on transfer of significant risks and rewards of ownership to the buyer which is when delivered, and measured on an accrual basis based on the rates in accordance with the provisions of the Power Purchase Agreements (PPAs) entered into by the Company with the procurer/s of power. Claims for delayed payment charges and other claims are accounted by the Company on accrual basis in accordance with the provisions of the PPAs only when it is reasonable to expect ultimate collection. Excise Duty is not applicable on generation and sale of power. Sales exclude Sales tax and Value Added Tax, where applicable.

Revenue from Power generated during trial runs is accounted on the basis of accruals and is reduced from the Pre-operative expenses.

Refer policy on leased assets for accounting policy of customer contracts that contain a lease.

##### *Service income*

Revenue from Power Consultancy/ Advisory Services is recognised when services are rendered.

##### *Interest income*

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

##### *Dividend income*

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

#### c) Borrowing costs

Borrowing costs include interest and amortisation of ancillary costs incurred to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating

to construction/ development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Any income earned on the temporary deployment/ investment of those borrowings is deducted from the borrowing costs so incurred. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

## **d) Property, plant and equipment**

### *Recognition and initial measurement*

Properties plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Any expenditure directly/ indirectly related and attributable to the construction of power projects and incidental to setting up power project facilities, incurred prior to the Commercial Operation Date (COD) of the Power Project, are accumulated under "Capital work-in-progress", to be capitalised on completion of construction of the respective power projects/ COD.

### *Subsequent measurement (depreciation and useful lives)*

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013:

Properties plant and equipment acquired and put to use for the purpose of the Project are capitalised and depreciation thereon is included in capital work-in-progress till the Project is ready for its intended use.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

### *De-recognition*

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

### *Transition to Ind AS*

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April 2015 measured as per the provisions of Previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

## **e) Other intangible assets**

### *Recognition and initial measurement*

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

### *Subsequent measurement (amortisation)*

The cost of capitalized software is amortized over a period in the range of three to five years from the date of its acquisition.

### *Transition to Ind AS*

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



## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

### f) Leased assets

#### *Determining whether an arrangement contains a lease*

The Company has certain long term arrangements for sale of power. Such arrangements are evaluated to consider whether it contains a lease. It is considered to contain a lease if based on the substance of the arrangement:

- (i) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and
- (ii) the arrangement conveys a right to use the asset.

An arrangement is considered to contain a lease if facts and circumstances indicate that it is remote that one or more parties other than the purchaser will take more than an insignificant amount of the output or other utility that will be produced or generated by the asset during the term of the arrangement, and the price that the purchaser will pay for the output is neither contractually fixed per unit of output nor equal to the current market price per unit of output as of the time of delivery of the output.

#### **Company as a lessee**

##### *Finance leases*

Finance leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of lease term, capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

##### *Operating leases*

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straightline basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

#### **Company as a lessor**

##### *Finance leases*

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognised as revenue in the period in which they are earned.

##### *Operating leases*

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straightline basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

Such lease is classified as operating lease, and as such the revenue is recognized on straight line basis. Considering that the capacity charges per unit is higher in the initial years, there is a negative impact to P&L on account of straightlining.

### g) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/ external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

## h) Financial instruments

### *Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, unless the financial instrument is designated to be measured at fair value through profit or loss or fair value through other comprehensive income.

### **Financial assets**

#### *Subsequent measurement*

- i. Financial assets at amortised cost – the financial assets are measured at the amortised cost if both the following conditions are met:
  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments are measured at Fair Value through other comprehensive income or Fair value through profit and loss based on Company's business model. All investments in mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

#### *De-recognition of financial assets*

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

### **Financial liabilities**

#### *Subsequent measurement*

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.

#### *De-recognition of financial liabilities*

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

### **Derivative contracts**

A derivative contract is recognised as an asset or a liability on the commitment date. Outstanding derivative contracts as at reporting date are fair valued and recognised as financial asset/ financial liability, with the resultant gain/ (loss) being recognised in statement of profit and loss.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## i) Investments in subsidiaries, joint ventures, associates

The Company has accounted for its investments in subsidiaries and associates, joint ventures at cost in its standalone financial statements in accordance with Ind AS- 27, Standalone Financial Statements.

Profit/ loss on sale of investments is recognised on the date of the transaction of sale and is computed with reference to the original cost of the investment sold.

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

### j) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL 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. When estimating the cash flows, the Company considers –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

#### *Trade receivables*

The Company applies approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

#### *Other financial assets*

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, life time impairment loss is provided, otherwise provides for 12 month expected credit losses.

### k) Inventories

Inventories are valued at the lower of cost derived on weighted average basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of consumption, including octroi and other levies, transit insurance and receiving charges.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated necessary costs to make the sale.

### l) Income taxes

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in OCI or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 and in the overseas branches/ companies as per the respective tax laws. Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss in OCI or equity depending upon the treatment of underlying item.

Deferred income taxes are calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss in OCI or equity depending upon the treatment of underlying item.

### m) Cash and cash equivalents

Cash and cash equivalents comprise Cash on hand, demand deposits with banks/ corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

## **n) Post-employment, long term and short term employee benefits**

### *Defined contribution plans*

The Company makes contribution to the statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provision Act, 1952 which is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the services are rendered.

### *Defined benefit plans*

Gratuity is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

### *Other employee benefits*

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

### *Short-term employee benefits*

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

## **o) Share based payments**

The Company has formulated Employee Stock Option Schemes (ESOS) and Employee Stock Purchase Schemes (ESOP) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and are in compliance with the said guidelines and SEBI (Share Based Employee Benefits) Regulation, 2014. The Schemes provide for grant of options to employees of the Company and its subsidiaries to acquire equity shares of the Company that vest in a graded manner and that are to be exercised within a specified period.

### *Employee stock Purchase plan (ESOP)*

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

### *Transition to Ind AS*

On transition to Ind AS, the Company has elected to not consider the charge related to employee stock options for which the vesting period is already over.

## **p) Provisions, contingent assets and contingent liabilities**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefit is probable, related asset is disclosed.

### q) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### r) Significant management judgement in applying accounting policies and estimation uncertainty

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 related disclosures.

#### *Significant management judgements*

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements –

**Determining whether an arrangement contains a lease** – Whether an arrangement contains a lease depends on whether purchaser will take more than an insignificant amount of the output or other utility that will be produced or generated by the asset during the term of the arrangement.

**Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties under the relevant tax jurisdiction (see note 9).

**Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Classification of leases** – The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

**Recoverability of advances/ receivables** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

**Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**Provisions** – At each balance sheet date on the basis of the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions. However the actual future outcome may be different from this judgement.

#### **Significant estimates**

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

**Classification of leases** – The classification of the leasing arrangement as a finance lease or operating lease requires several estimates like present value of unguaranteed residual value and present value of minimum lease payments.

#### **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company.

#### **Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. 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.

#### **Useful lives of depreciable/ amortisable assets**

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

# Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## 4. Property, plant and equipment

(Amount in ₹ Lakhs)

Description	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at 1 April 2016	Additions	Disposals/ adjustments	As at 31 March 2017	As at 1 April 2016	For the Year	Disposals/ adjustments	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016
Land (Including cost of development)										
Freehold	19.58	-	-	19.58	-	-	-	-	19.58	19.58
Leasehold	16,374.24	-	-	16,374.24	814.14	172.36	-	986.50	15,387.74	15,560.10
Buildings - Plant (ii)	18,054.23	6,921.28	-	24,975.51	1,118.84	703.71	-	1,822.55	23,152.96	16,935.39
Buildings - Other	11.73	-	-	11.73	1.71	0.43	-	2.14	9.59	10.02
Plant and equipment (ii)	693,719.84	11,363.97	-	705,083.81	33,426.20	16,324.67	-	49,750.87	655,332.94	660,293.64
Furniture and fixtures	401.77	0.10	-	401.87	141.40	39.98	-	181.38	220.49	260.37
Vehicles	1,155.63	2.51	-	1,158.14	701.12	171.19	-	872.31	285.83	454.51
Office equipment	349.46	21.23	-	370.69	200.24	53.87	-	254.11	116.58	149.22
Computers	329.53	18.65	0.43	347.75	220.55	34.23	0.13	254.65	93.10	108.98
Tools & tackles	18.92	13.50	-	32.42	5.91	6.80	-	12.71	19.71	13.01
Ships	41.04	-	-	41.04	20.28	5.33	-	25.61	15.43	20.76
Leasehold improvement	859.73	-	-	859.73	15.66	95.53	-	111.19	748.54	844.07
Railways (ii)	44,926.04	6,762.24	-	51,688.28	2,590.80	3,069.77	-	5,660.57	46,027.71	42,335.24
<b>Total</b>	<b>776,261.74</b>	<b>25,103.48</b>	<b>0.43</b>	<b>801,364.79</b>	<b>39,256.85</b>	<b>20,677.87</b>	<b>0.13</b>	<b>59,934.59</b>	<b>741,430.20</b>	<b>737,004.89</b>

(Amount in ₹ Lakhs)

Description	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at 1 April 2015	Additions	Disposals/ adjustments	As at 31 March 2016	As at 1 April 2015	For the Year	Disposals/ adjustments	As at 31 March 2016	As at 31 March 2016	As at 1 April 2015*
Land (Including cost of development)										
Freehold	19.58	-	-	19.58	-	-	-	-	19.58	19.58
Leasehold	11,236.96	5,137.28	-	16,374.24	646.92	167.22	-	814.14	15,560.10	10,590.04
Buildings - Plant (ii)	16,734.91	1,319.32	-	18,054.23	576.05	542.79	-	1,118.84	16,935.39	16,158.86
Buildings - Other	11.73	-	-	11.73	1.28	0.43	-	1.71	10.02	10.45
Plant and equipment (ii)	667,425.48	26,294.36	-	693,719.84	17,678.00	15,748.20	-	33,426.20	660,293.64	649,747.48
Furniture and fixtures	285.34	116.43	-	401.77	111.06	30.34	-	141.40	260.37	174.28
Vehicles	1,126.83	38.93	10.13	1,155.63	534.57	169.43	2.88	701.12	454.51	592.26
Office equipment	268.39	81.07	-	349.46	135.74	64.50	-	200.24	149.22	132.65
Computers	323.89	5.64	-	329.53	185.26	35.29	-	220.55	108.98	138.63
Tools & tackles	11.17	7.75	-	18.92	0.89	5.02	-	5.91	13.01	10.28
Ships	41.04	-	-	41.04	14.95	5.33	-	20.28	20.76	26.09
Leasehold improvement	-	859.73	-	859.73	-	15.66	-	15.66	844.07	-
Railways (ii)	-	44,926.04	-	44,926.04	-	2,590.80	-	2,590.80	42,335.24	-
<b>Total</b>	<b>697,485.32</b>	<b>78,786.55</b>	<b>10.13</b>	<b>776,261.74</b>	<b>19,884.72</b>	<b>19,375.01</b>	<b>2.88</b>	<b>39,256.85</b>	<b>737,004.89</b>	<b>677,600.60</b>

(i) Loans, Short term loan facility and Cash credit facilities are secured by first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project. (Refer Note 18 and Note 22).

(ii) During the year, upon Project assets being ready for their intended use, the Company has capitalised ₹ 6,921.28 lakhs of Buildings - Plant, ₹ 11,344.44 lakhs of Plant and Equipments and ₹ 6,762.24 lakhs of Railways and accordingly ₹ 25,027.96 lakhs is reduced from CWIP (including borrowing cost of ₹ 7,478.21 lakhs and Other Expenditure during Construction pending capitalisation of ₹ 1,909.01 lakhs).

During the previous year (31 March 2016), upon Project assets being ready for their intended use, the Company has capitalised ₹ 5,137.28 lakhs of Land, ₹ 1,319.32 lakhs of Buildings - Plant, ₹ 26,201.00 lakhs of Plant and Equipments and ₹ 44,926.04 lakhs of Railways and accordingly ₹ 77,583.64 lakhs is reduced from CWIP (including borrowing cost of ₹ 19,695.72 lakhs and Other Expenditure during Construction pending capitalisation of ₹ 3,216.25 lakhs).

\* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated depreciation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.



# Notes Forming Part of the Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## 5. Intangible assets

(Amount in ₹ Lakhs)

Description	Gross carrying amount				Accumulated amortisation				Net carrying amount	
	As at 1 April 2016	Additions	Disposals/ Adjustments	As at 31 March 2017	As at 1 April 2016	For the Year	Disposals/ Adjustments	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016
Software	487.79	17.80	-	505.59	317.48	82.18	-	399.66	105.93	170.31
<b>Total</b>	<b>487.79</b>	<b>17.80</b>	<b>-</b>	<b>505.59</b>	<b>317.48</b>	<b>82.18</b>	<b>-</b>	<b>399.66</b>	<b>105.93</b>	<b>170.31</b>

(Amount in ₹ Lakhs)

Description	Gross carrying amount				Accumulated amortisation				Net carrying amount	
	As at 1 April 2015	Additions	Disposals/ Adjustments	As at 31 March 2016	As at 1 April 2015	For the Year	Disposals/ Adjustments	As at 31 March 2016	As at 31 March 2016	As at 1 April 2015*
Software	424.62	63.17	-	487.79	216.53	100.95	-	317.48	170.31	208.09
<b>Total</b>	<b>424.62</b>	<b>63.17</b>	<b>-</b>	<b>487.79</b>	<b>216.53</b>	<b>100.95</b>	<b>-</b>	<b>317.48</b>	<b>170.31</b>	<b>208.09</b>

\* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated depreciation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

## 5A. Expenditure during construction forming part of capital work in progress

(Amount in ₹ Lakhs)

Particulars	Opening balance as at 1 April 2015	Additions during the year	Capitalised during the year	Opening balance as at 1 April 2016	Additions during the year	Capitalised during the year	Closing balance as at 31 March 2017
Employee remuneration and benefits	1,964.68	274.23	1,516.20	722.71	185.27	589.38	318.60
Interest and financing charges	28,934.74	5,940.73	19,695.72	15,179.75	3,222.03	7,478.21	10,923.57
Bank guarantee and other bank charges	565.91	107.47	217.27	456.11	57.14	79.35	433.90
Communication expenses	30.29	5.11	24.41	10.99	4.99	11.43	4.55
Depreciation/ amortisation expense	88.75	-	57.13	31.62	-	18.04	13.58
Lease rent expenses (refer note 52)	696.27	22.52	469.83	248.96	84.64	233.30	100.32
Legal and professional charges	1,751.04	103.18	294.93	1,559.29	19.06	83.34	1,495.01
Rates & taxes	173.15	0.74	48.73	125.16	36.93	53.75	108.34
Repairs and maintenance							
Vehicles	10.94	1.18	8.17	3.95	2.09	4.47	1.57
Others	113.35	12.87	38.92	87.30	9.13	18.00	78.43
Water expenses	327.66	0.09	211.01	116.74	534.22	585.77	65.19
Staff welfare expenses	33.79	2.17	23.84	12.12	2.86	9.89	5.09
Travelling & conveyance	1,220.58	25.36	238.55	1,007.39	20.28	89.99	937.68
Administrative and other expenses	662.72	51.53	561.19	153.06	41.80	136.34	58.52
Miscellaneous expenses	82.14	27.44	105.42	4.16	18.35	45.49	(22.98)
<b>Sub Total (a)</b>	<b>36,656.01</b>	<b>6,574.62</b>	<b>23,511.32</b>	<b>19,719.31</b>	<b>4,238.79</b>	<b>9,436.75</b>	<b>14,521.35</b>
Less:							
Other income							
Dividend on units of mutual funds	367.67	302.47	351.79	318.35	-	34.08	284.27
Interest on deposit accounts	223.73	159.64	177.31	206.06	42.60	15.02	233.64
Interest on security deposits	33.07	4.54	19.58	18.03	1.26	1.61	17.68
Profit on redemption of mutual funds	13.82	-	5.09	8.73	-	0.08	8.65
Revenue from sale of Infirm Power (net of Pre - Operative Expenses)	-	45.58	45.58	-	(1.26)	(1.26)	-
<b>Sub Total (b)</b>	<b>638.29</b>	<b>512.23</b>	<b>599.35</b>	<b>551.17</b>	<b>42.60</b>	<b>49.53</b>	<b>544.24</b>
<b>Total - Expenditure during construction pending capitalisation (a - b)</b>	<b>36,017.72</b>	<b>6,062.39</b>	<b>22,911.97</b>	<b>19,168.14</b>	<b>4,196.19</b>	<b>9,387.22</b>	<b>13,977.11</b>



# Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

6A. Non-current investments	31 March 2017		31 March 2016		(Amount in ₹ Lakhs) 1 April 2015	
	No. of shares	Amounts	No. of shares	Amounts	No. of shares	Amounts
<b>(a) Investments in equity instruments</b>						
<b>Unquoted, In fully paid equity instruments of subsidiary companies (at cost)</b>						
Albina Power Trading Limited (formerly known as Indiabulls Power Trading Limited)	1,750,000	175.00	1,750,000	175.00	1,750,000	175.00
Devona Power Limited (formerly known as Indiabulls Power Generation Limited)	370,000	1,301.75	370,000	1,301.75	370,000	1,301.75
Diana Energy Limited	370,000	37.00	370,000	37.00	370,000	37.00
Sentia Power Limited (formerly known as Indiabulls CSEB Bhaiyathan Power Limited)	2,074,000	215.06	2,074,000	215.06	2,074,000	214.20
Aravali Properties Limited	410,000	41.64	410,000	41.54	410,000	41.07
Lucina Power And Infrastructure Limited	120,000	12.29	120,000	12.29	120,000	12.29
RattanIndia Nasik Power Limited (formerly known as Indiabulls Realtech Limited) (i)	27,097,246	266,270.65	25,106,221	250,342.34	21,942,011	218,929.92
Devona Power Distribution Limited (formerly known as Indiabulls Power Distribution Limited)	50,000	5.00	50,000	5.00	50,000	5.00
Sentia Hydro Electric Power Limited (formerly known as Indiabulls Hydro Electric Power Limited)	126,150	12.69	126,150	12.67	126,150	12.62
Sentia Hydro Energy Limited (formerly known as Indiabulls Hydro Energy Limited)	225,500	22.63	225,500	22.61	225,500	22.55
Sentia Hydro Power Limited (formerly known as Indiabulls Hydro Power Limited)	50,000	5.00	50,000	5.00	50,000	5.00
Sentia Hydro Power Projects Limited (formerly known as Indiabulls Hydro Power Projects Limited)	50,000	5.00	50,000	5.00	50,000	5.00
Devona Power Projects Limited (formerly known as Indiabulls Power Projects Limited)	50,000	5.00	50,000	5.00	50,000	5.00
Devona Power Infrastructure Limited (formerly known as Indiabulls Power Infrastructure Limited)	450,000	45.47	450,000	45.45	450,000	45.39
Albina Thermal Energy Limited (formerly known as Indiabulls Thermal Energy Limited)	50,000	5.00	50,000	5.00	50,000	5.00
Albina Thermal Power Limited (formerly known as Indiabulls Thermal Power Limited)	50,000	5.00	50,000	5.00	50,000	5.00
Sentia Electricity Limited (formerly known as Indiabulls Electricity Company Limited)	160,000	16.10	160,000	16.08	160,000	16.01
Diana Power Limited	50,000	5.00	50,000	5.00	50,000	5.00
Selene Power Company Limited	50,000	7.41	50,000	7.41	50,000	7.41
Sentia Thermal Power And Infrastructure Limited	68,900	7.17	68,900	7.07	68,900	6.89
Sepset Thermal Power And Infrastructure Limited	56,000	5.86	56,000	5.77	56,000	5.60
Triton Energy Limited	50,000	5.38	50,000	5.28	50,000	5.19
Kaya Hydropower Projects Limited	50,000	33.14	50,000	33.14	50,000	33.14
Sepla Hydropower Projects Limited	60,000	37.41	60,000	37.32	60,000	37.16
Tharang Warang Hydropower Projects Limited	250,000	52.85	250,000	52.74	250,000	52.55
Zeus Energy Limited	-	-	-	-	118,400	11.84
Airmid Power Limited	330,000	33.71	330,000	33.61	330,000	33.20
Albina Power Limited	-	-	-	-	50,000	5.00
Mabon Power Limited	-	-	50,000	5.00	50,000	5.00
Serida Power Limited	-	-	-	-	50,000	5.00
Lenus Power Limited	-	-	-	-	50,000	5.00
Angina Power Limited	50,000	23.10	50,000	23.00	50,000	22.83
Ashkit Power Limited	-	-	-	-	50,000	5.00
Chloris Power Limited	-	-	-	-	50,000	5.00

# Notes Forming Part of the Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

6A. Non-current investments	31 March 2017		31 March 2016		(Amount in ₹ Lakhs) 1 April 2015	
	No. of shares	Amounts	No. of shares	Amounts	No. of shares	Amounts
<b>Unquoted, In fully paid equity instruments of subsidiary companies (at cost)-continued</b>						
Elena Power And Infrastructure Limited	500,000	500.00	500,000	500.00	500,000	500.00
Fornax Power Limited	-	-	-	-	50,000	5.00
Mariana Power Limited	-	-	-	-	50,000	5.00
Apesh Power Limited	-	-	-	-	50,000	5.00
Varali Power Limited	-	-	-	-	181,000	18.10
Hecate Power Limited	50,000	5.00	50,000	5.00	50,000	5.00
Hecate Power Company Limited	-	-	50,000	5.00	50,000	5.00
Hecate Power Services Limited	50,000	5.00	50,000	5.00	50,000	5.00
Hecate Thermal Power And Infrastructure Limited	50,000	5.00	50,000	5.00	50,000	5.00
Hecate Power Generation Limited	50,000	5.00	50,000	5.00	50,000	5.00
Hecate Power Distributors Limited	50,000	5.00	50,000	5.00	50,000	5.00
Hecate Power And Energy Resources Limited	50,000	5.00	50,000	5.00	50,000	5.00
Poena Power Limited	70,000	7.76	57,000	6.46	57,000	6.46
Hecate Hydro Electric Power Limited	-	-	50,000	5.00	50,000	5.00
Hecate Energy Trading Limited	50,000	5.00	50,000	5.00	50,000	5.00
Hecate Energy Private Limited	50,000	5.00	50,000	5.00	50,000	5.00
Hecate Power Projects Limited	59,200	6.00	59,200	5.98	59,200	5.92
Poena Thermal Power Limited	50,000	5.00	50,000	5.00	50,000	5.00
Poena Power Company Limited	-	-	50,000	5.00	50,000	5.00
Poena Power Services Limited	50,000	5.00	50,000	5.00	50,000	5.00
Poena Power Distributors Limited	50,000	5.00	50,000	5.00	50,000	5.00
Poena Power Generation Limited	50,000	5.00	50,000	5.00	50,000	5.00
Poena Hydro Power Projects Limited	50,000	5.00	50,000	5.00	50,000	5.00
Bracond Limited (Face Value of US Dollar 1 each)	100,000,000	43,277.11	100,000,000	43,277.11	100,000,000	43,277.11
Poena Power Trading Limited	50,000	5.00	50,000	5.00	50,000	5.00
Devona Power Generation Limited (formerly known as Indiabulls Power Generation Company Limited)	50,000	5.00	50,000	5.00	50,000	5.00
Devona Power Supply Limited (formerly known as Indiabulls Power Supply Limited)	-	-	50,000	5.00	50,000	5.00
Devona Power Solutions Limited (formerly known as Indiabulls Power Solutions Limited)	-	-	50,000	5.00	50,000	5.00
Albina Power Transmission Limited (formerly known as Indiabulls Power Transmission Limited)	100,000	10.00	100,000	10.00	51,000	5.10
Albina Power Utility Limited (formerly known as Indiabulls Power Utility Limited)	-	-	50,000	5.00	50,000	5.00
Albina Powergen Limited (formerly known as Indiabulls Powergen Limited)	-	-	50,000	5.00	50,000	5.00
Devona Electric Limited (formerly known as Indiabulls Electric Limited)	-	-	-	-	50,000	5.00
Hecate Power Development Limited	50,000	5.00	50,000	5.00	50,000	5.00
Hecate Power Systems Limited	50,000	8.03	50,000	8.02	50,000	7.97
Hecate Power Management Limited	50,000	5.00	50,000	5.00	50,000	5.00
Hecate Power Supply Limited	50,000	5.00	50,000	5.00	50,000	5.00
Hecate Power Utility Limited	50,000	5.00	50,000	5.00	50,000	5.00
Hecate Power Solutions Limited	-	-	-	-	58,700	5.87
Hecate Power Transmission Limited	98,200	9.91	98,200	9.90	98,200	9.82
Hecate Powergen Limited	50,000	5.00	50,000	5.00	50,000	5.00
Hecate Electric Limited	50,000	5.00	50,000	5.00	50,000	5.00

# Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

6A. Non-current investments	31 March 2017		31 March 2016		(Amount in ₹ Lakhs) 1 April 2015	
	No. of shares	Amounts	No. of shares	Amounts	No. of shares	Amounts
<b>Unquoted, In fully paid equity instruments of subsidiary companies (at cost) -continued</b>						
Poena Power Development Limited	50,000	6,007.51	50,000	5,995.59	50,000	5,974.09
Poana Power Systems Limited	95,000	11.12	95,000	11.12	95,000	11.09
Poena Power Management Limited	50,000	5.05	50,000	5.05	50,000	5.00
Poena Power Utility Limited	50,000	5.00	50,000	5.00	50,000	5.00
Poena Power Solutions Limited	50,000	5.00	50,000	5.00	50,000	5.00
Amravati Power Transmission Company Limited (i)	821,700	8,724.93	821,700	8,694.73	821,700	8,047.64
Devona Power Development Limited (formerly known as Indiabulls Power Development Limited)	50,000	5.00	50,000	5.00	50,000	5.00
Devona Power Systems Limited (formerly known as Indiabulls Power Systems Limited)	-	-	50,000	5.00	50,000	5.00
Devona Power Management Limited (formerly known as Indiabulls Power Management Limited)	-	-	50,000	5.00	50,000	5.00
Devona Power Projects Development Limited (formerly known as Indiabulls Power Projects Development Limited)	-	-	-	-	50,000	5.00
Sentia Electric Power Limited (formerly known as Indiabulls Electric Power Limited)	-	-	-	-	50,000	5.00
Sentia Electric Energy Limited (formerly known as Indiabulls Electric Energy Limited)	-	-	-	-	50,000	5.00
Sentia Electric Limited (formerly known as Indiabulls Electric Company Limited)	50,000	5.00	50,000	5.00	50,000	5.00
Sentia Electricity Generation Limited (formerly known as Indiabulls Electricity Generation Limited)	50,000	5.00	50,000	5.00	50,000	5.00
Albina Thermal Power Management Limited (formerly known as Indiabulls Thermal Power Management Limited)	50,000	5.00	50,000	5.00	50,000	5.00
Devona Thermal Power Projects Limited (formerly known as Indiabulls Thermal Power Projects Limited)	50,000	5.00	50,000	5.00	50,000	5.00
Albina Thermal Projects Limited (formerly known as Indiabulls Thermal Projects Limited)	50,000	5.00	50,000	5.00	50,000	5.00
Devona Thermal Power And Infrastructure Limited	1,150,000	117.01	1,150,000	116.91	1,137,000	115.49
Citra Thermal Power And Infrastructure Limited	200,000	20.24	200,000	20.22	200,000	20.11
Investment in Trust (IPL-PPSL Scheme Trust)		1,075.00		1,075.00		2,025.00
<b>Total investment in equity instruments of subsidiary companies</b>		<b>328,315.98</b>		<b>312,393.22</b>		<b>281,348.38</b>
<b>(b) Investments in preference shares, Unquoted</b>						
<b>In fully paid up Preference shares of subsidiary companies (at amortised cost)</b>						
0.0001% Cumulative Non-Convertible Redeemable Preference Shares of Face Value of ₹ 10 each in Devona Power Limited (formerly known as Indiabulls Power Generation Limited)	21,000,000	1,917.80	21,000,000	1,751.74	21,000,000	1,599.44
		<u>330,233.78</u>		<u>314,144.96</u>		<u>282,947.82</u>
Aggregate amount of quoted investments and market value thereof		330,233.78		314,144.96		282,947.82
Aggregate amount of unquoted investments		-		-		-
Aggregate amount of impairment in the value of investments		330,233.78		314,144.96		282,947.82

- (i) 27,097,246 (31 March 2016: 25,106,221 and 1 April 2015: 19,848,528 equity shares) equity shares of RattanIndia Nasik Power Limited (formerly known as Indiabulls Realtech Limited) (RNPL) and 493,020 (31 March 2016: 493,020 and 1 April 2015: 377,592 equity shares) equity shares of Amravati Power Transmission Company Limited are pledged in favour of the Project Lenders of the Company and its subsidiaries.

	(Amount in ₹ Lakhs)		
6B. Current investments	31 March 2017	31 March 2016	1 April 2015
<b>Unquoted, non trade</b>			
Investments in Mutual Funds	7,000.00	-	-
	<b>7,000.00</b>	-	-
Aggregate amount of quoted investments and market value thereof	-	-	-
Aggregate amount of unquoted investments	7,000.00	-	-
Aggregate amount of impairment in the value of investments	-	-	-

	(Amount in ₹ Lakhs)					
7. Loans (Unsecured, considered good)	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
	<b>Non-current</b>			<b>Current</b>		
Security deposits						
Premises	161.81	165.03	81.28	73.58	158.32	70.59
Others	664.70	899.28	903.54	99.97	63.41	0.51
Loans to						
Employees	-	-	-	8.51	12.92	4.48
Directors (refer note (i))	-	-	-	-	-	53.41
Inter corporate deposits	31,959.06	30,163.02	26,349.57	24,952.37	527.36	2,969.50
	<b>32,785.57</b>	<b>31,227.33</b>	<b>27,334.39</b>	<b>25,134.43</b>	<b>762.01</b>	<b>3,098.49</b>

- (i) Loans to Directors represents amounts due from Mr. Jayant Kawale, the Managing Director of the Company amounting to ₹ Nil (31 March 2016: Nil and 1 April 2015: ₹ 53.41 lakhs), being excess of remuneration paid in terms of Schedule V of the Companies Act, 2013 and held in Trust for the Company in terms of Section 197(9) of the Companies Act, 2013. This amount is subsequently recovered during the financial year ended 31 March 2016.

	(Amount in ₹ Lakhs)					
8. Other financial assets	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
	<b>Non-current</b>			<b>Current</b>		
Unbilled revenue	-	-	-	14,577.77	44,617.13	8,546.39
Bank deposits for maturity more than 12 months	4,786.23	6,231.11	6,061.74	-	-	-
Share application money pending allotment	16,090.00	301.72	-	-	-	-
Advances recoverable						
Employees	-	-	-	15.72	8.12	6.66
	<b>20,876.23</b>	<b>6,532.83</b>	<b>6,061.74</b>	<b>14,593.49</b>	<b>44,625.25</b>	<b>8,553.05</b>

# Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## 9. Deferred tax (liabilities)/ assets (net)

	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
<b>Tax effect of items constituting deferred tax liabilities</b>			
Property, plant and equipment	(104,492.06)	(86,835.62)	(48,352.00)
Borrowings	(963.73)	(745.61)	(902.41)
Investments in preference shares	(374.67)	(317.20)	(259.75)
Retention money	(1,169.01)	(1,468.92)	(1,701.78)
Inter corporate deposits	(2,587.27)	(1,837.70)	(1,270.58)
	<b>(109,586.74)</b>	<b>(91,205.05)</b>	<b>(52,486.52)</b>
<b>Tax effect of items constituting deferred tax assets</b>			
Employee benefit obligations	237.62	98.91	76.07
Capital work-in-progress	1,851.08	1,027.99	-
Employee stock options	20.92	20.06	15.07
Lease equalisation reserve	15,800.00	7,767.80	(369.82)
Security deposits	4.75	2.69	-
Derivatives	-	14.41	-
Unabsorbed Depreciation and brought business losses (i)	91,672.37	82,273.19	52,765.20
Tax credit (minimum alternative tax)	691.06	691.06	691.06
	<b>110,277.80</b>	<b>91,896.11</b>	<b>53,177.58</b>
	<b>691.06</b>	<b>691.06</b>	<b>691.06</b>

	(Amount in ₹ Lakhs)			
<b>Movement in deferred tax assets/ (liabilities)</b>	As at 1 April 2016	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March 2017
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, plant and equipment	(86,835.62)	(17,656.44)	-	(104,492.06)
Borrowings	(745.61)	(218.12)	-	(963.73)
Investments in preference shares	(317.20)	(57.47)	-	(374.67)
Retention money	(1,468.92)	299.91	-	(1,169.01)
Inter corporate deposits	(1,837.70)	(749.57)	-	(2,587.27)
	<b>(91,205.05)</b>	<b>(18,381.69)</b>	-	<b>(109,586.74)</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Employee benefit obligations	98.91	138.71	-	237.62
Capital work-in-progress	1,027.99	823.09	-	1,851.08
Employee stock options	20.06	0.86	-	20.92
Lease equalisation reserve	7,767.80	8,032.20	-	15,800.00
Security deposits	2.69	2.06	-	4.75
Derivatives	14.41	(14.41)	-	-
Unabsorbed Depreciation and brought business losses (i)	82,273.19	9,399.18	-	91,672.37
Tax credit (minimum alternative tax)	691.06	-	-	691.06
	<b>91,896.11</b>	<b>18,381.69</b>	-	<b>110,277.80</b>
<b>Deferred tax assets/ (liabilities) (net)</b>	<b>691.06</b>	-	-	<b>691.06</b>

	(Amount in ₹ Lakhs)			
	As at 1 April 2015	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March 2016
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, plant and equipment	(48,352.00)	(38,483.62)	-	(86,835.62)
Borrowings	(902.41)	156.80	-	(745.61)
Investments in preference shares	(259.75)	(57.45)	-	(317.20)
Retention money	(1,701.78)	232.86	-	(1,468.92)
Inter corporate deposits	(1,270.58)	(567.12)	-	(1,837.70)
	<b>(52,486.52)</b>	<b>(38,718.53)</b>	-	<b>(91,205.05)</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Employee benefit obligations	76.07	22.84	-	98.91
Capital work-in-progress	-	1,027.99	-	1,027.99
Employee stock options	15.07	4.99	-	20.06
Lease equalisation reserve	(369.82)	8,137.62	-	7,767.80
Security deposits	-	2.69	-	2.69
Derivatives	-	14.41	-	14.41
Unabsorbed Depreciation and brought business losses	52,765.20	29,507.99	-	82,273.19
Tax credit (minimum alternative tax)	691.06	-	-	691.06
	<b>53,177.58</b>	<b>38,718.53</b>	-	<b>91,896.11</b>
<b>Deferred tax assets/ (liabilities) (net)</b>	<b>691.06</b>	-	-	<b>691.06</b>

- (i) The Company has restricted the recognition of deferred tax asset on unabsorbed depreciation and brought forward business losses to the extent of the corresponding deferred tax liability. The unabsorbed business losses of ₹ 23,001.90 lakhs are available for offset for maximum period of eight years from the incurrence of loss.

## 10. Non-current tax assets (net)

Advance income tax (net of provision)

	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
	1,377.56	1,470.58	1,381.77
	<b>1,377.56</b>	<b>1,470.58</b>	<b>1,381.77</b>

## 11. Other assets (Unsecured and considered good)

	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
	<b>Non-current</b>			<b>Current</b>		
Capital advances	64,197.31	67,124.97	62,268.22	-	-	-
Other advances	-	-	-	8,680.92	3,639.09	4,572.24
Prepaid expenses	518.60	711.77	241.18	685.51	746.08	621.64
Balances with statutory authorities						
Service tax recoverable	757.66	755.38	762.11	-	-	-
VAT recoverable	615.76	849.47	698.90	-	-	-
Advance to related parties						
Subsidiary companies	-	-	-	5.92	14.42	14.42
Advance rent	-	-	-	0.26	0.43	0.43
Lease equalisation reserve	-	-	1,088.03	-	-	-
	<b>66,089.33</b>	<b>69,441.59</b>	<b>65,058.44</b>	<b>9,372.61</b>	<b>4,400.02</b>	<b>5,208.73</b>

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

### 12. Inventories

(Valued at cost, unless otherwise stated)

	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
Coal - Stores <sup>(i)</sup>	6,400.36	25,312.57	6,757.74
Light diesel oil - stores <sup>(ii)</sup>	106.00	363.41	171.79
Stores and spares <sup>(iii)</sup>	157.28	100.47	39.83
Other consumables <sup>(iv)</sup>	471.18	478.30	589.92
	<b>7,134.82</b>	<b>26,254.75</b>	<b>7,559.28</b>

- (i) Coal - stores includes in transit ₹ 219.67 lakhs (31 March 2016: ₹ 2,380.81 lakhs and 1 April 2015: ₹ 2,786.40 lakhs).  
(ii) Light diesel oil - stores includes in transit ₹ 3.20 lakhs (31 March 2016: ₹ 27.07 lakhs and 1 April 2015: ₹ 37.41 lakhs).  
(iii) Stores and spares - includes in transit ₹ 108.66 lakhs (31 March 2016: ₹ 57.04 lakhs and 1 April 2015: ₹ 6.92 lakhs).  
(iv) Other consumables - includes in transit ₹ 3.69 lakhs (31 March 2016: ₹ 15.37 lakhs and 1 April 2015: ₹ 151.42 lakhs).

### 13. Trade receivables (Unsecured, considered good unless otherwise stated)

	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
Unsecured			
Considered good			
From others	78,341.00	85,698.91	20,607.39
From related party	532.65	-	-
Considered doubtful	-	-	1,976.02
	<b>78,873.65</b>	<b>85,698.91</b>	<b>22,583.41</b>
Less: provision for doubtful receivables	-	-	(1,976.02)
	<b>78,873.65</b>	<b>85,698.91</b>	<b>20,607.39</b>

### 14. Cash and cash equivalents

	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
Cash on hand	19.95	11.92	14.88
Balances with banks			
Current accounts	1,494.82	722.01	4,455.54
Deposits with original maturity of less than 3 months (i)	5,097.71	915.19	15,000.00
	<b>6,612.48</b>	<b>1,649.12</b>	<b>19,470.42</b>

- (i) Deposits are pledged against Bank guarantees and Letter of Credit, refer note 33 B (II)

### 15. Other bank balances

	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
Unclaimed share application money received for allotment of securities	-	1.42	1.42
Fixed deposits original maturity for more than 3 months but less than 12 months (i)	1,538.18	281.29	1,033.90
	<b>1,538.18</b>	<b>282.71</b>	<b>1,035.32</b>

- (i) Pledged against Bank guarantees and Letter of Credit, refer note 33 B (II)

	(Amount in ₹ Lakhs)		
16. Equity share capital	31 March 2017	31 March 2016	1 April 2015
<b>Authorised capital</b>			
5,000,000,000 (31 March 2016: 5,000,000,000 and 1 April 2015: 5,000,000,000) equity shares of ₹10 each	500,000.00	500,000.00	500,000.00
	<b>500,000.00</b>	<b>500,000.00</b>	<b>500,000.00</b>
<b>Issued, subscribed and fully paid up capital</b>			
2,952,933,353 (31 March 2016: 2,952,933,353 and 1 April 2015: 2,952,933,353) equity shares of ₹10 each fully paid up	295,293.34	295,293.34	295,293.34
	<b>295,293.34</b>	<b>295,293.34</b>	<b>295,293.34</b>

**a) Reconciliation of equity shares outstanding at the beginning and at the end of the year**

	31 March 2017		31 March 2016	
	No of shares	Amount in ₹ lakhs	No of shares	Amount in ₹ lakhs
Equity shares at the beginning of the year	2,952,933,353	295,293.34	2,952,933,353	295,293.34
Add : Issued during the year	-	-	-	-
<b>Equity shares at the end of the year</b>	<b>2,952,933,353</b>	<b>295,293.34</b>	<b>2,952,933,353</b>	<b>295,293.34</b>

**b) Rights/ restrictions attached to equity shares**

The Company has only one class of equity shares with voting rights, having a par value of ₹10 per share. Each shareholder of equity shares is entitled to one vote per share held. Each share is entitled to dividend, if declared, in Indian Rupees. The dividend, if any, proposed by Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Company, the holders of 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 Shareholders.

	(Amount in ₹ Lakhs)		
c) Shares held by company having substantial interest	31 March 2017	31 March 2016	1 April 2015
<b>RattanIndia Infrastructure Limited</b> <b>(Formerly known as Indiabulls Infrastructure and Power Limited)</b>			
1,185,000,000 (31 March 2016: 1,185,000,000 and 1 April 2015: 1,185,000,000) equity shares of ₹ 10 each fully paid	118,500.00	118,500.00	118,500.00

**d) Details of shareholders holding more than 5% shares in the Company**

	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	No of shares	% Holding	No of shares	% Holding	No of shares	% Holding
<b>Equity shares of ₹ 10 each fully paid up</b>						
RattanIndia Infrastructure Limited (formerly known as Indiabulls Infrastructure and Power Limited)	1,185,000,000	40.13%	1,185,000,000	40.13%	1,185,000,000	40.13%
RR Infralands Private Limited	405,000,000	13.72%	405,000,000	13.72%	310,000,000	10.50%
IPL - PPSL Scheme Trust	107,500,000	3.64%	107,500,000	3.64%	202,500,000	6.86%
FIM Limited	393,273,458	13.32%	393,273,458	13.32%	393,273,458	13.32%
Indiabulls Real Estate Limited	219,050,000	7.42%	219,050,000	7.42%	219,050,000	7.42%



# Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## e) Aggregate number of shares reserved for issuance under stock option plans of the Company

	31 March 2017	31 March 2016	1 April 2015
RPL ESOP- 2008 (formerly known as SPCL – IPSL ESOP, 2008)	994,800	1,093,800	1,245,300
RPL ESOS 2009 (formerly known as IPL ESOS 2009)	694,400	815,200	995,200
RPL ESOS 2011 (formerly known as IPL ESOS - 2011)	432,500	495,000	830,000

## f) Aggregate number of shares issued for consideration other than cash and bonus shares during the period of five years

	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Equity shares allotted as fully paid pursuant to the schemes of arrangement	-	-	-	-	415,407,007

In terms of the Court approved Scheme of Arrangement (Scheme - 2012) which came into effect on 2 June 2012 (Effective Date), Indiabulls Infrastructure Development Limited (IIDL) was merged with the Company as a going concern with effect from 1 April 2012, the Appointed Date under the Scheme - 2012, upon which the entire undertaking and the entire assets and liabilities of IIDL stand transferred to and vested in the Company at their book values. Pursuant to the Scheme - 2012 as aforesaid, an aggregate of 415,407,007 Equity shares of face value ₹10 each in the Company were issued and allotted in favour of the IIDL shareholders as on the Effective Date, thereby increasing the paid up capital of the Company to ₹ 264,272.99 lakhs divided into 2,642,729,953 Equity shares of face value ₹ 10 each. The shares so allotted constitute 15.72% of the paid up capital of RPL as on 31 March 2013. Consequent to the issuance and allotment of equity shares to the shareholders of IIDL, RattanIndia Infrastructure Limited (formerly known as Indiabulls Infrastructure and Power Limited) (RIL) had ceased to be the ultimate holding company w.e.f. 20 June 2012.

## 17. Other Equity

### Retained earnings

Opening balance

Add : Net profit/ (loss) for the year

Items of other comprehensive income recognised directly in retained earnings

Re-measurements of post-employment benefit obligation, net of tax

Employee's stock options lapsed (refer note 36)

### Closing balance

### Capital reserve

Opening balance

Add: Addition during the year

### Closing balance

### Securities premium reserve

Opening balance

Add : Movement during the year

### Closing balance

### Employee's stock options outstanding

Opening balance

Employee's stock options vested (refer note 36)

Impact due to options lapsed (refer note 36)

### Closing balance

(Amount in ₹ Lakhs)	
31 March 2017	31 March 2016
(58,665.59)	(47,905.08)
<b>(58,665.59)</b>	<b>(47,905.08)</b>
(32,052.07)	(10,825.19)
(19.18)	54.52
3.88	10.16
<b>(90,732.96)</b>	<b>(58,665.59)</b>
35,376.43	30,450.00
-	4,926.43
<b>35,376.43</b>	<b>35,376.43</b>
255,767.87	255,767.87
-	-
<b>255,767.87</b>	<b>255,767.87</b>
61.83	60.03
43.50	1.80
(3.88)	(10.16)
<b>91.29</b>	<b>51.67</b>
<b>200,502.63</b>	<b>232,530.38</b>

## Nature and purpose of other reserves

### Capital reserve

Capital reserve is created out of the capital profits. It is created out of the profits earned from some specific transactions of capital nature. Capital reserve is not available for the distribution to the shareholders. (refer note 47)

### Securities premium reserve

Securities premium reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

### Employee's stock options reserve

The reserve account is used to recognise the grant date value of options issued to employees under Parent Company Employee stock option plan.

18. Borrowings	(Amount in ₹ Lakhs)					
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
	Non-current			Current		
<b>Secured</b>						
<b>Term loans (i to vi)</b>						
From consortium of banks (refer note (i), (iii) and (iv))	273,104.53	297,257.83	283,304.95	25,921.79	13,896.07	21,214.03
From consortium of financial institutions (refer note (i), (iii) and (iv))	247,208.29	276,144.98	260,604.53	29,849.38	23,046.54	19,314.84
From other banks (refer note (ii) and (v))	16,950.00	-	17,412.11	6,500.00	17,412.11	2,284.58
<b>Unsecured</b>						
Long term maturities of finance lease obligations (refer note (viii))	1,466.28	1,466.29	1,212.10	185.97	185.97	153.73
	<b>538,729.10</b>	<b>574,869.10</b>	<b>562,533.69</b>	<b>62,457.14</b>	<b>54,540.69</b>	<b>42,967.18</b>

- (i) Loans from Consortium of Banks & Financial Institutions aggregating to ₹ 576,083.99 lakhs (31 March 2016: ₹ 610,345.42 lakhs and 1 April 2015: ₹ 584,438.35 lakhs) are secured by way of first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project Phase I. The aforesaid Phase I Loan Facility is further secured by the pledge of 1,181,173,342 (31 March 2016: 1,181,173,342 and 1 April 2015: 1,181,173,342) equity shares (40% of the total equity share capital) of the Company held by RattanIndia Infrastructure Limited ("RIL") (formerly known as Indiabulls Infrastructure and Power Limited) and RR Infralands Private Limited through execution of a Deed of Pledge amongst RIL and RR Infralands Private Limited (Pledgers), RPL and Vistra (ITCL) India Limited (Formerly known as IL&FS Trust Company Limited) (IDBI Trusteeship Services Limited upto 26 March 2015) with a condition that these pledged shares must constitute 60 % of the Project Equity Capital. Also, disbursements against cost overrun underwritten portion is secured by a pledge of Nil (31 March 2016: 39,707,724 and 1 April 2015: 39,707,724) equity shares of the Company held by RIL and Nil (31 March 2016: 219,050,000 and 1 April 2015: 219,050,000) equity shares held by Indiabulls Real Estate Limited in the Company and further, is secured by Nil (31 March 2016: 6,294,841 and 1 April 2015: 6,294,841) equity shares of RattanIndia Nasik Power Limited (Formerly known as Indiabulls Realtech Limited) in favour of Power Finance Corporation Limited (PFC) - the lead consortium lender. Additionally, the Company is required for negative lien on 11% equity shares of promoter's holding in the Company with a condition that effective voting rights of the shares pledged and over which a negative lien is created (in aggregate does not fall below 51% of the Equity Share Capital).
- (ii) (a) Loan from IDBI Bank aggregating of ₹ 13,750.00 lakhs (31 March 2016: ₹ 17,500.00 lakhs and 1 April 2015: ₹ 20,000.00 lakhs) is secured by way of hypothecation of movable fixed assets, both present and future, of the Amravati Project Phase II. The aforesaid Phase II Loan Facility is further secured by pledge of 30,000,000 (31 March 2016: 30,000,000 and 1 April 2015: Nil) equity shares of the Company held by RR Infralands Private Limited.
- (b) Financial assistance to meet the funding requirement for Capital Expenditure and Long Term Working Capital requirements from ICICI Bank aggregating to ₹ 9,700.00 lakhs (31 March 2016: ₹ Nil and 1 April 2015: ₹ Nil) is secured

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

by way of pledge of 100,000,000 (31 March 2016: Nil and 1 April 2015: Nil) equity shares of the Company held by RR InfraLands Private Limited.

- (iii) The Company had rescheduled its loans with Consortium of Banks and Financial Institutions for Phase I of the Project and revised its project cost to ₹ 749,333.00 lakhs from ₹ 663,152.00 lakhs (after exclusion of ₹ 25,648.00 lakhs allocated to Cost of transmission line from the sanctioned Project Cost of ₹ 688,800.00 lakhs) thereby resulting in net increase in the Project Cost by ₹ 86,181.00 lakhs for meeting Cost Overrun-I. Further, during the financial year 2014-15, the Company had received a sanction letter from PFC vide letter No. 03/19 /RIPL/GEN-TH/Vol XIV/S0901001 dated 10 March 2015 towards approval of Cost Overrun II for the Project with revised Project Cost to ₹ 855,592.00 lakhs from ₹ 749,333.00 lakhs thereby resulting in further increase in the Project Cost by ₹ 106,259.00 lakhs for meeting the Cost Overrun - II and underwriting the additional term loan for the Project with extension of COD and corresponding shift in date of repayment of term loan in 60 structured quarterly installments and other terms stated therein. Accordingly, the Company executed the Cost Overrun Underwriting Facility Agreement dated 28 March 2015 wherein PFC was agreeable to underwrite entire debt component of cost overrun of ₹ 73,368.00 lakhs which is 69.05% of the total cost overrun of ₹ 106,259.00 lakhs. During the previous year 2015-16, the Company received sanction letters from all lenders of the consortium of Phase I approving the Cost – Overrun II.

Consequent to the Company's proposal to consortium of lenders for flexible structuring as per RBI Circular No. RBI/2014-15/126 DBOD.No.BP.BC.24/21.04.132/2014-15 dated 15 July 2014 and RBI/2014-15/354 DBR.No.BP.BC.53/21.04.132/2014-15 dated 15 December 2014 on 'Flexible Structuring of Long Term Project Loans to Infrastructure and Core Industries' as amended from time to time, of its Phase I Loans during the previous year, the Company entered into Master Facility and Flexible Structuring Framework Agreement dated 28 January 2016 with all consortium lenders of Phase I except Life Insurance Corporation, Rural Electrification Corporation and UCO Bank. Deed of Accession has been entered into by the Company with UCO Bank and Life Insurance Corporation on 14 March 2016 and 22 March 2016 respectively. Company has received sanction letter dated 25 February 2016 from Rural Electrification Corporation for flexible structuring of its Phase I Loans.

- (iv) Term loan from consortium of banks and financial institutions are repayable in quarterly installments as follows:

Financial year	(Amount in ₹ Lakhs)								
	31 March 2017			31 March 2016			1 April 2015		
	Financial institutions	Banks	Total	Financial institutions	Banks	Total	Financial institutions	Banks	Total
2015-16	-	-	-	-	-	-	19,718.00	21,391.00	41,109.00
2016-17	-	-	-	23,365.00	14,094.00	37,459.00	28,296.00	31,804.00	60,100.00
2017-18	29,153.00	22,886.00	52,039.00	29,153.00	23,186.00	52,339.00	31,964.00	36,087.00	68,051.00
2018-19	30,734.00	28,402.00	59,136.00	30,734.00	28,402.00	59,136.00	32,442.00	42,450.00	74,892.00
2019-20	30,771.00	32,946.00	63,717.00	30,771.00	32,946.00	63,717.00	31,586.00	40,254.00	71,840.00
2020-21	23,479.00	18,444.00	41,923.00	23,479.00	18,444.00	41,923.00	26,824.00	33,889.00	60,713.00
2021-22	16,182.00	10,085.00	26,267.00	16,182.00	10,085.00	26,267.00	22,058.00	27,529.00	49,587.00
2022-23	15,547.00	13,869.00	29,416.00	15,547.00	13,869.00	29,416.00	20,964.00	25,448.00	46,412.00
2023-24	15,384.00	15,344.00	30,728.00	15,384.00	15,344.00	30,728.00	20,108.00	25,448.00	45,556.00
2024-25	14,002.00	9,769.00	23,771.00	14,002.00	9,769.00	23,771.00	20,108.00	25,448.00	45,556.00
2025-26	8,809.00	1,266.00	10,075.00	8,809.00	1,266.00	10,075.00	12,175.00	8,324.00	20,499.00
2026-27	9,048.00	2,367.00	11,415.00	9,048.00	2,367.00	11,415.00	7,712.00	-	7,712.00
2027-28	12,339.00	6,140.00	18,479.00	12,339.00	6,140.00	18,479.00	9,856.00	-	9,856.00
2028-29	15,510.00	9,318.00	24,828.00	15,510.00	9,318.00	24,828.00	11,996.00	-	11,996.00
2029-30	18,846.00	12,499.00	31,345.00	18,846.00	12,499.00	31,345.00	14,284.00	-	14,284.00
2030-31	11,104.00	12,724.00	23,828.00	11,104.00	12,724.00	23,828.00	7,137.00	-	7,137.00
2031-32	4,349.00	18,634.00	22,983.00	4,349.00	18,634.00	22,983.00	-	-	-
2032-33	4,744.00	19,084.00	23,828.00	4,744.00	19,084.00	23,828.00	-	-	-
2033-34	5,929.00	24,998.00	30,927.00	5,929.00	24,998.00	30,927.00	-	-	-
2034-35	6,324.00	25,448.00	31,772.00	6,324.00	25,448.00	31,772.00	-	-	-
2035-36	4,623.00	13,993.00	18,616.00	4,623.00	13,993.00	18,616.00	-	-	-
	<b>276,877.00</b>	<b>298,216.00</b>	<b>575,093.00</b>	<b>300,242.00</b>	<b>312,610.00</b>	<b>612,852.00</b>	<b>317,228.00</b>	<b>318,072.00</b>	<b>635,300.00</b>

(v) Term loan from other banks is repayable in quarterly installments as follows:

Financial Year	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
2015-16	-	-	2,500.00
2016-17	-	17,500.00	17,500.00
2017-18	6,500.00	-	-
2018-19	9,950.00	-	-
2019-20	1,600.00	-	-
2020-21	1,600.00	-	-
2021-22	1,800.00	-	-
2022-23	2,000.00	-	-
<b>Total</b>	<b>23,450.00</b>	<b>17,500.00</b>	<b>20,000.00</b>

(vi) The above mentioned loans from consortium of banks and financial institutions carry floating rates of Interest ranging from 12.90% p.a. to 15.00% p.a. (31 March 2016: 13.05 % p.a. to 16.00% p.a. and 1 April 2015: 13.25 % p.a. to 16.00% p.a.) and the term loan from other bank carries a floating rate of interest of 11.45% p.a. to 16% p.a. (31 March 2016: floating rate of interest 15.00% p.a. and 1 April 2015: floating rate of interest 15.00% p.a.).

(vii) There were certain defaults in payment of interest and repayment of loans during the year. Repayment of loans due and outstanding aggregating to ₹ 4,138.10 lakhs and Interest due and outstanding aggregating to ₹ 5,678.08 lakhs as at 31 March 2017 are on account of major back downs faced by the Project from July 2016 resulting in lower sale of power. These outstanding would be serviced on realisation of funds from MSEDC. Having regard to the rescheduling of the terms of repayment of loans pursuant to the flexible Structuring of the Phase I Loans as per Master Facility and Flexible Structuring Framework Agreement dated 28 January 2016 and Deed of Accession entered into with and Sanction letter issued by the consortium lenders, the defaults in financial year 2015-16 towards repayment of loans are considered as being made good during the same year. The defaults in respect of payment of interest in financial year 2015-16 has also been made good during the same year by the Company and accordingly, there were no continuing defaults in repayment of loans as at 31 March 2016. Interest due and outstanding aggregating to ₹ 5,940.54 lakhs as at 31 March 2015 was paid during the financial year 2015-16.

(viii) Monthly installment of ₹13.66 lakhs till 31 August 2103 and ₹2.82 lakhs till 30 April 2110 in respect of lease lands, (refer note 52).

## 19. Other financial liabilities

Retention money  
Lease equilisation reserve

	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
<b>Non-Current</b>			
Retention money	7,219.45	6,352.91	5,588.66
Lease equilisation reserve	121.60	139.40	-
	<b>7,341.05</b>	<b>6,492.31</b>	<b>5,588.66</b>

## 20A. Provisions

**Provision for employee benefits (refer note 37)**  
Provision for compensated absences (unfunded)  
Provision for gratuity (unfunded)

	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
<b>Non-Current</b>			
Provision for compensated absences (unfunded)	217.40	183.22	139.37
Provision for gratuity (unfunded)	391.97	226.42	215.73
	<b>609.37</b>	<b>409.64</b>	<b>355.10</b>

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

### 20B. Provisions

	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
	<b>Current</b>		
<b>Provision for employee benefits (refer note 37)</b>			
Provision for compensated absences (unfunded)	31.98	32.74	79.87
Provision for gratuity (unfunded)	45.26	112.53	111.73
<b>Provision others</b>			
Provision for wealth tax	-	-	3.74
Provision for liquidated damages (i)	2,751.50	2,751.50	3,048.99
	<b>2,828.74</b>	<b>2,896.77</b>	<b>3,244.33</b>

- (i) Liquidated Damages/ Penalty as per the Contracts entered into with contractees are provided for at the end of the Contract or as agreed upon.

### Movement in other provision

	(Amount in ₹ Lakhs)		
	Wealth tax	Liquidated damages	Total
<b>As at 1 April 2015</b>			
Amount utilised during the year	(3.74)	-	(3.74)
Unused amount reversed during the year	-	(297.49)	(297.49)
<b>As at 31 March 2016</b>	-	2,751.50	<b>2,751.50</b>
Movement during the year	-	-	-
<b>As at 31 March 2017</b>	<b>-</b>	<b>2,751.50</b>	<b>2,751.50</b>

### 21. Other non-current liabilities

	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
Lease equalisation reserve	45,631.42	22,303.65	-
	<b>45,631.42</b>	<b>22,303.65</b>	<b>-</b>

### 22. Borrowings (Short-term)

	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
<b>Secured</b>			
Cash credit facility from banks (refer note (i) and (iv))	74,318.16	59,543.53	15,943.16
Short-term loans :			
From financial institution (refer note (ii) and (iii))	15,500.00	25,000.00	8,896.00
<b>Unsecured</b>			
Loans from related parties - inter corporate deposits (refer note (iv))	111,995.39	63,842.97	30,036.50
	<b>201,813.55</b>	<b>148,386.50</b>	<b>54,875.66</b>

- (i) The facilities are secured by hypothecation charges on all movables & immovable assets, present and future, of the project under implementation by way of first charge ranking pari passu.
- (ii) Short term loan facility from financial institution - Power Finance Corporation Limited is secured by Pari passu charge over the Company's movables assets relating to the Project (current & fixed) including movable plant, machinery, equipments,

machinery spares, tools, accessories, furniture, fixtures, vehicles and all other movable assets, both present and future, the stock of raw materials, semi-finished and finished goods, consumable goods relating to the project site, intangible assets, book debts, operating cash flow, revenue & receivables of the Company relating to the project and all current assets, commissions and any revenue of any nature, Trust and Retention account, letter of credit, other reserves and any other bank accounts in relation to the project and on all rights, titles, interest, benefits, claims and demands relating to the project.

(iii) There were no continuing defaults in repayments of loans and interest as at 31 March 2017. The Short term loan facility amounting to ₹ 8,896.00 lakhs was due for repayment on 21 February 2016 and remained outstanding as at 31 March 2016 and paid in June 2016 and July 2016.

(iv) There were no continuing defaults in payment of interest and repayment of Cash Credit facility, Inter Corporate Deposits from related parties and other and interest thereon as at 31 March 2017, 31 March 2016 and 1 April 2015.

## 23. Trade payables

Due to micro and small enterprises

### Due to others

Dues for goods and services- acceptances

Dues for goods and services- other than acceptances

(Amount in ₹ Lakhs)		
31 March 2017	31 March 2016	1 April 2015
-	-	-
-	15,707.11	-
1,151.20	8,710.24	3,082.99
<b>1,151.20</b>	<b>24,417.35</b>	<b>3,082.99</b>

## 24. Other financial liabilities

Current maturities of (refer note 18)

Term loan from Consortium of banks

Term loan from Consortium of Financial Institutions

Term loan from other bank

Finance lease obligations

Interest accrued on

Term loans

Acceptances

Cash credit facility

Inter-corporate deposits

Retention money

Equity share application money refundable

Payable for purchase of fixed assets

Security and earnest money deposits from customers

Bills of exchange payable

Derivative liability

Expenses payable

(Amount in ₹ Lakhs)		
31 March 2017	31 March 2016	1 April 2015
Current		
25,921.79	13,896.07	21,214.03
29,849.38	23,046.54	19,314.84
6,500.00	17,412.11	2,284.58
185.97	185.97	153.73
12,598.82	7,754.76	11,905.25
-	411.59	-
181.33	86.60	83.84
4,113.74	49.36	-
12,052.74	11,723.84	20,200.96
-	1.42	1.42
23,334.70	22,909.95	24,499.37
33.75	21.06	11.06
0.53	-	-
-	100.82	-
8,187.89	9,115.95	10,000.65
<b>122,960.64</b>	<b>106,716.04</b>	<b>109,669.73</b>

## 25. Other current liabilities

Statutory dues

(Amount in ₹ Lakhs)		
31 March 2017	31 March 2016	1 April 2015
705.94	683.50	352.63
<b>705.94</b>	<b>683.50</b>	<b>352.63</b>

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

	(Amount in ₹ Lakhs)	
<b>26. Revenue from operations</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
<b>Operating revenue</b>		
Revenue from operation of power plant	58,490.91	178,941.34
Income from embedded lease of power plant	74,959.43	75,164.80
	<b>133,450.34</b>	<b>254,106.14</b>

	(Amount in ₹ Lakhs)	
<b>27. Other income</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
<b>Income from current investments</b>		
Dividend received	65.02	167.83
	<b>65.02</b>	<b>167.83</b>
<b>Interest on</b>		
Bank deposits	501.20	641.76
Security deposits	52.74	81.48
Inter corporate deposits	1,917.03	1,674.83
Overdue trade receivables	14,148.57	6,437.26
VAT refund	21.56	5.46
Preference Shares	166.06	152.30
	<b>16,807.16</b>	<b>8,993.09</b>
<b>Other income</b>		
Profit on sale of investments	1.44	-
Excess provisions written back	-	297.49
Gain on foreign currency transactions and translation (net)	-	407.11
Profit on sale of property, plant & equipments	0.06	-
Miscellaneous income	47.95	17.49
	<b>49.45</b>	<b>722.09</b>
	<b>16,921.63</b>	<b>9,883.01</b>

	(Amount in ₹ Lakhs)	
<b>28. Cost of fuel, water and power consumed</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Coal consumed	43,983.60	141,879.98
Other consumables consumed	482.27	414.49
Electricity consumed	1,409.56	533.55
Water consumed	800.18	855.03
	<b>46,675.61</b>	<b>143,683.05</b>

## 29. Employee benefits expense

Salaries and wages
Contribution to provident and other funds
Provision for gratuity and compensated absences
Recruitment and training
Staff welfare expenses

(Amount in ₹ Lakhs)

31 March 2017	31 March 2016
4,425.88	3,972.34
40.97	26.24
147.13	62.03
3.15	7.52
49.32	60.08
<b>4,666.45</b>	<b>4,128.21</b>

## 30. Finance costs

### Interest on

Term loans
Inter corporate deposits
Cash credit facility
Short-term loan facility
Acceptances
Others

### Other finance costs

Loan processing fees
Letter of credit charges
Bank guarantee charges

(Amount in ₹ Lakhs)

31 March 2017	31 March 2016
81,043.33	82,757.80
8,288.69	6,085.47
8,520.83	3,781.99
2,437.41	3,178.56
136.47	623.29
0.29	0.10
716.92	1,226.40
5.34	250.85
559.12	495.80
<b>101,708.40</b>	<b>98,400.26</b>

## 31. Depreciation and amortisation expense

### Depreciation on

Property, plant and equipment
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### Amortisation on

Intangible assets
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(Amount in ₹ Lakhs)

31 March 2017	31 March 2016
20,677.87	19,375.01
82.18	100.95
<b>20,760.05</b>	<b>19,475.96</b>



## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

	(Amount in ₹ Lakhs)	
32. Other expenses	31 March 2017	31 March 2016
Rent	391.63	320.79
Rates and taxes	262.05	339.15
Legal and professional charges	622.01	750.34
Advertisement	10.55	4.94
Communication	86.47	83.70
Printing and stationery	35.97	41.11
Postage and telegram	7.81	13.10
Travelling and conveyance	261.12	472.58
Operation and maintenance expenses	4,604.31	5,275.00
Insurance expenses	610.53	753.50
Running and maintenance - vehicles	21.67	48.60
Repairs and maintenance		
Office	176.59	187.71
Others	89.37	81.76
Security expenses	294.13	358.38
Business promotion	18.08	21.85
Payments to statutory auditors	53.00	76.00
Payments to cost auditors	0.25	0.25
Membership and subscription fee	44.60	90.88
Loss on disposal of tangible asset (net)	-	3.88
Field hostel expenses	40.48	154.98
Bank charges	2.78	6.87
Loss on foreign currency transactions and translation (net)	457.89	-
Miscellaneous expenses	522.24	41.49
	<b>8,613.53</b>	<b>9,126.86</b>

### 33 Details of contingent liabilities, pending litigations and other matters:

#### A. Contingent Liabilities of pending litigations not provided for in respect of:

- 1 Writ Petition has been filed by the Company challenging the validity of demand raised by Water Resource Department (WRD) for payment of irrigation restoration charges @ ₹ 1.00 Lakh per hectare vide letter dated 29 January 2013 instead of ₹ 0.50 Lakh per hectare (as provided in Circular dated 21 February 2004). Out of the demand of ₹ 23,218.00 Lakhs, Company has already paid ₹ 11,657.00 Lakhs. The Respondents – WRD have been restrained from taking any coercive steps till further orders. The Hon'ble Bombay High Court of Mumbai bench vide Order dated 03 August 2015 has returned the matter to be presented before Nagpur Bench. The Hon'ble High Court of Bombay, Nagpur Bench had reserved the order on 10 February 2016.

The Hon'ble High Court of Bombay, Nagpur Bench vide its Order dated 05 May 2016 has partly allowed the petition and declared that demand of IRC at revised rate i.e. as per decision dated 06 March 2009 from the petitioner is illegal and unsustainable. The said decision dated 06 March 2009 fixes maximum rate of IRC at ₹ 1.00 Lakh per Hectare prospectively from 1 April 2009 and is not applicable in case of petitioner to whom water allocation is finalized on 12 December 2007. Hence, the Respondents shall accordingly receive the IRC at the rate of ₹ 0.50 Lakh per Hectare with interest as mentioned supra.

A Caveat has been filed by the Company before the Hon'ble Supreme Court of India. A special leave petition has been filed by State of Maharashtra through Water Resource Department. The Hon'ble Court after hearing parties has issued notice to the Company and has granted time to file Counter Affidavit. The pecuniary risk involved in the present case cannot be quantified.

- 2 Arbitration proceeding has been initiated by BHEL against the Company alleging the payment outstanding against the Company in respect of the materials supplied by BHEL. BHEL has filed its Statement of Claim accompanied by documents. Earlier in the petition filed before Hon'ble High Court of Delhi, the Hon'ble Court has directed to maintain status quo in regard to invocation of Bank Guarantees subject to the condition that BHEL keeps the same alive. The Hon'ble High Court has vide its Order dated 7 January 2016 disposed off the petition upon the instruction of parties that petition before Hon'ble High Court be treated as an application under Section 17 of the Arbitration and Conciliation Act, 1996 before the Arbitral Tribunal. Interim Order is to be continued unless otherwise varied by the Arbitral Tribunal. Reply to the Application u/s 17 of the Claimant has already been filed before the Hon'ble Tribunal. On 14 April 2016 The Claimant (BHEL) has filed the following three fresh applications:

1. Application under Section 17 of the Arbitration and Conciliation Act, 1996 seeking an interim prayer of release of bank guarantees.
2. Application under Section 31(6) of the Arbitration and Conciliation Act, 1996 seeking an interim award on the basis of admissions.
3. Application seeking amendment of the Claim petition. By way of the present application, merely figures in relation to BHEL Hyderabad Unit was sought to be inserted. Accordingly the Hon'ble Tribunal allowed the said application of the Claimant.

The Company has filed its statement of defense and Counter- Claim before the Arbitral Tribunal. The pecuniary risk involved in the present case cannot be quantified.

- 3 A Suo moto Public Interest Litigation (PIL) has been registered before Bombay High Court with regard to the occupation hazards of the employees working in various thermal power plant stations in the county. The Company has been made a party in the said PIL. The Company has filed its reply before Bombay High Court. One of the parties (Respondent) has filed an Application for Intervention. The matter is listed for completion of service of the parties in respect to the Application for Intervention. The pecuniary risk involved in the present case cannot be quantified.
- 4 A suit for seeking declaration/ injunction for right of way has been filed before the Civil Judge, Senior Division, Amravati by Keshav Puranlal Bunde & Others against the Company. In the said Suit, it has been alleged that due to railway line to the plant of the Company and construction of boundary wall surrounding the project, the approach road to the Plaintiffs land has been obstructed and that they are unable to access their land for cultivation. The Company (Defendant) denied the allegations in its Written Statement and is contesting the Suit. The Court has declined the prayer of the Plaintiffs for grant of temporary injunction. The matter is listed for Framing of issues. A Civil Appeal in the said matter has also been filed in District Court, Amravati by Keshav Bunde & Others (Plaintiff) against the Court's order of declining the prayer of the Plaintiffs for grant of temporary injunction. The pecuniary risk involved in the present case cannot be quantified.
- 5 A Petition has been filed by the Company before the Maharashtra Electricity Regulatory Commission (MERC) challenging the imposition of Liquidated Damages by MSEDCL. MERC vide interim Order has stayed the imposition of Liquidated Damages. In said petition MSEDCL has imposed an amount of ₹ 25,947.00 Lakhs as Liquidated Damages. The said Petition has been disposed off in favour of the Company by MERC on 24 November 2016 and as on date there is no obligation to pay the said amount by the Company. The pecuniary risk involved in the present case cannot be quantified.
- 6 A suit has been filed by Microsoft Corporation against the Company before High Court of Delhi alleging shortfall in the entitled software licenses being used by the Company in its offices and as such allegedly, the Company has infringed copyright in the Microsoft program/ software titles and has thereby prayed for permanent injunction against the Company and further prayed for rendition of accounts of profits and for damages. The pleadings were completed before the Joint Registrar on 17 August 2016 and the Hon'ble Registrar has listed the matter before the Court for framing of issues. The pecuniary risk involved in the present case cannot be quantified.
- 7 A vendor ('Plaintiff') has filed case before Civil Judge Senior Division, Amravati claiming ₹ 116.25 Lakhs and Court fees of ₹ 1.54 Lakhs against the work done pursuant to the work order dated 25 May 2012 which was issued to the plaintiff for supply, plantation and maintenance of 100,000 tree plants at Company's 5 X 270 MW thermal power plant situated at Plot no. D-2 & D-2 (part) at additional MIDC, Nandgaonpeth Amravati. Plaintiff has also alleged that the contract was wrongly terminated by the Company vide letter dated 6 February 2014 in which the Company has also claimed liquidated damages from the plaintiff. Plaintiff is alleging that the letter was issued to them only

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

to avoid outstanding payment. Application u/s 8 of the Arbitration and Conciliation Act has been filed for the dismissal of the suit. A Deletion Application has been filed by the company. The matter is listed for Order on the said application. The pecuniary risk involved in the present case cannot be quantified.

- 8 During the year, a writ petition has been filed by the Company before Nagpur Bench of Bombay High Court to issue appropriate Writ against the Order dated 24 February 2016 passed by Tahsildar whereby Tahsildar without considering the Arguments and documents filed on record, directed the Appellant to deposit the amount of ₹ 400.00 Lakhs towards payment of Royalty for using the minor minerals excavated during the construction of the Power Plant and utilized in the embankment work of Railway Line on the plot of MIDC allotted to the appellant. The State of Maharashtra has filed its reply. The pecuniary risk involved in the present case cannot be quantified.
- 9 During the year, a Public Interest Litigation ('PIL') has been filed by the petitioner before Nagpur Bench of Bombay High Court, alleging that due to heavy transportation of coal by the Company, various difficulties are being faced by the citizens i.e. threat to life and threat to health. Petitioner has alleged that the Company is not taking any steps to construct road as per standard norms required to transport 5000 MT coal from Walgaon to Nandgaonpeth MIDC. The matter is listed for arguments. The pecuniary risk involved in the present case cannot be quantified.
- 10 During the year, Becquerel Industries Private Limited has filed a Suit in Nagpur District Court for recovery of ₹ 20.73 Lakhs against Preeti Engineering alleging that the dues are pending against Preeti Engineering to whom the Non Destructive Test work had been sublet by Brothers Engineering The work to Brothers Engineering had been sublet by Bharat Heavy Electricals Limited (BHEL) and the work to BHEL had been given by the Company. The service of summons to the parties has been completed. The matter is listed for reply of the Company. The pecuniary risk involved in the present case cannot be quantified.

### **B. Contingent Liabilities of Demand pending under the Income Tax Act, 1961 and other matters not provided for in respect of:**

#### **I Under the Income Tax Act, 1961**

In respect of the F.Y. 2009-10 demand of ₹ 77.38 Lakhs (31 March 2016: ₹ 77.38 Lakhs and 1 April 2015: ₹ 77.38 Lakhs) was pending under section 143(3) of the Income Tax Act, 1961 against disallowance u/s 14A of the Income Tax Act, 1961 against which appeal had been filed which is pending before ITAT Delhi, as at 31 March 2017. The demand of ₹ 77.38 Lakhs had been adjusted against refund for the F.Y. 2012-13 during the FY 2015-16 by the Income Tax department. However, the appeal filed during the FY 2015-16 is pending before ITAT Delhi, as at 31 March 2017.

#### **II Others**

Guarantee provided on behalf of RattanIndia Nasik Power Limited (formerly known as Indiabulls Realtech Limited) (RNPL), a wholly owned subsidiary, towards Commitment Bank Guarantees of ₹ 5,903.79 Lakhs (31 March 2016: ₹ 5,903.79 Lakhs and 1 April 2015: ₹ 5,903.79 Lakhs) issued to subsidiaries of Coal India Limited for issuance of Letter of Assurance for supply of coal for RNPL's Nashik Thermal Power Project, partly secured by way of pledge of fixed deposits of ₹ 442.95 Lakhs (31 March 2016: ₹ 442.95 Lakhs and 1 April 2015: ₹ 442.95 Lakhs) of the Company and partly by way of pledge of fixed deposits of ₹ 152.44 Lakhs (31 March 2016: ₹ 152.44 Lakhs and 1 April 2015: ₹ 152.44 Lakhs) of RattanIndia Nasik Power Limited.

Future cash outflows in respect of the above, if any, is determinable only on receipt of judgement/ decision pending with the relevant authorities. The Company does not expect the outcome of the matters stated above to have a material adverse impact on its financial condition, results of operations and cash flows.

The Company is involved in various legal proceedings and other regulatory matters relating to conduct of its business. In respect of the other claims, the Company believes, these claims do not constitute material litigation matters and with its meritorious defenses, the ultimate disposition in these matters will not have material adverse effect on its Financial Statements.

### **C. Other pending litigations as on 31 March 2017 are:**

- 1 A Petition has been filed before Maharashtra Electricity Regulatory Commission (MERC) by the Company for realizing the shortfall in supply under coal linkage granted by Government of India under New Coal Distribution Policy (NCDP), the Cabinet Committee of Economic Affairs (CCEA) approved mechanism where after Ministry of Coal amended the NCDP and communicated its decision to allow pass through of the incremental cost of procuring

coal from alternative sources to meet the shortfall in supply of domestic coal under coal linkage. MERC vide its Order dated 15 July 2014 and 20 August 2014 laid down methodology to recover compensatory fuel charges. The Company on 28 August 2014 filed review petition before MERC against said Orders dated 15 July 2014 as well as Order dated 20 August 2014. MSEDCL and Prayas Energy further filed review petition against the Orders of MERC dated 20 August 2014. The review petition filed by MSEDCL stands dismissed vide Order dated 16 July 2015 and the review petition filed by the Company also got disposed of vide Order 30 October 2015. A petition has also been filed by the Company before MERC for direction to MSEDCL to implement Orders dated 15 July 2014 & 20 August 2014 of MERC. The same petition has been withdrawn on 18 February 2016. The Company has also filed appeals before Appellate Tribunal for Electricity (APTEL) against Orders dated 15 July 2014, 20 August 2014 & 30 October 2015. Both the appeals have been admitted. The matter is now listed for Directions by the Hon'ble Tribunal. The pecuniary risk involved in the present case cannot be quantified.

- 2 A Petition has been filed by the Company before the Nagpur bench of Bombay High Court challenging the illegal demand of Water Commitment charges and for refund of ₹ 593.22 Lakhs appropriated by the Water Resources Department of the Govt. of Maharashtra. The State of Maharashtra has filed its reply. The matter is listed for arguments. The pecuniary risk involved in the present case is ₹ 593.22 Lakhs.
- 3 During the year, a Petition has been filed by the Company for asking MERC to
  - (i) direct MSLDC to revise the Merit Order Despatch (MOD) Stack for the month of September, 2016 and prepare future MOD Stacks in accordance with the Availability Based Tariff (ABT) Order and applicable legal framework taking into consideration Energy Charge as approved/ determined by this Hon'ble Commission.
  - (ii) direct to revise the MOD Stack principles to take into account the fixed as well as variable charge including any fuel adjustment surcharge or any other charge which increases the total tariff of generating stations.
  - (iii) grant compensation to the Company for the revenue loss incurred.
  - (iv) grant compensation to the Company for loss incurred on account of wrongful and frequent backing down instructions and in terms of the principles contained in the Regulations 6.3B (3) of the CERC (Indian Electricity Grid Code) (Fourth Amendment) Regulations, 2016.
  - (v) devise an appropriate mechanism to provide for technical minimum operation of generating stations in accordance with the Indian Electricity Grid Code.; and,
  - (vi) direct the Respondents to provide detailed working of the MOD Stack publicly and in a transparent manner.

In the last hearing, the Commission has directed that, for the purpose of monthly MOD stack, the Energy Charges Rate/ Variable Charges for the Generating Stations for which the Tariff is determined by the Commission shall be considered as the Energy Charges as approved by the Commission for the financial year for the respective Station plus Fuel Surcharge Adjustment for previous month, i.e., n-1 month. The Commission directs Maharashtra State Power Generation Company Limited to submit following information:

1. Copies of Fuel Surcharge Adjustment Bills for all months from December 2015 to July 2016.
2. Station-wise comparison of all parameters considered for MOD rate vis-à-vis tariff determined by the Commission pertaining to all months starting from February, 2016 to September, 2016. It should be indicated whether MOD rates so arrived are inclusive of Other Variable Charges.

The pecuniary risk involved in the present case cannot be quantified.

- 4 During the year, a Petition has been filed by the Company before MERC under Section 86 of the Electricity Act, 2003 read with statutory framework governing procurement of power through competitive bidding and Article 10 of the Power Purchase Agreements dated 22 April 2010 and 5 June 2010 executed between the Company and Maharashtra State Electricity Distribution Company Limited for compensation due to Change in Law impacting revenues and costs during the period from the date of commencement of supply of power by the Company. The matter is pending before MERC for adjudication. The pecuniary risk involved in the present case cannot be quantified.
- 5 During the year, a Petition has been filed by the Company before MERC under Section 86 of The Electricity Act, 2003 for seeking a declaration for sale of un-availed Capacity to third parties in terms of Article 4.5.3 of the PPA of Power Purchase Agreements dated 22 April 2010 and 5 June 2010. the Company has sought:-

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

- (i) For quashing of communication dated 13 January 2017 whereby MSEDCL has refused the sale of un-availed capacity to third parties.
- (ii) To direct MSEDCL to grant Short Term Open Access.
- (iii) To direct MSEDCL to grant sufficient time period for recalling the unscheduled capacity.

On the last date of hearing it was agreed that MSEDCL and the Company would meet to discuss the issues in granting Open Access vis a vis provisions of PPA as the Generator is under zero scheduling. The Commission had directed them to meet on 8 February or 9 February 2017 in the office of Executive Director (Commercial), MSEDCL and submit the Minutes of Meeting duly signed by both the parties within a week's time. The Company is at liberty to apply for Short Term Open Access, which would be decided by MSEDCL on merits in terms of the DOA Regulations. The matter has been Reserved for Order.

- 6 During the year, a Petition has been filed by MSEDCL before MERC under Section 86 of the Electricity Act, 2003 read with Article 13 of PPAs under Case 1 Stage 1 and Article 10 of PPAs under Case 1 Stage 2, whereby, MSEDCL has sought:-
- (i) To declare and accept the Guidelines/ Circulars issued by RBI as Change in Law as provided in respective PPAs.
  - (ii) To allow to make the late payment surcharge in the event of delay in payment at the rate of two (2) percent excess of the applicable base rate per annum on the amount of outstanding payment calculated on day to day basis for each day of delay against the PPAs mentioned in aforesaid Para 2.2 and 2.3 from 1 July 2010 till 31 March 2016 and thereafter at the rate of two (2) percent in excess of the applicable rate under MCLR system.

The matter is pending before MERC for adjudication. The pecuniary risk involved in the present case cannot be quantified.

- 7 A Petition has been filed before Central Electricity Regulatory Commission (CERC) by Company seeking modification/ revision of the mechanism for calculation of the escalation index for domestic coal by linking it with actual coal price of CIL on the ground that thermal power plants based on domestic coal and get fuel through coal linkage granted by the GOI. Although such domestic coal is supplied by CIL, the escalation index for domestic coal published by CERC for the purpose of payment in PPA under Case -1 bidding process stakes WPI for non-coking coal as the basis for calculating the index. The matter was reserved for Orders on 4 February 2016. By Order dated 25 May 2016 the CERC disposed off the said petition whereby the CERC held that the Ministry of Commerce and Industry has set up a Committee to revise the WPI and create a separate index for the coal used in the power sector and it would be premature on the part of CERC to undertake any exercise for revision of indices without taking into consideration the WPI being developed by Ministry of Commerce and Industry for the power sector and that the new series of WPI for power sector would address the concerns of the petitioners and other generators. A review petition was filed by the Company before CERC against the Order dated 25 May 2016. The said review petition has been Disposed off vide Order dated 20 October 2016. The pecuniary risk involved in the present case cannot be quantified.
- 8 The company has filed an application before the Nagpur Bench of the Hon'ble High Court to bring to its knowledge the publication of an article by Hitavada newspaper that casts aspersions against Indiabulls (now the Company) and the Advocate General. There is no notice regarding any listing of the matter since long. The pecuniary risk in the matter cannot be quantified.
- 9 A Petition has been filed by the Company before the MERC for direction to MSEDCL to make payments of ₹ 55,811.00 Lakhs towards the outstanding amount due and payable to the Company for supply of power and also for direction to MSEDCL to open a Letter of Credit as per Article 8.4.2 of the PPAs and further for payment of penal interest @ 2% above prime lending rate of State Bank of India on the outstanding amounts. The matter is listed for arguments on the next date of hearing. The pecuniary risk in the matter cannot be quantified.
- 10 A Petition has been filed before Maharashtra Electricity Regulatory Commission (MERC) by the Company for direction to Maharashtra State Electricity Distribution Company Limited (MSEDCL) to permit settling/ netting of consumption towards start-up power in energy terms against the power supplied in terms of PPAs and for refund of amount of ₹ 921.06 Lakhs paid by the Company towards start up power during October 2012 to May 2015 on account of excess recovery of charges for start-up by incorrect categorization of the Company in to HT-Commercials instead of "Industrial category". The Order in the said Petition has been reserved.



- 11 The Company was restrained from sourcing the shortfall on account of linkage coal through alternate sources, as was required pursuant to the decision of the Cabinet Committee on Economic Affairs of June 2013, followed by change in the National Coal Distribution Policy and direction from the Ministry of Power to the regulatory commissions in July 2013. Further, as per the Power Purchase Agreements ("PPAs") entered into between the Company and Maharashtra State Electricity Distribution Company Limited ("MSEDCL"), MSEDCL was to make arrangements for evacuation of entire contracted capacity of 1200 MW. However due to transmission constraints, MSEDCL could arrange for evacuation of only 750 MW. As a result of the above, during the previous year, the Company has raised its claim estimated at ₹ 39,689.02 Lakhs with MSEDCL in respect of resultant unscheduled units and is in the process of filing its petition for the same with the appropriate authority. Consequently, the same has not been recognized in the financial statements.
- 34 Estimated amount of contracts remaining to be executed on account of capital and other commitments towards the Project not provided for: ₹ 570,308.09 lakhs (31 March 2016: ₹ 536,793.10 lakhs and 1 April 2015: ₹ 542,535.59 lakhs) – advances made there against ₹ 59,871.21 lakhs (31 March 2016: ₹ 38,924.21 lakhs and 1 April 2015: ₹ 50,725.51 lakhs).
- Further, the Company has signed a long term power purchase agreement (PPA) with MSEDCL for supply of 1,200 MW of power generated from the power station. The PPA has a tenure of twenty five years.
- 35 Fixed deposits include interest accrued but not due of ₹ 603.80 lakhs (31 March 2016: ₹ 447.93 lakhs and 1 April 2015: ₹ 255.23 lakhs) on fixed deposits pledged with banks.

## 36 Employee Stock Options Schemes

The Company has formulated ESOS/ ESOP schemes for applicable/ eligible employees. The schemes so formulated are also applicable to the eligible employees of its subsidiaries and of other Companies under common control with the Company. The subsidiaries have adopted the said schemes of the Company which are administered by a Compensation Committee constituted by the Board of Directors of the Company. The Company does not seek reimbursement of expenses from subsidiary companies for ESOP granted to employees of subsidiary companies.

### Stock Option Schemes of RattanIndia Power Limited ("RPL"):

#### RPL ESOP-2008

On 10 January 2008 the erstwhile IPLSL, had established the IPLSL ESOS Plan, under which, IPLSL was authorised to issue upto 20,000,000 equity settled options at an exercise price of ₹ 10 per option to eligible employees. Employees covered by the plan were granted an option to purchase equity shares of IPLSL subject to the requirements of vesting. A Compensation Committee constituted by the Board of Directors of IPLSL administered the plan. All these options were outstanding as at 1 April 2008.

Pursuant to a Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956, duly approved by the Hon'ble High Court of Delhi at New Delhi vide its order dated 1 September 2008, IPLSL was amalgamated with Sophia Power Company Limited ("SPCL"). With effect from the Appointed Date the IPLSL ESOS Plan was terminated and in lieu, in terms of Clause 14 (c) of the Scheme of Amalgamation, SPCL – IPLSL Employees Stock Option Plan - 2008 ("SPCL – IPLSL ESOP - 2008") was established in SPCL for the outstanding, unvested options for the benefit of the erstwhile IPLSL option holders, on terms and conditions not less favorable than those provided in the erstwhile IPLSL ESOS Plan and taking into account the share exchange ratio i.e. one equity share of SPCL of face value ₹ 10 each for every one equity share of IPLSL of face value ₹ 10 each. All the option holders under the IPLSL ESOS Plan on the Effective Date were granted options under the SPCL – IPLSL ESOP - 2008 in lieu of their cancelled options under the IPLSL ESOS Plan. The SPCL – IPLSL ESOP - 2008 was treated as a continuation of the IPLSL ESOS Plan and all such options were treated outstanding from their respective date of grant under the IPLSL ESOS Plan. During the year ended 31 March 2015, pursuant to the name change of the Company from Indiabulls Power Limited. to RattanIndia Power Limited, the name of the ESOP scheme SPCL - IPLSL Employees' Stock Option Plan 2008 ("SPCL-IPLSL ESOP 2008") was changed to RattanIndia Power Limited Employees' Stock Option Plan 2008 ("RPL ESOP 2008"). These options vest uniformly over a period of 10 years commencing one year after the date of grant.

#### RPL ESOS-2009

During the financial year ended 31 March 2010, the Company had established the "Indiabulls Power Limited Employees' Stock Option Scheme 2009" ("IPL ESOS 2009"). The Company had issued 20,000,000 equity settled options at an exercise price of ₹ 14 per option under the IPL ESOS 2009 to eligible employees which gave them the right to subscribe to stock options representing an equal number of equity shares of face value ₹ 10 each of RPL. During the year ended 31 March 2015,

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

pursuant to the name change of the Company from Indiabulls Power Limited. to RattanIndia Power Limited, the name of the ESOS scheme IPL ESOS 2009 was changed to RattanIndia Power Limited Employees' Stock Option Scheme 2009 ("RPL ESOS 2009"). These options vest uniformly over a period of 10 years commencing one year after the date of grant.

### RPL ESOS-2011

During the Financial Year ended 31 March 2012, the Company has established the "Indiabulls Power Limited Employee Stock Option Scheme -2011" ("IPL ESOS -2011"). The Company had issued 50,000,000 equity settled options at an exercise price of ₹ 12 per option equivalent to the fair market value of the equity shares of RPL on the date of grant of option under the IPL ESOS -2011 to the eligible employees of the Company which gave them the right to subscribe an equal number of equity shares of face value of ₹ 10 each of RPL. During the year ended 31 March 2015, pursuant to the name change of the Company from Indiabulls Power Limited. to RattanIndia Power Limited, the name of the ESOS scheme IPL ESOS 2011 was changed to RattanIndia Power Limited Employees' Stock Option Scheme 2011 ("RPL ESOS 2011"). These options vest uniformly over a period of 10 years commencing one year after the date of grant.

The Fair values of the options under the RPL ESOP – 2008, RPL ESOS 2009 and RPL ESOS 2011 using the binomial pricing model based on the following parameters, is ₹ 1.00 per option for RPL ESOS 2009, as certified by an independent firm of Chartered Accountants. The fair value of the re-granted options under the RPL ESOP - 2008 plan is ₹ 1.58 per option and under RPL ESOS 2011 plan is ₹ 1.78 per option as certified by an independent firm of Chartered Accountants.

Sr. No.	Particulars	RPL ESOP - 2008	RPL ESOS 2009	RPL ESOS 2011
		Grant on 10 January 2008	Grant on 4 July 2009	Grant on 7 October 2011
1	Exercise price (₹ Per option)	₹ 10.00	₹ 14.00	₹ 12.00
2	Expected volatility	0%	0%	30.48%
3	Expected forfeiture percentage on each vesting date	5%	5%	0%
4	Option Life	1 through 10 years	1 through 10 years	1 through 10 years
5	Expected Dividend Yield	8%	6.50%	16.67 % from 2014 onwards
6	Risk Free rate of Interest	8%	6.50%	8.12% to 8.72%

Summary of options granted in respect of the RPL ESOP-2008 are as under:

	31 March 2017		31 March 2016	
	Average exercise price per share option (INR)	Number of options	Average exercise price per share option (INR)	Number of options
Opening balance	10	1,093,800	10	1,245,300
Options surrendered/ lapsed during the year	10	99,000	10	151,500
Closing balance	10	994,800	10	1,093,800
Vested and exercisable options		696,600		695,400

	31 March 2017	31 March 2016	1 April 2015
Weighted average remaining contractual life of options outstanding at the end of period	43 months	55 months	57 months

**Summary of options granted in respect of the RPL ESOS 2009 are as under:**

	31 March 2017		31 March 2016	
	Average exercise price per share option (INR)	Number of options	Average exercise price per share option (INR)	Number of options
Opening balance	14	815,200	14	995,200
Options surrendered/ lapsed during the year	14	120,800	14	180,000
Closing balance	14	694,400	14	815,200
Vested and exercisable options		434,000		468,000

	31 March 2017	31 March 2016	1 April 2015
Weighted average remaining contractual life of options outstanding at the end of period	38 months	50 months	53 months

**Summary of options granted in respect of the RPL ESOS 2011 are as under:**

	31 March 2017		31 March 2016	
	Average exercise price per share option (INR)	Number of options	Average exercise price per share option (INR)	Number of options
Opening balance	12	495,000	12	830,000
Options surrendered/ lapsed during the year	12	62,500	12	335,000
Closing balance	12	432,500	12	495,000
Vested and exercisable options		205,000		198,000

	31 March 2017	31 March 2016	1 April 2015
Weighted average remaining contractual life of options outstanding at the end of period	62 months	74 months	79 months

**37 Employee Benefits**
**Defined contribution:**

Contributions are made to the Government Provident Fund and Family Pension Fund which cover all regular employees eligible under applicable Acts. Both the eligible employees and the Company make pre-determined contributions to the Provident Fund. The contributions are normally based upon a proportion of the employee's salary. The Company has recognized in the Statement of Profit and Loss an amount of ₹ 32.95 lakhs (31 March 2016: ₹ 24.42 lakhs) and in expenditure during construction ₹ 1.37 lakhs (31 March 2016: ₹ 1.64 lakhs) towards employer's contribution towards Provident Fund.

**Defined benefits:**

Provision for unfunded Gratuity payable to eligible employees on retirement/ separation is based upon an actuarial valuation as at the year ended 31 March 2017. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The commitments are actuarially determined using the 'Projected Unit Credit Method' as at the year end. Gains/ losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss/ Capital work-in-progress, as applicable and as identified by the Management of the Company.

**Other benefits:**

Provision for unfunded Compensated Absences payable to eligible employees on retirement/ separation is based upon an actuarial valuation as at the year ended 31 March 2017. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The commitments are actuarially determined using the 'Projected Unit Credit Method' as at the year end. Gains/ losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss/ Capital work-in-progress, as applicable and as identified by the Management of the Company.



## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

Based on the actuarial valuation obtained in this respect, the following table sets out the status of Gratuity and Compensated Absences and the amounts recognised in the financial statements for the year ended 31 March 2017:

Particulars	(Amount in ₹ Lakhs)			
	Gratuity		Compensated Absences	
	(Unfunded)		(Unfunded)	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
<b>Liability recognised in the Balance sheet:</b>				
Present value of obligation as at the beginning of the year	338.95	327.46	215.96	219.24
Current service cost	74.05	64.96	50.58	51.73
Interest cost	27.89	25.65	17.09	16.67
Benefits paid	(22.84)	(24.60)	(17.90)	(33.65)
Actuarial (gains)/ losses	19.18	(54.52)	(16.34)	(38.03)
<b>Present Value of obligation at the end of the year (as per Actuarial valuation)</b>	<b>437.23</b>	<b>338.95</b>	<b>249.39</b>	<b>215.96</b>
<b>Expenses during the year</b>				
Current service cost	74.05	64.96	50.58	51.73
Interest Cost	27.89	25.65	17.09	16.67
Actuarial (gains)/ losses	-	-	(16.34)	(38.03)
<b>Component of defined benefit cost charged to statement of profit and loss/ Capital work-in-progress</b>	<b>101.94</b>	<b>90.61</b>	<b>51.33</b>	<b>30.37</b>
Re-measurement of post-employment benefit obligations:				
Actuarial (gains)/ losses	19.18	(54.52)	-	-
<b>Component of defined benefit cost recognised in other comprehensive income</b>	<b>19.18</b>	<b>(54.52)</b>	<b>-</b>	<b>-</b>

### Actuarial (gains)/ losses on obligation

Particulars	(Amount in ₹ Lakhs)			
	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Actuarial (gain)/ loss on arising from change in demographic assumptions	-	-	-	-
Actuarial (gain)/ loss on arising from change in financial assumptions	11.26	(7.62)	7.99	(5.02)
Actuarial (gain)/ loss on arising from change in experience adjustments	7.92	(46.90)	(24.33)	(33.01)

The actuarial valuation in respect of commitments and expenses relating to unfunded Gratuity and Compensated Absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

#### (a) Economic assumptions

	31 March 2017	31 March 2016
Discount rate	7.61%	8.00%
Expected rate of salary increase	5.00%	5.00%

**(b) Demographic assumptions**

	31 March 2017	31 March 2016
Retirement Age	60 Years	60 Years
Mortality Table	IALM (2006 - 08)	IALM (2006 - 08)
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
- Upto 30 Years	3	3
- From 31 to 44 Years	2	2
- Above 44 Years	1	1

The employer's best estimate of contributions expected to be paid during the annual period beginning after the balance sheet date, towards gratuity and compensated absences is ₹ 104.27 lakhs (31 March 2016: ₹ 76.77 lakhs and 1 April 2015: ₹ 62.92 lakhs) and ₹ 46.34 lakhs (31 March 2016: ₹ 27.24 lakhs and 1 April 2015: ₹ 43.39 lakhs) respectively.

**(c) Sensitivity analysis of defined benefit obligation**

(Amount in ₹ Lakhs)

	31 March 2017	31 March 2016
<b>a) Impact of the change in discount rate</b>		
i) Impact due to increase of 1.00% (31 March 2016: 0.50%)	(159.44)	(27.18)
ii) Impact due to decrease of 1.00% (31 March 2016: 0.50%)	(97.82)	22.33
<b>b) Impact of the change in salary increase</b>		
i) Impact due to increase of 1.00% (31 March 2016: 0.50%)	(120.69)	22.98
ii) Impact due to decrease of 1.00% (31 March 2016: 0.50%)	(136.68)	(27.93)

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

**(d) Maturity analysis of undiscounted defined benefit obligation**

(Amount in ₹ Lakhs)

	31 March 2017	31 March 2016	1 April 2015
Less than 1 year	77.24	57.85	61.53
Year 1 to 5	38.63	62.38	65.19
More than 5 years	440.67	434.67	289.90

**38 Earnings Per Equity Share (EPS):**

Amount in ₹ Lakhs (except number of shares)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Profit/ (loss) for the year	(32,052.07)	(10,825.19)
Weighted average number of Shares used in computing Basic earnings per equity share (Number of Shares)	2,952,933,353	2,952,933,353
Add: Effect of number of equity shares on account of Employees Stock option plans of the Company	-	-
Weighted average number of Shares used in computing Diluted earnings per equity share (Number of Shares)*	2,952,933,353	2,952,933,353
Face Value per equity share – (₹)	10.00	10.00
Basic Earnings per equity share – (₹)	(1.09)	(0.37)
Diluted Earnings per equity share – (₹)	(1.09)	(0.37)

\*ESOSs and ESOPs which are anti-dilutive have been ignored from Earnings Per Equity Share calculation.

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

### 39 Disclosures in respect of related parties :

As per Ind AS-24 "Related Party Disclosure", the related parties where control exist or where significant influence exists and with whom transactions have taken place are as below:

#### Related parties where control exists:

<b>I. Company having substantial interest</b>	RattanIndia Infrastructure Limited (formerly known as Indiabulls Infrastructure and Power Limited)
<b>II. Subsidiary companies including step down subsidiaries</b>	Airmid Power Limited
	Albina Power Limited (Upto 30 September 2015) ***
	Albina Power Trading Limited (formerly known as Indiabulls Power Trading Limited)
	Albina Power Transmission Limited (formerly known as Indiabulls Power Transmission Limited)
	Albina Power Utility Limited (formerly known as Indiabulls Power Utility Limited) (Upto 31 December 2016) **
	Albina Powergen Limited (formerly known as Indiabulls Powergen Limited) (Upto 31 December 2016) **
	Albina Thermal Energy Limited (formerly known as Indiabulls Thermal Energy Limited)
	Albina Thermal Power Limited (formerly known as Indiabulls Thermal Power Limited)
	Albina Thermal Power Management Limited (formerly known as Indiabulls Thermal Power Management Limited)
	Albina Water Supply & Waste Management Services Limited (formerly known as Indiabulls Water Supply & Waste Management Services Limited)*
	Albina Thermal Projects Limited (formerly known as Indiabulls Thermal Projects Limited)
	Amravati Power Transmission Company Limited
	Angina Power Limited
	Apesh Power Limited (Upto 30 September 2015) ***
	Aravali Properties Limited
	Ashkit Power Limited (Upto 4 August 2015) ***
	Bracond Limited
	Chloris Power Limited (Upto 6 August 2015) ***
	Citra Thermal Power and Infrastructure Limited
	Devona Power Systems Limited (formerly known as Indiabulls Power Systems Limited) (Upto 31 December 2016) **
	Devona Electric Limited (formerly known as Indiabulls Electric Limited) (Upto 30 November 2015) ***
	Devona Power Development Limited (formerly known as Indiabulls Power Development Limited)
	Devona Power Distribution Limited (formerly known as Indiabulls Power Distribution Limited)
	Devona Power Generation Limited (formerly known as Indiabulls Power Generation Company Limited)
	Devona Power Infrastructure Limited (formerly known as Indiabulls Power Infrastructure Limited)
	Devona Power Limited (formerly known as Indiabulls Power Generation Limited)
	Devona Power Management Limited (formerly known as Indiabulls Power Management Limited) (Upto 31 December 2016) **

<b>II. Subsidiary companies including step down subsidiaries</b>	Devona Power Projects Development Limited (formerly known as Indiabulls Power Projects Development Limited) (Upto 30 November 2015) ***
	Devona Power Projects Limited (formerly known as Indiabulls Power Projects Limited)
	Devona Power Solutions Limited (formerly known as Indiabulls Power Solutions Limited) (Upto 31 December 2016) **
	Devona Power Supply Limited (formerly known as Indiabulls Power Supply Limited) (Upto 31 December 2016) **
	Devona Thermal Power and Infrastructure Limited
	Devona Thermal Power Projects Limited (formerly known as Indiabulls Thermal Power Projects Limited)
	Diana Energy Limited
	Diana Power Limited
	Elena Power And Infrastructure Limited
	Fornax Power Limited (Upto 31 December 2015) ***
	Genoformus Limited*
	Hecate Electric Limited
	Hecate Energy Private Limited
	Hecate Energy Trading Limited
	Hecate Hydro Electric Power Limited (Upto 31 December 2016) **
	Hecate Power and Energy Resources Limited
	Hecate Power Company Limited (Upto 31 December 2016) **
	Hecate Power Development Limited
	Hecate Power Distributors Limited
	Hecate Power Generation Limited
	Hecate Power Limited
	Hecate Power Management Limited
	Hecate Power Projects Limited
	Hecate Power Services Limited
	Hecate Power Solutions Limited (Upto 30 November 2015) ***
	Hecate Power Supply Limited
	Hecate Power Systems Limited
	Hecate Power Transmission Limited
	Hecate Power Utility Limited
	Hecate Powergen Limited
	Hecate Thermal Power And Infrastructure Limited
	Kaya Hydropower Projects Limited
	Lenus Power Limited (Upto 31 December 2015) ***
	Lucina Power And Infrastructure Limited
	Mabon Power Limited (Upto 31 December 2016) **
	Mariana Power Limited (Upto 30 September 2015) ***
	Poana Power Systems Limited
	Poena Hydro Power Projects Limited
	Poena Power Company Limited (Upto 31 December 2016) **
	Poena Power Development Limited
	Poena Power Distributors Limited
	Poena Power Generation Limited
	Poena Power Limited
	Poena Power Management Limited

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

<b>II. Subsidiary companies including step down subsidiaries</b>	Poena Power Services Limited
	Poena Power Solutions Limited
	Poena Power Trading Limited
	Poena Power Utility Limited
	Poena Thermal Power Limited
	RattanIndia Nasik Power Limited (formerly known as Indiabulls Realtech Limited)
	Renemark Limited*
	Selene Power Company Limited
	Sentia Electric Energy Limited (formerly known as Indiabulls Electric Energy Limited) (Upto 30 November 2015) ***
	Sentia Electric Limited (formerly known as Indiabulls Electric Company Limited)
	Sentia Electric Power Limited (formerly known as Indiabulls Electric Power Limited) (Upto 30 November 2015) ***
	Sentia Electricity Generation Limited (formerly known as Indiabulls Electricity Generation Limited)
	Sentia Electricity Limited (formerly known as Indiabulls Electricity Company Limited)
	Sentia Hydro Electric Power Limited (formerly known as Indiabulls Hydro Electric Power Limited)
	Sentia Hydro Energy Limited (formerly known as Indiabulls Hydro Energy Limited)
	Sentia Hydro Power Limited (formerly known as Indiabulls Hydro Power Limited)
	Sentia Hydro Power Projects Limited (formerly known as Indiabulls Hydro Power Projects Limited)
	Sentia Power Limited (formerly known as Indiabulls CSEB Bhaiyathan Power Limited)
	Sentia Thermal Power and Infrastructure Limited
	Sepla Hydropower Projects Limited
	Sepset Thermal Power and Infrastructure Limited
	Serida Power Limited (Upto 31 December 2015) ***
	Sinnar Power Transmission Company Limited*
	Tharang Warang Hydropower Projects Limited
	Triton Energy Limited
	Varali Power Limited (Upto 31 December 2015) ***
	Zeus Energy Limited (Upto 31 December 2015) ***

\* These companies are step down subsidiaries of the Company.

\*\* Sale of 10 wholly owned subsidiaries were effected during the year to a Company over which Key Management Personnel have significant influence.

\*\*\* Sale of 15 wholly owned subsidiaries were effected during the previous year to certain promoter group entities.

## Other related parties:

### III. Enterprise over which Key Management Personnel have significant influence

(with whom transactions have been entered during the year/ previous year) :

IIC Limited

Sepset Constructions Limited

Citra Real Estate Limited

RattanIndia Solar Private Limited (Formerly known as RattanIndia Solar Limited)

Ashkit Power Limited (w.e.f. 5 August 2015)

Notus Infrastructure Limited

RR Infralands Private Limited

Vikhyat Finlease And Trading Private Limited

Tupelo Builders Private Limited

Priapus Infrastructure Limited

Priapus Real Estate Private Limited #

Priapus Properties Private Limited #

Priapus Developers Private Limited #

### IV. Key Management Personnel

Name	Designation
Rajiv Rattan	Chairman and Director of the Company (Whole Time Director upto 6 March 2015)
Jayant Shriniwas Kawale	Managing Director of the Company (w.e.f. 1 October 2014)
Vishna Chandra Vishwakarma	Whole Time Director of Company (upto 7 July 2015)
Himanshu Mathur	Whole Time Director of the Company (w.e.f. 8 July 2015)
Venugopal Keshanakurthy	CFO of the Company (from 12 February 2016 to 20 January 2017)
Samir Taneja	CFO of the Company (w.e.f. 8 February 2017)

### V. Interest in Trust -

IPL-PPSL Scheme Trust

# During the year, Priapus Properties Private Limited ('PPPL') and Priapus Real Estate Private Limited ('PREPL') were merged with Priapus Developers Private Limited ('PDPL').

# Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## VI. Summary of transactions with related parties:

Nature of Transactions	Year ended	Company having Substantial Interest	Subsidiaries	Enterprises over which Key Management Personnel have significant influence	Interest in trust	Key Management Personnel	Total	(Amount in ₹ Lakhs)
Finance								
Investment in equity shares	31-Mar-17	-	15,929.50	-	-	-	15,929.50	
	31-Mar-16	-	31,418.44	-	-	-	31,418.44	
Share application money pending allotment	31-Mar-17	-	31,716.48	-	-	-	31,716.48	
	31-Mar-16	-	31,713.96	-	-	-	31,713.96	
Sale of investment in equity shares of subsidiary company	31-Mar-17	-	-	50.00	-	-	50.00	
	31-Mar-16	-	-	95.81	-	-	95.81	
Proceed from part settlement of corpus in IPL-PPSL Scheme trust	31-Mar-17	-	-	-	-	-	-	
	31-Mar-16	-	-	-	5,876.43	-	5,876.43	
Loan/ Inter Corporate Deposit taken	31-Mar-17	-	3,741.20	104,272.89	-	-	108,014.09	
	31-Mar-16	13,553.50	61,442.00	93,653.24	-	-	168,648.74	
Loan/ Inter Corporate Deposit repaid	31-Mar-17	-	17,140.24	42,721.43	-	-	59,861.67	
	31-Mar-16	13,553.50	32,208.50	90,107.30	-	-	135,869.30	
Loan/ Inter Corporate Deposit given *	31-Mar-17	-	27,336.05	-	-	-	27,336.05	
	31-Mar-16	-	9,059.52	-	-	-	9,059.52	
Loan/ Inter Corporate Deposit received back	31-Mar-17	-	1,115.00	-	-	-	1,115.00	
	31-Mar-16	-	8,433.14	-	-	-	8,433.14	
Expenses								
Interest on Loan/ Inter Corporate Deposit taken	31-Mar-17	-	4,570.82	3,717.87	-	-	8,288.69	
	31-Mar-16	653.21	3,243.10	2,189.16	-	-	6,085.47	
Reimbursement received/ (made) for bank guarantee financing charges including general expenses	31-Mar-17	30.08	79.18	9.17	-	-	118.43	
	31-Mar-16	36.93	13.36	0.96	-	-	51.25	
Reimbursement of general expense towards employment services	31-Mar-17	-	-	-	-	0.62	0.62	
	31-Mar-16	-	-	-	-	2.74	2.74	
Short-term employee benefits	31-Mar-17	-	-	-	-	522.64	522.64	
	31-Mar-16	-	-	-	-	373.14	373.14	
Post employment benefits	31-Mar-17	-	-	-	-	6.61	6.61	
	31-Mar-16	-	-	-	-	21.66	21.66	



(Amount in ₹ Lakhs)							
Nature of Transactions	Year ended	Company having Substantial Interest	Subsidiaries	Enterprises over which Key Management Personnel have significant influence	Interest in trust	Key Management Personnel	Total
<b>Income</b>							
Sale of goods	31-Mar-17	-	532.65	-	-	-	532.65
	31-Mar-16	-	-	-	-	-	-
Interest on Loan/ Inter Corporate Deposit given	31-Mar-17	-	1,917.03	-	-	-	1,917.03
	31-Mar-16	-	1,674.83	-	-	-	1,674.83
<b>Others</b>							
Capital Work-in-Progress (Excluding taxes)	31-Mar-17	-	2,239.75	913.56	-	-	3,153.31
	31-Mar-16	-	8,743.05	3,845.18	-	-	12,588.23
Capital advances	31-Mar-17	-	-	-	-	-	-
	31-Mar-16	-	11,826.11	-	-	-	11,826.11
Short term advances given/ (received back)	31-Mar-17	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	(53.41)	(53.41)
Bank guarantees	31-Mar-17	-	Refer note 33(B)(II)(1)	-	-	-	Refer note 33(B)(II)(1)
	31-Mar-16	-	-	-	-	-	-
Pledge of shares	31-Mar-17	Refer note 18(i) and note 6A(i)					
	31-Mar-16						

\* Includes increase/ (decrease) on account of gain/ (loss) on foreign exchange fluctuation recorded on ICD given.

# Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## VII. Summary of outstanding balances:

Nature of Transactions	Year ended	Company having Substantial Interest	Subsidiaries	Enterprises over which Key Management Personnel have significant influence	(Amount in ₹ Lakhs)	
					Key Management Personnel	Total
Loan/ Inter Corporate Deposit taken	31-Mar-17	-	38,470.96	73,524.43	-	111,995.39
	31-Mar-16	-	51,870.00	11,972.97	-	63,842.97
	31-Mar-15	-	22,636.50	7,400.00	-	30,036.50
Loan/ Inter Corporate Deposit given	31-Mar-17	-	56,911.43	-	-	56,911.43
	31-Mar-16	-	30,690.38	-	-	30,690.38
	31-Mar-15	-	29,319.07	-	-	29,319.07
General and personnel cost receivable/ (payable)	31-Mar-17	-	(326.37)	-	-	(326.37)
	31-Mar-16	-	(80.57)	18.00	-	(62.57)
	31-Mar-15	(25.19)	(73.66)	18.19	-	(80.66)
Reimbursement of general expense towards employment services payable	31-Mar-17	-	-	-	0.62	0.62
	31-Mar-16	-	-	-	2.74	2.74
	31-Mar-15	-	-	-	-	-
Loans and advances to employees - Amount held in trust for the Company	31-Mar-17	-	-	-	-	-
	31-Mar-16	-	-	-	-	-
	31-Mar-15	-	-	-	53.41	53.41
Share application money pending allotment	31-Mar-17	-	16,090.00	-	-	16,090.00
	31-Mar-16	-	301.72	-	-	301.72
	31-Mar-15	-	-	-	-	-
Vendor advance transferred (payable)	31-Mar-17	-	-	-	-	-
	31-Mar-16	-	(160.09)	-	-	(160.09)
	31-Mar-15	-	(160.09)	-	-	(160.09)
Capital advances	31-Mar-17	-	17,178.69	33,184.85	-	50,363.54
	31-Mar-16	-	19,342.78	34,007.65	-	53,350.43
	31-Mar-15	-	7,516.67	39,872.35	-	47,389.02
Receivable for sale of goods	31-Mar-17	-	532.65	-	-	532.65
	31-Mar-16	-	-	-	-	-
	31-Mar-15	-	-	-	-	-
Retention money payable/ Payables on purchase of Property, Plant and Equipments	31-Mar-17	-	9,074.10	2,952.35	-	12,026.45
	31-Mar-16	-	8,962.68	2,906.73	-	11,869.41
	31-Mar-15	-	16,738.74	2,734.02	-	19,472.76
Bank guaranties	31-Mar-17	-	Refer Note 33(B)(II)(1)	-	-	-
	31-Mar-16	-	-	-	-	-
	31-Mar-15	-	-	-	-	-
Pledge of shares	31-Mar-17	Refer note 18(i) and note 6A(i)			-	-
	31-Mar-16				-	-
	31-Mar-15				-	-

## VIII. Detail of outstanding balance:

Name of Related Party	Year ended	Reimbursement of general expense towards employment services payable	General and personnel costs receivable/ (payable)	Receivable for sale of goods	Loans and advances to employees - amount held in trust for the Company	Loan/ Inter Corporate Deposit taken	Loan/ Inter Corporate Deposit given	Share Application money pending allotment	Vendor advance transferred (payable)	Capital advances	Retention money payable/ payables on purchase of fixed assets
Company having substantial interest											
RattanIndia Infrastructure Limited (formerly known as Indiabulls Infrastructure and Power Limited)	31-Mar-17	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-
	31-Mar-15	-	(25.19)	-	-	-	-	-	-	-	-
Subsidiaries											
Elena Power And Infrastructure Limited	31-Mar-17	-	-	-	-	38,470.96	-	-	-	17,178.69	9,074.10
	31-Mar-16	-	-	-	-	51,870.00	-	-	-	19,342.78	8,962.68
	31-Mar-15	-	-	-	-	22,636.50	-	-	-	7,516.67	16,738.74
Bracond Limited	31-Mar-17	-	-	-	-	-	11,324.07	-	-	-	-
	31-Mar-16	-	-	-	-	-	11,455.97	-	-	-	-
	31-Mar-15	-	-	-	-	-	10,711.02	-	-	-	-
RattanIndia Nasik Power Limited (formerly known as Indiabulls Realtech Limited)	31-Mar-17	-	(326.37)	532.65	-	-	24,952.37	16,090.00	-	-	-
	31-Mar-16	-	(80.57)	-	-	-	527.36	301.72	(160.09)	-	-
	31-Mar-15	-	(73.66)	-	-	-	2,969.50	-	(160.09)	-	-
Amravati Power Transmission Company Limited	31-Mar-17	-	-	-	-	-	2,503.66	-	-	-	-
	31-Mar-16	-	-	-	-	-	2,203.39	-	-	-	-
	31-Mar-15	-	-	-	-	-	638.73	-	-	-	-
Poena Power Development Limited	31-Mar-17	-	-	-	-	-	17,749.36	-	-	-	-
	31-Mar-16	-	-	-	-	-	16,159.45	-	-	-	-
	31-Mar-15	-	-	-	-	-	14,695.01	-	-	-	-
Enterprise over which Key Management Personnel have significant influence											
IIC Limited	31-Mar-17	-	-	-	-	-	-	-	-	33,184.85	2,952.35
	31-Mar-16	-	18.00	-	-	-	-	-	-	34,007.65	2,906.73
	31-Mar-15	-	18.19	-	-	-	-	-	-	39,872.35	2,734.02
Priapus Real Estate Private Limited	31-Mar-17	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	6,000.00	-	-	-	-	-
	31-Mar-15	-	-	-	-	-	-	-	-	-	-
Priapus Developers Private Limited	31-Mar-17	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	37,383.00	-	-	-	-	-
	31-Mar-15	-	-	-	-	-	-	-	-	-	-

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

(Amount in ₹ Lakhs)											
Name of Related Party	Year ended	Reimbursement of general expense towards employment services payable	General and personnel costs receivable/ (payable)	Receivable for sale of goods	Loans and advances to employees - amount held in trust for the Company	Loan/ Inter Corporate Deposit taken	Loan/ Inter Corporate Deposit given	Share Application money pending allotment	Vendor advance transferred (payable)	Capital advances	Retention money payable/ payables on purchase of fixed assets
Vikhyat Finlease And Trading Private Limited	31-Mar-17	-	-	-	-	27,956.43	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-
	31-Mar-15	-	-	-	-	-	-	-	-	-	-
Tupelo Builders Private Limited	31-Mar-17	-	-	-	-	8,185.00	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-
	31-Mar-15	-	-	-	-	-	-	-	-	-	-
Priapus Properties Private Limited	31-Mar-17	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	5,972.97	-	-	-	-	-
	31-Mar-15	-	-	-	-	7,000.00	-	-	-	-	-
Key Management Personnel											
Jayant Shrinivas Kawale	31-Mar-17	0.62	-	-	-	-	-	-	-	-	-
	31-Mar-16	2.74	-	-	-	-	-	-	-	-	-
	31-Mar-15	-	-	-	53.41	-	-	-	-	-	-

## IX. Statement of material transactions

Name of related party	Year ended	Investment in equity shares	Share application money	Sale of investment in equity shares of subsidiary company	Proceed from part settlement of corpus in IPL-PPSL Scheme trust	(Amount in ₹ Lakhs)				
						Loan/ Inter Corporate Deposit taken	Loan/ Inter Corporate Deposit repaid	Loan/ Inter Corporate Deposit given	Loan/ Inter Corporate Deposit received back	
Company having Substantial Interest										
RattanIndia Infrastructure Limited (formerly known as Indiabulls Infrastructure and Power Limited)	31-Mar-17	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	13,553.50	13,553.50	-	-	-
Subsidiaries										
Airmid Power Limited	31-Mar-17	-	-	-	-	-	-	0.61	-	-
	31-Mar-16	-	-	-	-	-	-	1.24	-	-
Amravati Power Transmission Company Limited	31-Mar-17	-	-	-	-	-	-	300.27	-	-
	31-Mar-16	-	-	-	-	-	-	1,564.66	-	-
Angina Power Limited	31-Mar-17	-	-	-	-	-	-	5.07	-	-
	31-Mar-16	-	-	-	-	-	-	4.73	-	-
Aravali Properties Limited	31-Mar-17	-	-	-	-	-	-	0.59	-	-
	31-Mar-16	-	-	-	-	-	-	1.37	-	-
Ashkit Power Limited	31-Mar-17	-	-	-	-	-	-	-	-	0.10
	31-Mar-16	-	-	-	-	-	-	-	-	131.87
Bracond Limited	31-Mar-17	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-
Elena Power And Infrastructure Limited	31-Mar-17	-	-	-	-	3,741.20	17,140.24	-	-	-
	31-Mar-16	-	-	-	-	61,442.00	32,208.50	-	-	-
Fama Power Company Limited	31-Mar-17	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-
Hecate Power Projects Limited	31-Mar-17	-	-	-	-	-	-	0.12	-	-
	31-Mar-16	-	-	-	-	-	-	0.19	-	-
Hecate Power Solutions Limited	31-Mar-17	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-
Hecate Power Systems Limited	31-Mar-17	-	-	-	-	-	-	0.84	-	-
	31-Mar-16	-	-	-	-	-	-	0.84	-	-
Hecate Power Transmission Limited	31-Mar-17	-	-	-	-	-	-	0.22	-	-
	31-Mar-16	-	-	-	-	-	-	0.36	-	-
Sentia Power Limited (formerly known as Indiabulls CSEB Bhaiyathan Power Limited)	31-Mar-17	-	-	-	-	-	-	1.87	-	-
	31-Mar-16	-	-	-	-	-	-	3.82	-	-

# Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

Name of related party	Year ended	Investment in equity shares	Share application money	Sale of investment in equity shares of subsidiary company	Proceed from part settlement of corpus in IPL-PPSL Scheme trust	Loan/ Inter Corporate Deposit taken	Loan/ Inter Corporate Deposit repaid	Loan/ Inter Corporate Deposit given	Loan/ Inter Corporate Deposit received back
Sentia Electricity Limited (formerly known as Indiabulls Electricity Company Limited)	31-Mar-17	-	-	-	-	-	-	0.12	-
	31-Mar-16	-	-	-	-	-	-	0.24	-
Sentia Hydro Electric Power Limited (formerly known as Indiabulls Hydro Electric Power Limited)	31-Mar-17	-	-	-	-	-	-	0.11	-
	31-Mar-16	-	-	-	-	-	-	0.16	-
Sentia Hydro Energy Limited (formerly known as Indiabulls Hydro Energy Limited)	31-Mar-17	-	-	-	-	-	-	0.12	-
	31-Mar-16	-	-	-	-	-	-	0.19	-
Devona Power Infrastructure Limited (formerly known as Indiabulls Power Infrastructure Limited)	31-Mar-17	-	-	-	-	-	-	0.22	-
	31-Mar-16	-	-	-	-	-	-	0.29	-
RattanIndia Nasik Power Limited (formerly known as Indiabulls Realtech Limited)	31-Mar-17	15,928.20	31,716.48	-	-	-	-	25,540.00	1,115.00
	31-Mar-16	31,412.24	31,713.96	-	-	-	-	5,990.87	8,433.00
Kaya Hydropower Projects Limited	31-Mar-17	-	-	-	-	-	-	7.21	-
	31-Mar-16	-	-	-	-	-	-	6.60	-
Lucina Power and Infrastructure Limited	31-Mar-17	-	-	-	-	-	-	0.07	-
	31-Mar-16	-	-	-	-	-	-	0.07	-
Poana Power Systems Limited	31-Mar-17	-	-	-	-	-	-	0.42	-
	31-Mar-16	-	-	-	-	-	-	0.47	-
Poena Power Development Limited	31-Mar-17	-	-	-	-	-	-	1,589.90	-
	31-Mar-16	-	-	-	-	-	-	1,464.44	-
Poena Power Management Limited	31-Mar-17	-	-	-	-	-	-	0.01	-
	31-Mar-16	-	-	-	-	-	-	0.15	-
Poena Power Limited	31-Mar-17	1.30	-	-	-	-	-	0.39	-
	31-Mar-16	-	-	-	-	-	-	0.36	-
Selene Power Company Limited	31-Mar-17	-	-	-	-	-	-	0.62	-
	31-Mar-16	-	-	-	-	-	-	0.57	-
Sentia Thermal Power And Infrastructure Limited	31-Mar-17	-	-	-	-	-	-	0.50	-
	31-Mar-16	-	-	-	-	-	-	0.56	-
Sepila Hydropower Projects Limited	31-Mar-17	-	-	-	-	-	-	8.48	-
	31-Mar-16	-	-	-	-	-	-	7.81	-

Name of related party	Year ended	Investment in equity shares	Share application money	Sale of investment in equity shares of subsidiary company	Proceed from part settlement of corpus in IPL-PPSL Scheme trust	(Amount in ₹ Lakhs)			
						Loan/ Inter Corporate Deposit taken	Loan/ Inter Corporate Deposit repaid	Loan/ Inter Corporate Deposit given	Loan/ Inter Corporate Deposit received back
Sepset Thermal Power And Infrastructure Limited	31-Mar-17	-	-	-	-	-	-	0.50	-
	31-Mar-16	-	-	-	-	-	-	0.51	-
Albina Power Transmission Limited	31-Mar-17	-	-	-	-	-	-	-	-
	31-Mar-16	4.90	-	-	-	-	-	-	-
Tharang Warang Hydropower Projects Limited	31-Mar-17	-	-	-	-	-	-	7.64	-
	31-Mar-16	-	-	-	-	-	-	7.01	-
Triton Energy Limited	31-Mar-17	-	-	-	-	-	-	0.52	-
	31-Mar-16	-	-	-	-	-	-	0.32	-
Varali Power Limited	31-Mar-17	-	-	-	-	-	-	-	0.04
	31-Mar-16	-	-	-	-	-	-	-	-
Zeus Energy Limited	31-Mar-17	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-
<b>Enterprises over which Key Management Personnel have significant influence</b>									
IIC Limited	31-Mar-17	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	15.00	-	-	-	-	-
RattanIndia Solar Private Limited (formerly known as RattanIndia Solar Limited)	31-Mar-17	-	-	50.00	-	-	-	-	-
	31-Mar-16	-	-	75.81	-	-	-	-	-
Citra Real Estate Limited	31-Mar-17	-	-	-	-	400.00	800.00	-	-
	31-Mar-16	-	-	-	-	-	-	-	-
Ashkit Power Limited	31-Mar-17	-	-	5.00	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-
Priapus Real Estate Private Limited	31-Mar-17	-	-	-	-	-	6,000.00	-	-
	31-Mar-16	-	-	-	-	10,000.00	4,000.00	-	-
Priapus Properties Private Limited	31-Mar-17	-	-	-	-	39,505.89	10,358.86	-	-
	31-Mar-16	-	-	-	-	41,626.62	42,653.65	-	-
Priapus Developers Private Limited	31-Mar-17	-	-	-	-	4,984.00	2,721.00	-	-
	31-Mar-16	-	-	-	-	-	-	-	-
RR Infralands Pvt. Ltd.	31-Mar-17	-	-	-	-	23,598.00	23,598.00	-	-
	31-Mar-16	-	-	-	-	-	-	-	-
Vikhyat Finlease And Trading Private Limited	31-Mar-17	-	-	-	-	28,000.00	43.57	-	-
	31-Mar-16	-	-	-	-	-	-	-	-
Tupelo Builders Private Limited	31-Mar-17	-	-	-	-	8,185.00	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

Name of related party	Year ended	Investment in equity shares	Share application money	Sale of investment in equity shares of subsidiary company	Proceed from part settlement of corpus in IPL-PPSL Scheme trust	(Amount in ₹ Lakhs)				
						Loan/ Inter Corporate Deposit taken	Loan/ Inter Corporate Deposit repaid	Loan/ Inter Corporate Deposit given	Loan/ Inter Corporate Deposit received back	
Priapus Properties Private Limited	31-Mar-17 31-Mar-16	- -	- -	- -	- -	- 41,626.62	- 42,653.65	- -	- -	- -
<b>Interest in Trust</b>										
IPL-PPSL Scheme Trust	31-Mar-17 31-Mar-16	- -	- -	- -	5,876.43	- -	- -	- -	- -	- -

(i) Apart from the above transactions, the Company has also paid ROC fees on behalf of its subsidiaries and received reimbursement towards the same amount being in the range of ₹ 100 to ₹ 200,000 for the year ended 31 March 2017 and 31 March 2016.

(ii) Investment made by the Company during the year in equity capital of the subsidiary is by infusion of funds. During the previous year it was by infusion of funds in case of RattanIndia Nasik Power Limited (formerly known as Indiabulls Realtech Limited) and in case of other subsidiaries the same is by conversion of inter Corporate Deposits given to these subsidiaries.



## IX A. Statement of material transactions

(Amount in ₹ Lakhs)

Name of related party	Year ended	Interest expense	Sale of goods	Reimbursement received of BG Financing charges including General expenses (i)
<b>Company having Substantial Interest</b>				
RattanIndia Infrastructure Limited (formerly known as Indiabulls Infrastructure and Power Limited)	31-Mar-17	-	-	30.08
	31-Mar-16	653.21	-	36.93
<b>Subsidiaries</b>				
Elena Power And Infrastructure Limited	31-Mar-17	4,570.82	-	1.51
	31-Mar-16	3,243.10	-	0.99
RattanIndia Nasik Power Limited (formerly known as Indiabulls Realtech Limited)	31-Mar-17	-	532.65	74.76
	31-Mar-16	-	-	6.91
Sinnar Power Transmission Company Limited	31-Mar-17	-	-	1.37
	31-Mar-16	-	-	0.68
<b>Enterprises over which Key Management Personnel have significant influence</b>				
IIC Limited	31-Mar-17	-	-	2.27
	31-Mar-16	-	-	-
Priapus Infrastructure Limited	31-Mar-17	-	-	0.33
	31-Mar-16	-	-	0.29
RattanIndia Solar Private Limited (formerly known as RattanIndia Solar Limited)	31-Mar-17	-	-	2.31
	31-Mar-16	-	-	0.46
Sepset Constructions Limited	31-Mar-17	-	-	4.25
	31-Mar-16	-	-	0.20
Poena Power Development Limited	31-Mar-17	-	-	0.41
	31-Mar-16	-	-	0.35
Priapus Real Estate Private Limited	31-Mar-17	337.64	-	-
	31-Mar-16	874.02	-	-
RR Infralands Pvt. Ltd.	31-Mar-17	137.52	-	-
	31-Mar-16	-	-	-
Vikhyat Finlease And Trading Private Limited	31-Mar-17	657.53	-	-
	31-Mar-16	-	-	-
Tupelo Builders Private Limited	31-Mar-17	11.64	-	-
	31-Mar-16	-	-	-
Priapus Properties Private Limited	31-Mar-17	2,573.54	-	-
	31-Mar-16	1,312.43	-	-

- (i) Apart from the above transactions, the Company has also paid ROC fees on behalf of its subsidiaries and received reimbursement towards the same amount being in the range of ₹ 100 to ₹ 200,000 for the year ended 31 March 2017 and 31 March 2016.

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

### IX B. Statement of Material Transactions

In respect of Capital Work-in-Progress, Capital Advances, Vendor Advance Transferred, Reimbursement of general expense towards employment services, Short term advances Given/ (Received back) and Remuneration.

(Amount in ₹ Lakhs)

Name of Related Party	Year ended	Capital Work-in-Progress (Excluding taxes)	Capital advances	Reimbursement of general expense towards employment services	Short term advances given/ (received back)	Short-term employee benefits	Post employment benefits
<b>Subsidiaries</b>							
Subsidiaries							
Elena Power And Infrastructure Limited	31-Mar-17	2,239.75	-	-	-	-	-
	31-Mar-16	8,743.05	11,826.11	-	-	-	-
<b>Enterprises over which Key Management Personnel have significant influence</b>							
IIC Limited	31-Mar-17	913.56	-	-	-	-	-
	31-Mar-16	3,845.18	-	-	-	-	-
<b>Key Management Personnel</b>							
Jayant Shriniwas Kawale	31-Mar-17	-	-	0.62	-	236.96	(6.56)
	31-Mar-16	-	-	2.74	53.41	250.00	7.43
Venugopal Keshanakurthy	31-Mar-17	-	-	-	-	173.59	-
	31-Mar-16	-	-	-	-	32.38	2.50
Himanshu Mathur	31-Mar-17	-	-	-	-	98.69	3.24
	31-Mar-16	-	-	-	-	67.08	11.73
Vishna Chandra Vishwakarma	31-Mar-17	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	23.68	-
Samir Taneja	31-Mar-17	-	-	-	-	13.40	9.93
	31-Mar-16	-	-	-	-	-	-

Besides the above transactions, the Company also provides certain common facilities to its subsidiary companies, free of cost, such as office premises, computers and software platform and other administrative facilities.

### 40 Financial instruments

#### i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

## ii) Financial assets and liabilities measured at fair value - recurring fair value measurements

(Amount in ₹ Lakhs)

	Level	31 March 2017	31 March 2016	1 April 2015
<b>Financial assets</b>				
<b>Investments at FVTPL</b>				
Investments in Mutual Funds	Level 2	7,000.00	-	-
<b>Total financial assets</b>		<b>7,000.00</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>				
Derivative liability	Level 2	-	100.82	-
<b>Total financial liabilities</b>		<b>-</b>	<b>100.82</b>	<b>-</b>

## (iii) Fair value of financial assets and liabilities measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values. (Refer note 41(i)).

## (iv) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- (a) Mutual funds: Use of NAV's obtained from the asset manager.
- (b) Derivatives: Use of dealer quotes for similar instruments.

## 41 Financial risk management

### i) Financial instruments by category

(Amount in ₹ Lakhs)

	31 March 2017			31 March 2016			1 April 2015		
Particulars	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>									
Investments in:									
Preference shares	-	-	1,917.80	-	-	1,751.74	-	-	1,599.44
Mutual Funds	7,000.00	-	-	-	-	-	-	-	-
Loans:									
Security deposits	-	-	1,000.06	-	-	1,286.04	-	-	1,055.92
Loans	-	-	8.51	-	-	12.92	-	-	57.89
Inter corporate deposits	-	-	56,911.43	-	-	30,690.38	-	-	29,319.07
Trade receivables	-	-	78,873.65	-	-	85,698.91	-	-	20,607.39
Cash and cash equivalents	-	-	6,612.48	-	-	1,649.12	-	-	19,470.42
Other bank balances	-	-	1,538.18	-	-	282.71	-	-	1,035.32
Other financial assets	-	-	35,469.72	-	-	51,158.08	-	-	14,614.79
<b>Total</b>	<b>7,000.00</b>	<b>-</b>	<b>182,331.83</b>	<b>-</b>	<b>-</b>	<b>172,529.90</b>	<b>-</b>	<b>-</b>	<b>87,760.24</b>
<b>Financial liabilities</b>									
Borrowings	-	-	802,999.79	-	-	777,796.29	-	-	660,376.53
Trade payable	-	-	1,151.20	-	-	24,417.35	-	-	3,082.99
Other financial liabilities	-	-	67,844.55	100.82	-	58,566.84	-	-	72,291.21
<b>Total</b>	<b>-</b>	<b>-</b>	<b>871,995.54</b>	<b>100.82</b>	<b>-</b>	<b>860,780.48</b>	<b>-</b>	<b>-</b>	<b>735,750.73</b>

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

### ii) Risk Management

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarised in note 41(i). The main types of risks are market risk, credit risk and liquidity risk. The most significant financial risks to which the Company is exposed are described below:

The Company's risk management is carried out by a central finance department (of the Company) under direction of the Board of Directors. The Board of Directors provides principles for overall risk management, and covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

#### A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortised cost and deposits with banks and financial institutions. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at 31 March, as summarised below:

Particulars	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
Preference shares (i)	1,917.80	1,751.74	1,599.44
Loans (i)	57,920.00	31,989.34	30,432.88
Trade receivables (ii)	78,873.65	85,698.91	20,607.39
Cash and cash equivalents (iii)	6,612.48	1,649.12	19,470.42
Other bank balances (iii)	1,538.18	282.71	1,035.32
Other financial asset (i)	35,469.72	51,158.08	14,614.79

The Company continuously monitors defaults of customers and other counterparties, and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties.

The Company's management considers that all of the above financial assets are not impaired and/ or past due for each of the above assets reporting dates under review are of good credit quality.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due. A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

- (i) The Company's management considers assets other than trade receivables, which are 30 days past due and analyses facts and circumstances surrounding each such defaults separately. If the facts indicate a probability of loss of value, the asset's then expected cash flows are plotted in an present value based impairment model to determine the amount of impairment loss. Amounts are written off only in the following circumstances: a) no probable legal recourse is available for recovery, b) the counterparty is bankrupt, c) the cost of recovery is more than the amount or d) after all possible efforts the Company is unable to recover amounts after a period of 3 years.

Similarly, substantial part of Company's financial assets, other than trade receivables are recoverable from Company's subsidiaries, which the management of the Company believes are not credit impaired and there are no 12 month expected credit losses that are required to be recognised.

- (ii) The Company has no such assets where credit losses have been recognised as none of the assets are credit impaired. Company's trade receivables are only with a single, government owned counterparty and are to be recovered under the power purchase agreement. Therefore, these trade receivables are considered high quality and accordingly no life time expected credit losses are recognised on such receivables based on simplified approach. Any provisions against such receivables are for liquidated damages and not related to credit worthiness of the counterparty.
- (iii) The credit risk for cash and cash equivalents and other bank balances is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

**B) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

**Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(Amount in ₹ Lakhs)

31 March 2017	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings*	328,894.04	406,520.36	639,169.24	1,374,583.64
Trade payable	1,151.20	-	-	1,151.20
Other financial liabilities	43,609.61	10,598.63	-	54,208.24
<b>Total</b>	<b>373,654.85</b>	<b>417,118.99</b>	<b>639,169.24</b>	<b>1,429,943.08</b>

31 March 2016	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings*	275,201.07	438,556.42	657,525.22	1,371,282.71
Trade payable	24,417.35	-	-	24,417.35
Other financial liabilities	43,873.04	10,598.63	-	54,471.67
<b>Total</b>	<b>343,491.46</b>	<b>449,155.05</b>	<b>657,525.22</b>	<b>1,450,171.73</b>

1 April 2015	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings*	184,774.50	529,540.69	408,051.94	1,122,367.13
Trade payable	3,082.99	-	-	3,082.99
Other financial liabilities	54,713.46	10,595.37	-	65,308.83
<b>Total</b>	<b>242,570.95</b>	<b>540,136.06</b>	<b>408,051.94</b>	<b>1,190,758.95</b>

\* Borrowings excludes finance lease obligations, refer note 51 for disclosure of maturity profile of finance lease obligations.

**C) Market Risk****a) Foreign currency risk**

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency.

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

### Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting periods are as follows:

Particulars	31 March 2017	31 March 2016	1 April 2015
<b>Derivatives</b>			
Forward contract outstanding (In USD buy)	-	USD 5,221,944 (₹3,718.78 lakhs)	-
<b>Financial assets</b>			
Inter-Corporate Deposits (ICD)	USD 17,465,017 (₹11,324.07 lakhs)	USD 17,270,459 (₹11,456.00 lakhs)	USD 17,112,791 (₹10,711.03 lakhs)
<b>Financial liabilities</b>			
Trade payable- Acceptance	-	USD 101,327 (₹67.21 lakhs)	-

### Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(Amount in ₹ Lakhs)

Particulars	31 March 2017	31 March 2016
<b>USD sensitivity</b>		
INR/ USD- increase by 4.09% (31 March 2016 4.92%)*	463.15	749.91
INR/ USD- decrease by 4.09% (31 March 2016 4.92%)*	(463.15)	(749.91)

\* Holding all other variables constant

### b) Interest rate risk

#### i) Liabilities/ assets

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2017, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

### Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

(Amount in ₹ Lakhs)

Particulars	31 March 2017	31 March 2016	1 April 2015
<b>Variable rate:</b>			
Borrowings	689,352.15	712,301.06	628,974.20
Loan assets	10,049.98	10,281.60	9,701.57
<b>Total variable rate exposure</b>	<b>679,302.17</b>	<b>702,019.46</b>	<b>619,272.63</b>
<b>Fixed rate:</b>			
Borrowings	113,647.64	65,495.23	31,402.33
Loans and deposits	54,194.43	28,220.14	27,826.95
<b>Total fixed rate exposure</b>	<b>59,453.21</b>	<b>37,275.09</b>	<b>3,575.38</b>

**Sensitivity**

Below is the sensitivity of profit or loss and equity due to changes in interest rates, assuming no change in other variables:

(Amount in ₹ Lakhs)		
Particulars	31 March 2017	31 March 2016
Interest sensitivity		
Interest rates – increase by 100 basis points (31 March 2016: 150 basis points)	(6,793.02)	(10,530.29)
Interest rates – decrease by 100 basis points (31 March 2016: 150 basis points)	6,793.02	10,530.29

**c) Price risk****Exposure**

The Company is exposed to price risk in respect of its investment in mutual funds(see Note 6). The mutual funds are unquoted investments.

**Sensitivity**

Below is the sensitivity of profit or loss and equity changes in fair value of investments, assuming no change in other variables:

(Amount in ₹ Lakhs)		
Particulars	31 March 2017	31 March 2016
<b>Price sensitivity</b>		
Price increase by 1000 basis points	700.00	-
Price decrease by 1000 basis points	(700.00)	-

**42 Capital management**

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The amounts managed as capital by the Company for the reporting periods under review are summarised as follows:

(Amount in ₹ Lakhs)			
Particulars	31 March 2017	31 March 2016	1 April 2015
Long-term borrowings including finance lease obligations	538,729.10	574,869.10	562,533.69
Current maturities of long-term borrowings including finance lease obligations	62,457.14	54,540.69	42,967.18
Short-term borrowings	201,813.55	148,386.50	54,875.66
Interest accrued on borrowings	16,893.89	8,302.31	11,989.09
<b>Total borrowings</b>	<b>819,893.68</b>	<b>786,098.60</b>	<b>672,365.62</b>

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

(Amount in ₹ Lakhs)

Particulars	31 March 2017	31 March 2016	1 April 2015
Less:			
Cash and cash equivalents	6,612.48	1,649.12	19,470.42
Other bank balances	1,538.18	282.71	1,035.32
Investment of excess fund in mutual funds	7,000.00	-	-
<b>Net debts</b>	<b>804,743.02</b>	<b>784,166.77</b>	<b>651,859.88</b>
<b>Total equity</b>	<b>495,795.97</b>	<b>527,824.05</b>	<b>533,666.16</b>
<b>Net debt to equity ratio</b>	<b>162.31%</b>	<b>148.57%</b>	<b>122.15%</b>

(i) Equity includes capital and all reserves of the Company that are managed as capital.

### 43 First time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the Company's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

#### A Ind AS optional exemptions

##### 1 Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

##### 2 Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The Company has elected to apply this exemption for such contracts/ arrangements.

##### 3 Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

##### 4 Investment in subsidiaries

Ind AS 101 permits a first-time adopter who elects to account for its investments in subsidiaries at cost to continue with the carrying value of such investments as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. The Company has elected to measure investment in subsidiaries at carrying value of previous GAAP as deemed cost as at the date of transition.



**B Ind AS mandatory exceptions****1 Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

**2 Classification and measurement of financial assets and liabilities**

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

- The effects of the retrospective application or retrospective restatement are not determinable;
- The retrospective application or restatement requires assumptions about what management's intent would have been in that period;

The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

**3 De-recognition of financial assets and liabilities**

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

**C (i) Reconciliations between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

**1 Reconciliation of total equity as at 31 March 2016 and 1 April 2015**

(Amount in ₹ Lakhs)

	Notes to first time adoption	31 March 2016	1 April 2015
<b>Total equity (shareholder's funds) as per previous GAAP</b>		548,686.46	531,450.59
<b>Adjustments:</b>			
Arrangements in respect of generation assets considered as operating lease and straight lining income on such operating leases	Note – 1	(22,303.67)	1,088.03
Financial assets and liabilities accounted for at fair value at inception, and subsequently at amortised cost	Note – 2	1,729.49	1,217.36
Effect of changes in pattern of recognition of lease rentals and incentives	Note – 3	(140.15)	-
Others		(148.41)	(89.82)
<b>Total adjustments</b>		<b>(20,862.74)</b>	<b>2,215.57</b>
<b>Total equity as per Ind AS</b>		<b>527,823.72</b>	<b>533,666.16</b>

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

### 2 Reconciliation of total comprehensive income for the year ended 31 March 2016

(Amount in ₹ Lakhs)

	Notes to first time adoption	31 March 2016
<b>Profit/ (loss) after tax as per previous GAAP</b>		11,667.69
<b>Adjustments:</b>		
Arrangements in respect of generation assets considered as operating lease and straight lining income on such operating leases	Note – 1	(23,391.94)
Financial assets and liabilities accounted for at fair value at inception, and subsequently at amortised cost	Note – 2	512.50
Reclassification of foreign exchange gains on loan to foreign subsidiary	Note – 4	641.95
Effect of changes in pattern of recognition of lease rentals and incentives	Note – 3	(140.15)
Remeasurement of post-employment benefit obligations	Note – 5	(54.52)
Others		(60.72)
<b>Profit/ (Loss) after tax under Ind AS</b>		<b>(10,825.19)</b>
Other Comprehensive income (net of tax)	Note – 5	54.52
<b>Total comprehensive income for the year ended 31 March 2016</b>		<b>(10,770.67)</b>

### (ii) Reconciliation between previous GAAP and Ind AS for impact on balance sheet

(Amount in ₹ Lakhs)

Particulars	Notes to first time adoption	Previous GAAP as at 31 March 2016	Adjustments	Ind AS as at 31 March 2016	Previous GAAP as at 1 April 2015	Adjustments	Ind AS as at 1 April 2015
<b>ASSETS</b>							
<b>Non-current assets</b>							
(a) Property, plant and equipment	1	737,607.05	(602.16)	737,004.89	678,285.43	(684.83)	677,600.60
(b) Capital work-in-progress	2	95,915.53	(5,273.27)	90,642.26	151,804.81	(5,252.45)	146,552.36
(c) Other intangibles assets		170.31	-	170.31	208.09	-	208.09
(d) Financial assets							
(i) Investments	2	306,134.46	8,010.50	314,144.96	275,761.82	7,186.00	282,947.82
(ii) Loans	2	36,941.68	(5,714.35)	31,227.33	33,862.88	(6,528.49)	27,334.39
(iii) Other financial asset	3	6,532.83	-	6,532.83	6,061.74	-	6,061.74
(e) Deferred tax assets (net)		691.06	-	691.06	691.06	-	691.06
(f) Non-current tax assets (net)		1,470.58	-	1,470.58	1,381.77	-	1,381.77
(g) Other non-current assets	2	69,278.47	163.12	69,441.59	63,874.34	1,184.10	65,058.44
		<b>1,254,741.97</b>	<b>(3,416.16)</b>	<b>1,251,325.81</b>	<b>1,211,931.95</b>	<b>(4,095.68)</b>	<b>1,207,836.27</b>
<b>Current assets</b>							
(a) Inventories		26,254.75	-	26,254.75	7,559.28	-	7,559.28
(b) Financial assets							
(i) Investments		-	-	-	-	-	-
(ii) Trade receivables		85,698.91	-	85,698.91	20,607.39	-	20,607.39
(iii) Cash and cash equivalents		1,649.12	-	1,649.12	19,470.42	-	19,470.42
(iv) Other bank balances		282.71	-	282.71	1,035.32	-	1,035.32
(v) Loans		762.01	-	762.01	3,098.49	-	3,098.49
(vi) Other financial asset		44,625.25	-	44,625.25	8,553.05	-	8,553.05
(c) Other current assets	2	4,373.96	26.06	4,400.02	5,193.28	15.45	5,208.73
		<b>163,646.71</b>	<b>26.06</b>	<b>163,672.77</b>	<b>65,517.23</b>	<b>15.45</b>	<b>65,532.68</b>
		<b>1,418,388.68</b>	<b>(3,390.10)</b>	<b>1,414,998.58</b>	<b>1,277,449.18</b>	<b>(4,080.23)</b>	<b>1,273,368.95</b>

# Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

(Amount in ₹ Lakhs)

Particulars	Notes to first time adoption	Previous GAAP as at 31 March 2016	Adjustments	Ind AS as at 31 March 2016	Previous GAAP as at 1 April 2015	Adjustments	Ind AS as at 1 April 2015
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
(a) Equity share capital		295,293.34	-	295,293.34	295,293.34	-	295,293.34
(b) Other equity	1,2,3 & 4	253,393.09	(20,862.71)	232,530.38	236,157.26	2,215.56	238,372.82
		<b>548,686.43</b>	<b>(20,862.71)</b>	<b>527,823.72</b>	<b>531,450.60</b>	<b>2,215.56</b>	<b>533,666.16</b>
<b>Non-current liabilities</b>							
(a) Financial liabilities							
(i) Borrowings	2	575,393.00	(523.90)	574,869.10	563,180.96	(647.27)	562,533.69
(ii) Other financial liabilities	2 & 3	10,598.63	(4,106.32)	6,492.31	10,595.37	(5,006.71)	5,588.66
(b) Provisions		409.64	-	409.64	355.10	-	355.10
(c) Other non-current liabilities	3	-	22,303.65	22,303.65	-	-	-
		<b>586,401.27</b>	<b>17,673.43</b>	<b>604,074.70</b>	<b>574,131.43</b>	<b>(5,653.98)</b>	<b>568,477.45</b>
<b>Current liabilities</b>							
(a) Financial Liabilities							
(i) Borrowings		148,386.50	-	148,386.50	54,875.66	-	54,875.66
(ii) Trade payables	2	24,476.54	(59.19)	24,417.35	3,082.99	-	3,082.99
(iii) Other financial liabilities	2 & 3	106,857.67	(141.63)	106,716.04	110,311.54	(641.81)	109,669.73
(b) Other current liabilities		683.50	-	683.50	352.63	-	352.63
(c) Provisions		2,896.77	-	2,896.77	3,244.33	-	3,244.33
		<b>283,300.98</b>	<b>(200.82)</b>	<b>283,100.16</b>	<b>171,867.15</b>	<b>(641.81)</b>	<b>171,225.34</b>
		<b>1,418,388.68</b>	<b>(3,390.10)</b>	<b>1,414,998.58</b>	<b>1,277,449.18</b>	<b>(4,080.23)</b>	<b>1,273,368.95</b>

## (iii) Reconciliation between previous GAAP and Ind AS for impact on Statement of profit and loss

(Amount in ₹ Lakhs)

Particulars	Notes to first time adoption	Previous GAAP For the year 31 March 2016	Adjustments	Ind AS For the year 31 March 2016
<b>Revenue</b>				
Revenue from operations	1	277,497.82	(23,391.68)	254,106.14
Other income	2 & 4	7,733.82	2,149.19	9,883.01
		<b>285,231.64</b>	<b>(21,242.49)</b>	<b>263,989.15</b>
<b>Expenses</b>				
Cost of fuel, water and power consumed		143,683.05	-	143,683.05
Employee benefits expense	5	4,071.84	56.47	4,128.21
Finance costs	2	96,941.97	1,458.29	98,400.26
Depreciation and amortisation expense		19,517.93	(41.97)	19,475.96
Other expenses	3 & 4	9,349.17	(222.31)	9,126.86
		<b>273,563.96</b>	<b>1,250.48</b>	<b>274,814.34</b>
<b>Profit/ (loss) before tax</b>		<b>11,667.68</b>	<b>(22,492.97)</b>	<b>(10,825.19)</b>
Tax expense		-	-	-
<b>Net profit/ (loss) for the year</b>		<b>11,667.68</b>	<b>(22,492.97)</b>	<b>(10,825.19)</b>
<b>Other Comprehensive Income</b>				
(a) Items that will not be reclassified to profit and loss				
(i) Re-measurement of post-employment benefit obligations	5	-	54.52	54.52
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-
(b) Items that may be reclassified to profit or loss		-	-	-
<b>Other Comprehensive Income for the year</b>		<b>-</b>	<b>54.52</b>	<b>54.52</b>
<b>Total Comprehensive Income for the year</b>		<b>11,667.68</b>	<b>(22,438.45)</b>	<b>(10,770.67)</b>

# Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

## Note – 1

### Arrangements in respect of generation assets considered as operating lease and straight lining income on such operating leases

Under previous GAAP, arrangement for sale of electricity has been considered as revenue transaction and the contractually billable amount has been considered revenue from sale of electricity.

Under Ind AS this arrangement has been considered operating lease in accordance with Ind AS 17, part of consideration receivable under the arrangement has been considered as lease rent and this is recorded on a straight line basis over the lease term.

## Note – 2

### Financial assets and liabilities at amortised cost

Under previous GAAP, all financial assets and financial liabilities were carried at cost.

Under Ind AS, certain financial assets and financial liabilities are initially recognised at fair value and subsequently measured at amortised cost which involves the application of effective interest/ amortisation cost method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the fair value amount on the date of recognition of financial asset or financial liability.

## Note – 3

### Pattern of recognition of lease rentals and incentives

Under Ind AS, lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Also lessee shall recognise the aggregate benefit of incentive as a reduction of rental expenses over the lease term, on a straight-line basis.

## Note – 4

### Reclassification of foreign exchange gains on loan to foreign subsidiary

Under previous GAAP, exchange difference arising on a monetary item that is receivable from foreign operation were accumulated in a non-integral foreign currency translation reserve in the financial statements of the Company.

Under Ind AS, exchange difference arising on a monetary item that is receivable from the non-integral foreign operation shall be recognised in profit or loss in the Standalone Financial Statements of the Company.

## Note – 5

### Re-measurements of post-employment benefit obligations

Under Ind AS, re-measurements i.e. actuarial gains and losses on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the profit or loss for the year.

## 44 Details of assets pledged

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	(Amount in ₹ Lakhs)		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>Current</b>			
Inventories and trade receivables (to the extent pledged)	86,008.47	111,953.66	28,166.67
<b>Non Current</b>			
Property, plant and equipment	741,430.20	737,004.89	677,600.60
Capital work-in-progress	73,717.66	90,642.26	146,552.36
Other intangibles assets	105.93	170.31	208.09
Investments	271,505.61	255,559.18	201,739.95

## 45 Effective tax reconciliation

(Amount in ₹ Lakhs)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Profit/ (loss) before tax	(32,052.07)	(10,825.19)
Domestic tax rate	34.61%	34.61%
<b>Expected tax expense [A]</b>	<b>(11,093.22)</b>	<b>(3,746.60)</b>
Adjustment for non-deductible expenses	0.25	8.91
Adjustment for exempt income	(22.50)	(30,953.59)
Adjustment due to changes in tax rates	-	962.47
Deferred tax liability to be reversed during tax holiday period	-	13,807.80
Deferred tax assets not recognised	11,115.47	19,921.01
<b>Total adjustments [B]</b>	<b>11,093.22</b>	<b>3,746.60</b>
<b>Actual tax expense [C=A+B]</b>	-	-
Tax expense comprises:		
Current tax expense	-	-
Deferred tax credit	-	-
<b>Tax expense recognized in Statement of profit and loss [D]</b>	-	-

## 46 Disclosure on Specified Bank Notes (SBN)

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

(Amount in ₹ Lakhs)

Particulars	SBNs	Other denomination Notes	Total
<b>Closing Cash on hand as on 8 November 2016</b>	<b>41.20</b>	<b>2.48</b>	<b>43.68</b>
Add:- Permitted receipts	-	7.65	7.65
Less :- Permitted payments	-	4.15	4.15
Less :- Amount deposited in banks	41.20	-	41.20
<b>Closing Cash on hand as on 30 December 2016</b>	<b>-</b>	<b>5.98</b>	<b>5.98</b>

For the purpose of this clause 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8 November 2016.

- 47 (i) The Company had, on 20 October 2010, allotted 420,000,000 Share Warrants to certain Promoter Group entities which were partly paid and at the option of the warrant holders were convertible into equivalent number of Equity shares of the Company. Under the Court approved Scheme of Arrangement by and amongst Indiabulls Real Estate Limited, Indiabulls Infrastructure and Power Limited, Indiabulls Builders Limited, the Company, Poena Power Supply Limited and their respective shareholders and creditors (Scheme - 2011), it had been stipulated that any of such Warrants remaining outstanding on the day of the Scheme - 2011 becoming effective, would stand converted into partly paid Equity shares of the Company. However, prior to the effectiveness of the Scheme - 2011 the warrant holding entities conveyed to the Company their unwillingness to exercise the warrants per se, so that as on the date of effectiveness of the Scheme - 2011, no Warrants were outstanding. Consequently, an amount of ₹ 30,450.00 lakhs representing the upfront money paid on these Warrants was forfeited by the Board of Directors of the Company and appropriated towards the Capital Reserve of the Company.
- (ii) During the previous year, the Company received an amount of ₹5,876.43 lakhs consequent to disposal of its investment in IPL- PPSL Scheme Trust as part settlement of corpus of ₹950.00 lakhs, the resulting balance of ₹ 4,926.43 lakhs has been credited to Capital Reserves.

## Notes Forming Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (Formerly known as Indiabulls Power Limited.) for the year ended 31 March 2017

### 48 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	(Amount in ₹ Lakhs)	
	As at 31 March 2017	As at 31 March 2016
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	Nil	Nil
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

The above information and that given in Note 23 - 'Trade Payables' 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.

- 49 The disclosure as per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to Loans and advances in the nature of loans given to subsidiaries, associates and others and investments in shares of the Company by such parties is covered in the related party disclosures. (Refer Note 39)
- 50 The Company considers its investment in subsidiaries as strategic and long term in nature and accordingly, in the view of the Management, there is no impairment loss that needs to be recorded for such investments.
- 51 The Company is engaged in power generation and the setting up of power projects for generating, transmitting and supplying all forms of electrical energy and to undertake allied/ incidental activities in connection therewith. Considering the nature of the Company's business and operations, and the information reviewed by the Chief Operating Decision Maker (CODM) to allocate resources and assess performance, the company has one reportable business segment i.e. "Power generation and allied activities" as per the requirements of Ind AS 108 – 'Operating Segments'.

Revenue of ₹ 133,450.34 Lakhs (31 March 2016 ₹ 254,106.14: Lakhs) are derived from a single external customer and the Company operates in one geography.

- 52 The Company has taken various premises on operating leases/ leave and license and lease payments recognized in the Statement of Profit and Loss and Property, Plant and Equipment amounting to ₹ 391.63 lakhs and ₹ 84.64 lakhs respectively for the year ended 31 March 2017 (31 March 2016: ₹ 320.79 lakhs for Statement of Profit and Loss and ₹ 22.52 lakhs for Property, Plant and Equipment) in respect of the same. The underlying agreements are executed for a period generally ranging from 11 months to three years, renewable at the option of the Company and are cancellable, by giving a notice generally of 30 to 90 days. An agreement is entered into by the Company for a period of 9 years with non-cancellable period of initial 3 years. There are no restrictions imposed by such leases and there are no subleases. The minimum lease rentals outstanding as at Balance Sheet dates are as under:

Minimum lease rentals payables	(Amount in ₹ Lakhs)		
	31 March 2017	31 March 2016	1 April 2015
Within one year	652.23	653.19	449.93
One to Five years	540.92	1,190.03	1,556.81
Above Five Years	Nil	Nil	Nil

The Company has entered into a Power Purchase Agreement with MSIEDCL (Lessee) for the supply of electricity for a term of 25 years, which has been considered as an embedded lease arrangement for the Company's power plant. Such lease is classified as operating lease, and as such the revenue is recognized on straight line basis. Considering that the capacity charges per unit is higher in the initial years, there is a negative impact to P&L on account of straightlining. Accordingly, capacity charges charged by the Company are treated as lease rentals. The minimum lease payments under non-cancellable operating leases to be charged by the Company are as follows:

(Amount in ₹ Lakhs)

Minimum lease rentals receivables	31 March 2017	31 March 2016	1 April 2015
Within one year	98,287.20	98,287.20	98,556.48
One to Five years	335,339.28	364,378.68	393,418.08
Above Five Years	1,107,489.66	1,176,737.46	1,245,985.26

The Company has leased land, which has been classified as finance leases. The reconciliation between the total of future minimum lease payments and their present value at the end reporting period is as follows:

(Amount in ₹ Lakhs)

	Minimum lease rentals payable			
	Less than 1 year	1-5 years	More than 5 years	Total
<b>As at 31 March 2017</b>				
Lease payment	198.28	793.10	16,372.15	17,363.53
Finance charge	198.27	793.07	14,719.94	15,711.28
Net present value	0.01	0.03	1,652.21	1,652.25
<b>As at 31 March 2016</b>				
Lease payment	198.28	793.10	16,570.42	17,561.80
Finance charge	198.27	793.07	14,918.20	15,909.54
Net present value	0.01	0.03	1,652.22	1,652.26
<b>As at 1 April 2015</b>				
Lease payment	163.90	655.61	13,672.28	14,491.79
Finance charge	163.90	655.59	12,306.49	13,125.98
Net present value	-	0.02	1,365.80	1,365.82

- 53 In respect of amounts as mentioned under Section 125 of the Companies Act, 2013, there are no delays in transfer of dues required to be credited to the Investor Education and Protection Fund as at 31 March 2017. There were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2016 and 1 April 2015.
- 54 The Board of Directors in its meeting held on 22 May 2017 has decided to constitute a Refinancing and Restructuring Committee to (a) evaluate various refinancing/ restructuring schemes (including S4A) under guidelines issued by RBI from time to time for Amravati power plant under the Company and (b) consider, examine and evaluate the ways and means of bringing about a restructuring of the core business of the Company through a proposed demerger of Nashik plant from the Company, in a mode and manner which is in the best interests of the two companies and their shareholders. The necessary steps in this direction shall be taken post a thorough examination and evaluation of the proposals received from the said committee.
- 55 The Company is covered under Section 135 of the Companies Act, 2013 and accordingly constituted a Corporate Social Responsibility Committee of the Board. However, as the Company did not have average net profits based on the immediately preceding three financial years, the Company is not required to spend amounts towards Corporate Social Responsibility in terms of the Companies Act, 2013.

For Walker Chandiok & Co. LLP  
Chartered Accountants

For and on behalf of the Board of Directors

per Neeraj Goel  
Partner

Rajiv Rattan  
Chairman  
DIN: 00010849

Jayant Kawale  
Managing Director  
DIN: 00076038

Samir Taneja  
Chief Financial Officer

Gaurav Toshkhani  
Company Secretary

Place: New Delhi  
Date: 22 May 2017

The logo for RattanIndia, featuring the company name in a white serif font on a green rectangular background. The letter 'i' in India has a small orange dot above it.

**RattanIndia**

**RattanIndia Power Limited**

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