

September 2, 2019

✓ Scrip Code - 533122  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
MUMBAI - 400 001

RTNPOWER  
National Stock Exchange of India Limited  
"Exchange Plaza", Bandra-Kurla Complex  
✓ Bandra (East),  
MUMBAI - 400 051

**Sub: Notice and Annual Report of Twelfth Annual General Meeting (AGM) of RattanIndia Power Limited (the "Company").**

Dear Sir,

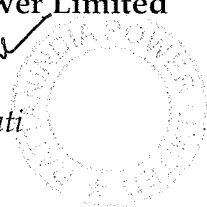
In continuance to the letter dated August 31, 2019 and Pursuant to Regulation 34(1) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2018-19, which is being dispatched / sent to the members by the permitted mode(s).

This is for your information and record.

Thanking you,

Yours faithfully,  
For **RattanIndia Power Limited**

*CAN*  
Lalit Narayan Mathpati  
Company Secretary



**RattanIndia Power Limited**

((Formerly Indiabulls Power Limited.))

Registered Office: A-49, Ground Floor, Road No. 4, Mahipalpur, New Delhi-110037

Tel.: +91 11 46611666 Fax: +91 11 46611777

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

CIN: L40102DL2007PLC169082

## RattanIndia Power Limited

**Registered Office:** A-49, Ground Floor, Road No. 4, Mahipalpur, New Delhi 110037.

CIN: L40102DL2007PLC169082

Email: ir@rattanindia.com, Tel: 011-46611666, Fax: 011-46611777, Website: www.rattanindia.com

### NOTICE

Notice is hereby given that the Twelfth Annual General Meeting of the Members of **RATTANINDIA POWER LIMITED** will be held on **Thursday, the 26th day of September, 2019 at 10:00 A.M. at Centaur Hotel, IGI Airport, Delhi-Gurgaon Road, New Delhi-110 037**, to transact the following businesses:

#### ORDINARY BUSINESS :

1. To receive, consider and adopt the audited financial statements (standalone and consolidated) of the Company as at March 31, 2019 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajiv Rattan (DIN: 00010849), Director, who retires by rotation and being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS:

##### Item No. 3:

**Re-appointment of Mr. Narayanasany Jeevagan (DIN: 02393291) as an Independent Director for a second consecutive term of five years.**

**To consider and, if thought fit, to pass the following Resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**), as amended from time to time and in accordance with the Articles of Association of the Company, Mr. Narayanasany Jeevagan (DIN: 02393291), who was appointed as an Independent Director in the seventh Annual General Meeting of the Company and who holds office up to end of this Annual General Meeting and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a notice in writing from him under Section 160(1) of the Act proposing his candidature for the office of director as aforesaid, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second consecutive term of five years commencing from this Annual General Meeting till the conclusion of 17<sup>th</sup> Annual General Meeting.”

##### Item No. 4:

**Re-appointment of Mr. Sharad Behal (DIN: 02774398) as an Independent Director for a second consecutive term of five years.**

**To consider and, if thought fit, to pass the following Resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**), as amended from time to time and in accordance with the Articles of Association of the Company, Mr. Sharad Behal (DIN: 02774398), who was appointed as an Independent Director at the seventh Annual General Meeting of the Company and who holds office up to end of this Annual General Meeting and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a notice in writing from him under Section 160(1) of the Act proposing his candidature for the office of director as aforesaid, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second consecutive term of five years commencing from this Annual General Meeting till the conclusion of 17<sup>th</sup> Annual General Meeting.”

**Item No. 5:**

**Re-appointment of Mr. Sanjiv Chhikara (DIN: 06966429) as an Independent Director, for a second consecutive term of five years.**

**To consider and, if thought fit, to pass the following Resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time and in accordance with the Articles of Association of the Company, Mr. Sanjiv Chhikara (DIN: 06966429), who was appointed as an Independent Director at the seventh Annual General Meeting of the Company and who holds office up to end of this Annual General Meeting and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a notice in writing from him under Section 160(1) of the Act proposing his candidature for the office of director as aforesaid, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second consecutive term of five years commencing from this Annual General Meeting till the conclusion of 17<sup>th</sup> Annual General Meeting.”

**Item No. 6:**

**To consider and if thought fit, to pass the following Resolution approving the remuneration paid to the cost auditors, as an Ordinary Resolution.**

**“RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 25,000/- (Rupees Twenty Five Thousand) as recommended by the Audit Committee to the Board of Directors of the Company (**Board**) and thereupon approved by the Board as remuneration payable to M/s. Nisha Vats & Co., Cost Accountants, as the Cost Auditors, for conducting the audit of the cost records of the Company for the financial year ended March 31, 2019 and subsequently paid to them, be and is hereby approved.”

By Order of the Board of Directors  
For **RattanIndia Power Limited**

Place: New Delhi  
Date: August 31, 2019

**Registered Office:**

A-49, Ground Floor, Road No. 4,  
Mahipalpur, New Delhi 110037  
CIN: L40102DL2007PLC169082  
Email: ir@rattanindia.com  
Phone No: 011 - 46611666

Sd/-  
**Lalit Narayan Mathpati**  
Company Secretary  
FCS-7943

## NOTES:

- (a) The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, 18th day of September, 2019 to Thursday, 26th day of September, 2019 (both days inclusive), for the purpose this annual general meeting of the Company.
- (b) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS AGM IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND, ON A POLL, TO VOTE ON HIS/HER BEHALF, AND A PROXY NEED NOT BE A MEMBER.** A Blank form of proxy is enclosed and if intended to be used, it should be returned, duly completed, to the Registered Office of the Company not later than forty eight hours before the commencement of the meeting. Proxy holders shall carry a valid identity proof at the time of attending the meeting. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, such a proxy shall not act as a proxy for any other shareholder.
- (c) Bodies Corporate intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant resolution/authorisation, as passed by their Board of directors/governing bodies, as the case may be, authorizing the representative(s) named therein to attend and vote on their behalf at the Meeting, the specimen signature of such representative(s) being duly attested in the relevant resolution/authorisation.
- (d) Members/Proxies/Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialised form are requested to fill in their **client ID** and **DP ID** and those who hold shares in physical form are requested to fill in their folio number in the attendance slip for attending the Meeting. The Proxies/Authorised Representatives should fill in similar details in respect of shares represented by them.  
  
In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names as appearing in the beneficiary data or the register of members, will be entitled to vote, provided the votes are not already cast by remote e-voting by the first holder.
- (e) Explanatory Statement as required under Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed to the notice.
- (f) During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the valid proxies lodged with the company, at any time during the business hours of the Company, provided that not less than three days notice of the intention to do so, has in writing, been given to the Company. Additionally all documents referred to in the notice and accompanying explanatory statement, which the members are entitled to inspect as per applicable laws, are open for their inspection at the Registered Office of the Company on all working days of the Company between 11:00 A.M. and 1:00 P.M. upto the date of the Annual General Meeting and at the venue of the Meeting for the duration of the Meeting.
- (g) The relevant details of the directors sought to be reappointed, including their brief resume, nature of their expertise in specific functional areas are provided in the explanatory statement and Corporate Governance Report forming part of the Annual Report. Additional information pertaining to such directors as required to be provided in terms of the SEBI (Listing Obligations and Disclosure Regulations), 2015, has been provided in the Corporate Governance section of the Annual Report.
- (h) Electronic copy of the Notice of 12th Annual General Meeting (AGM) of the Company and the Annual Report for FY 2018- 19 are being sent to all the Members whose e-mail IDs are registered with the Company/ Depository Participant(s) for correspondence purposes, unless any member has requested for a hard copy of the same. For members who have not registered their e-mail IDs, physical copy of the said Notice and Annual Report inter-alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form are being sent through the permitted mode(s). The said Notice and the Annual Report are being sent to all the Members, whose names appeared in the Register of Members as on August 23, 2019, and to Directors and the Statutory and Secretarial Auditors' of the Company and other persons or entities, if any, entitled to receive the same. Members may note that said Notice and the Annual Report for FY 2018-19 are also posted on the website of the Company <http://www.rattanindia.com>
- (i) Members holding shares in physical form are requested to notify change in address, if any, under their signatures to Karvy Fintech Private Limited, Karvy Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serilingampally, Hyderabad – 500 032, the Registrar and Share Transfer Agent (**RTA**), quoting their folio No(s) Members holding share(s) in electronic form may update such details with their Depository Participants.

- (j) The businesses as set out in the Notice, may be transacted through electronic voting system and the Company will provide remote e-voting facility for voting by electronic means in compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

The Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its Members to enable them to cast their votes electronically instead of casting their vote at the Meeting. Please note that the voting through electronic means is optional. The Company has appointed Karvy Fintech Private Limited ("Karvy") for facilitating e-voting to enable the Members to cast their votes electronically. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

- (k) The e-voting period commences on Monday, the 23<sup>rd</sup> day of September, 2019 at 10:00 A.M. and ends on Wednesday, the 25<sup>th</sup> day of September, 2019 at 5:00 P.M. During the period, the Members of the Company, as on the cut-off date (for the purpose of reckoning voting rights) being, Thursday the 19<sup>th</sup> day of September, 2019, holding shares in physical form or in dematerialized form, may cast their vote by electronic means in the manner and process set out herein below. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, Members who have cast their vote electronically shall not vote by way of poll held at the Meeting. To provide an opportunity to vote at the meeting to the shareholders, who have not exercised the remote e-voting facility, they shall be provided with ballot papers before the commencement of the meeting. Any person who is not a member as on the cut-off date should treat this Notice for information purpose only
- (l) In case of any query pertaining to e-voting, please visit Help & FAQ's section of <https://evoting.karvy.com>.
- (m) The voting rights of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date being Thursday, the 19<sup>th</sup> of September 2019.
- (n) The Company has appointed Mr. Sanjay Khandelwal of M/s. S. Khandelwal & Co, Practicing Company Secretary, as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
- (o) The procedure and instructions for e-voting are as follows:
- Open your web browser during the voting period and navigate to '<https://evoting.karvy.com>'.
  - Enter the login credentials (i.e.- user-id & password) enclosed with the Notice. Your Folio/DP Client ID will be your User-ID.

User – ID	For Members holding shares in Demat Form:- a) For NSDL:- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL:- 16 digits beneficiary ID For Members holding shares in Physical Form:- • Electronic Voting Event Number (EVEN) followed by Folio Number registered with the company
Password	Your Unique password is enclosed with the AGM Notice / forwarded through the electronic notice via email.
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- Please contact on toll free No. 1-800-34-54-001 for any further clarifications.
- Members can cast their vote online from September 23, 2019 at 10:00 A.M. to September 25, 2019 at 5:00 P.M.
- After entering these details appropriately, click on "LOGIN".
- Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Fintech Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile no., email ID, etc. on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- You need to login again with the new credentials.

- viii) On successful login, system will prompt to select the 'Event' i.e. '**Company Name**'.
- ix) If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and casted your vote earlier for any company, then your existing login id and password are to be used.
- x) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not want to cast, select 'ABSTAIN'.
- xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xiii) Corporate/Institutional Members (corporate/Fls/FIs/Trust/Mutual Funds/Banks, etc.) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to sanjay918@gmail.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name\_ Event no."
- xiv) Any person who has become the Member of the Company after the dispatch of AGM Notice but on or before the cut-off date i.e. September 19, 2019, may write to Karvy on the email id: evoting@karvy.com or contact Ms. C Shobha Anand at Contact No. 040-67162222, at (Unit: RattanIndia Power Limited) Karvy Fintech Private Limited, Karvy Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serilingampally, Hyderabad – 500 032, requesting for the User ID and Password. After receipt of the above credentials, please follow the steps mentioned above, to cast the vote.
- (p) The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than 48 hours of the conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (q) The Chairman, on receipt of the Scrutinizer's Report, shall declare the results of the voting forthwith and the results declared along with the Scrutinizer's Report, shall be placed on the Company's website www.rattanindia.com and on the website of Karvy immediately after the result is declared and the Company shall, simultaneously, forward the results to Exchanges.
- (r) The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. We propose to send all future communications, in electronic mode to the email address provided by you. **So, shareholders whose email address is not registered with us are requested to please get their email address registered with us, so that your Company can contribute to the safety of environment.**
- (s) The Route Map showing directions to reach the venue of the AGM is enclosed.
- (t) Any query relating to financial statements must be sent to the Company's Registered Office at least seven days before the date of meeting.
- (u) The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, with a view to protect the interest of the shareholders, has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar and Transfer Agent. The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/MIRSD/DOS3/CIR/P/2019/30 dated February 11, 2019, decided to grant relaxation to Non-residents (NRIs, PIOs, OCIs and foreign nationals) from the requirement to furnish PAN and permit them to transfer equity shares held by them in the Company.
- (v) Pursuant to proviso of Regulation 40 (1) of SEBI (Listing Obligations and Disclosure requirements) 2015 and vide SEBI Notification No. SEBI/LAD-NRO/ GN/2018/24 dated June 8, 2018 and further amendment through Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, any request for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Members are requested to dematerialize the Equity Shares of the Company held by them, promptly.

## EXPLANATORY STATEMENT

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") sets out all material facts relating to the business mentioned at item Nos. 3, 4, 5 & 6 of the accompanying Notice dated August 31, 2019.

### Item Nos. 3, 4 & 5:

Based on the report of performance evaluation of the Independent Directors, the Nomination and Remuneration Committee has recommended to the Board of Directors the re-appointment of Mr. Narayanasany Jeevagan (DIN : 02393291), Mr. Sharad Behal (DIN: 02774398) and Mr. Sanjiv Chhikara (DIN: 06966429) as Independent Directors, for a second consecutive term of five years commencing from this AGM till the conclusion of 17<sup>th</sup> AGM, not liable to retire by rotation. Mr. Narayanasany Jeevagan, Mr. Sharad Behal and Mr. Sanjiv Chhikara were appointed as Independent Directors at the seventh Annual General Meeting ("AGM") of the Company for a period of five years. The Company has, in terms of Section 160(1) of the Act received in writing notices from them, proposing their candidatures for the office of Directors. The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee, considers that given their background, experience and contribution, their continued association would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. The Company has received declarations from them to the effect that they meet the criteria of independence as stipulated in Section 149(6), read with Schedule IV of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The terms and conditions of their appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on all working days between 11:00 A.M. to 1:00 P.M. will also be kept open at the venue of the AGM till the conclusion of the AGM.

Mr. Narayanasany Jeevagan, Mr. Sharad Behal and Mr. Sanjiv Chhikara are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013 read with rules framed thereunder and also have given their consent to act as such.

Brief profiles of the said directors seeking re-appointment are:

#### (A) Mr. Narayanasany Jeevagan (DIN: 02393291)

Mr. Narayanasany Jeevagan, aged 69 years, is gold medalist of Madurai Kamaraj University in B.Com final exam of March, 1969. He joined Canara Bank in September, 1970 as probationary officer and retired from there in April, 2010 as General Manager.

During his 40 years of service in the Bank, he held various positions, including as in-charge of bank's different regions/ Circle offices, where due to his motivational skills he ensured achievement of business targets by the branches, with active participation of all staff members. Being well versed in Credit and Risk Management, he headed bank's Corporate Services Branch at Chennai, handling high value accounts. He was also posted as Managing Director of Canara Bank Venture Capital Ltd. He was deputed to United Bank of India for three years as GM-Vigilance after selection by Ministry of Finance.

The re-appointment of Mr. Narayanasany Jeevagan as an Independent Director for the second consecutive term of five years, is now being placed before the Members for their approval by way of Special Resolution as set out at item no. 3. Given the above explanation, your directors recommend the passing of the said resolution.

Mr. Narayanasany Jeevagan does not hold any shares in the Company nor is he related to any director of the Company.

Except Mr. Narayanasany Jeevagan, none of the Directors, Promoters and Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise in the Resolution set out at Item No. 3 of the Notice

#### (B) Mr. Sharad Behal (DIN: 02774398)

Mr. Sharad Behal aged 48 years holds a B Tech. degree in Mechanical Engineering from the Indian Institute of Technology, Mumbai, one of the premier engineering institutes in the country and also holds a Masters in Business Administration from the reputed Rotterdam School of Management, Erasmus University, Netherlands. Armed with knowledge and skills of a top order engineering and management professional, Mr. Behal started his career journey as a Field Engineer with Schlumberger in the year 1994 where he has had a fairly long stint spanning over several years, in diverse areas, holding several high level key management positions including that of the Vice President Wireline Segment for Middle East & Asia and Vice President for Schlumberger Oil field Services for East Asia.

In Mr. Behal, the Company has been presented with an opportunity to induct on its Board of Directors, one of the most knowledgeable and experienced professional, with an acumen matching the best in business, all of which would be immensely beneficial to the Company and would stand it in good stead in the years to come.



The re-appointment of Mr. Behal as an Independent Director for the second consecutive term of five years, is now being placed before the Members for their approval by way of Special Resolution as set out at item no. 4. Given the above explanation, your directors recommend the passing of the said resolution.

Mr. Behal does not hold any shares in the Company nor is he related to any director of the Company.

Except Mr. Sharad Behal, none of the Directors, Promoters and Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice

(C) Mr. Sanjiv Chhikara (DIN: 06966429)

Mr. Sanjiv Chhikara, aged 54 years, started his carrier with the Customs Department at Mumbai where he put in 20 years and was handling several facets of works of the customs department such as clearance of import and export cargo, adjudication of cases, project imports, Duty Exemption Scheme, Export Oriented units, Investigations and intelligence CESAT and settlement commission etc. In the year 2011 he took a voluntary retirement and is currently an independent consultant. He is also doing high tech agriculture using poly house technology near Delhi.

The re-appointment of Mr. Sanjiv Chhikara as an Independent Director for the second consecutive term of five years, is now being placed before the Members for their approval by way of Special Resolution as set out at item no. 5. Given the above explanation, your directors recommend the passing of the said resolution.

Mr. Sanjiv Chhikara does not hold any shares in the Company nor is he related to any director of the Company.

Except Mr. Sanjiv Chhikara, none of the Directors, Promoters and Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice

**Item No. 6**

The Board of Directors in its meeting held on August 31, 2018 had on the recommendations of the Audit Committee of the Company, appointed M/s Nisha Vats & Co, Cost Accountants, as the Cost Auditors for conducting the audit of cost records of the Company for the accounting year ended March 31, 2019, at a remuneration of ₹ 25,000/- (Rupees Twenty Five Thousand) as recommended by the Audit Committee.

In terms of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 the remuneration of cost auditors appointed by a company, as fixed by its board of directors, upon recommendations of the audit committee of such board, is subsequently required to be ratified by the shareholders of the company concerned.

Accordingly, the Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the members.

None of the Promoters, Directors or Key Managerial Persons of the Company or their relatives is in any way concerned or interested, financially or otherwise in the said resolution.

By Order of the Board of Directors  
For **RattanIndia Power Limited**

Place: New Delhi  
Date: August 31, 2019

Sd/-  
**Lalit Narayan Mathpati**  
Company Secretary  
FCS-7943

**Registered Office:**

A-49, Ground Floor, Road No. 4, Mahipalpur, New Delhi 110037  
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Email: ir@rattanindia.com  
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## RattanIndia Power Limited

**Registered Office:** A-49, Ground Floor, Road No. 4, Mahipalpur, New Delhi 110037.

CIN: L40102DL2007PLC169082

Email: ir@rattanindia.com, Tel: 011-46611666, Fax: 011-46611777, Website: www.rattanindia.com

### FORM NO. MGT-11

#### PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L40102DL2007PLC169082

Name of the Company : **RattanIndia Power Limited**

Registered Office : A-49, Ground Floor, Road No. 4, Mahipalpur New Delhi 110037.

Website : **www.rattanindia.com**

Name of the Member(s) : .....

Registered address : .....

E-mail Id : ..... Folio No./DP ID No..... Client ID No.....

I/We, being the member(s) of..... Equity Shares of face value of ₹ 10/- each of the above named Company, hereby appoint:

1. Name : .....

Address : .....

E-mail ID : .....

Signature: ....., or failing him/her

2. Name : .....

Address : .....

E-mail ID : .....

Signature: ....., or failing him/her

3. Name : .....

Address : .....

E-mail ID : .....

Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twelfth Annual General Meeting of the Company, to be held on Thursday, the 26th day of September, 2019 at 10:00 A.M. at Centaur Hotel, IGI Airport, Delhi-Gurgaon Road, New Delhi-110037, and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

RESOLUTION NO.	RESOLUTIONS
	<b>ORDINARY BUSINESS</b>
1	Adoption of audited financial statements (standalone and consolidated) of the Company as at March 31, 2019 and the Reports of the Board of Directors and Auditors thereon.
2	Re-appointment of Mr. Rajiv Rattan (DIN: 00010849) as a Director, liable to retire by rotation.
	<b>SPECIAL BUSINESS</b>
3	Re-appointment of Mr. Narayanasany Jeevagan (DIN: 02393291) as an Independent Director for a second consecutive term of five years.
4	Re-appointment of Mr. Sharad Behal (DIN: 02774398) as an Independent Director for a second consecutive term of five years.
5	Re-appointment of Mr. Sanjiv Chhikara (DIN: 06966429) as an Independent Director for a second consecutive term of five years.
6	Approval of remuneration paid to Cost Auditors.

Signed this.....day of.....2019.

Signature of Shareholder:.....

Affix ₹ 1  
Revenue  
Stamp

Signature of Proxy holder (s) : .....

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.**

## RattanIndia Power Limited

**Registered Office:** A-49, Ground Floor, Road No. 4, Mahipalpur, New Delhi 110037.

CIN: L40102DL2007PLC169082

Email: ir@rattanindia.com, Tel: 011-46611666, Fax: 011-46611777, Website: www.rattanindia.com

### ATTENDANCE SLIP

Twelfth Annual General Meeting being held on Thursday, the 26th day of September 2019 at Centaur Hotel, IGI Airport, Delhi-Gurgaon Road, New Delhi-110037 at 10:00 A.M. (IST).

<b>Folio No.* / DP ID Client ID No.</b>	
<b>Name of attending Member/ Proxy/ Authorised Representative</b>	
<b>Name of Joint Member(s), If any</b>	
<b>No. of Equity Shares held</b>	

I/we certify that I/we am/are member(s)/proxy for the member(s) of the company.

I/we hereby record my/our presence at the Twelfth Annual General Meeting of the Company being held on Thursday, the 26th day of September 2019 at Centaur Hotel, IGI Airport, Delhi-Gurgaon Road, New Delhi-110037 at 10:00 A.M. (IST).

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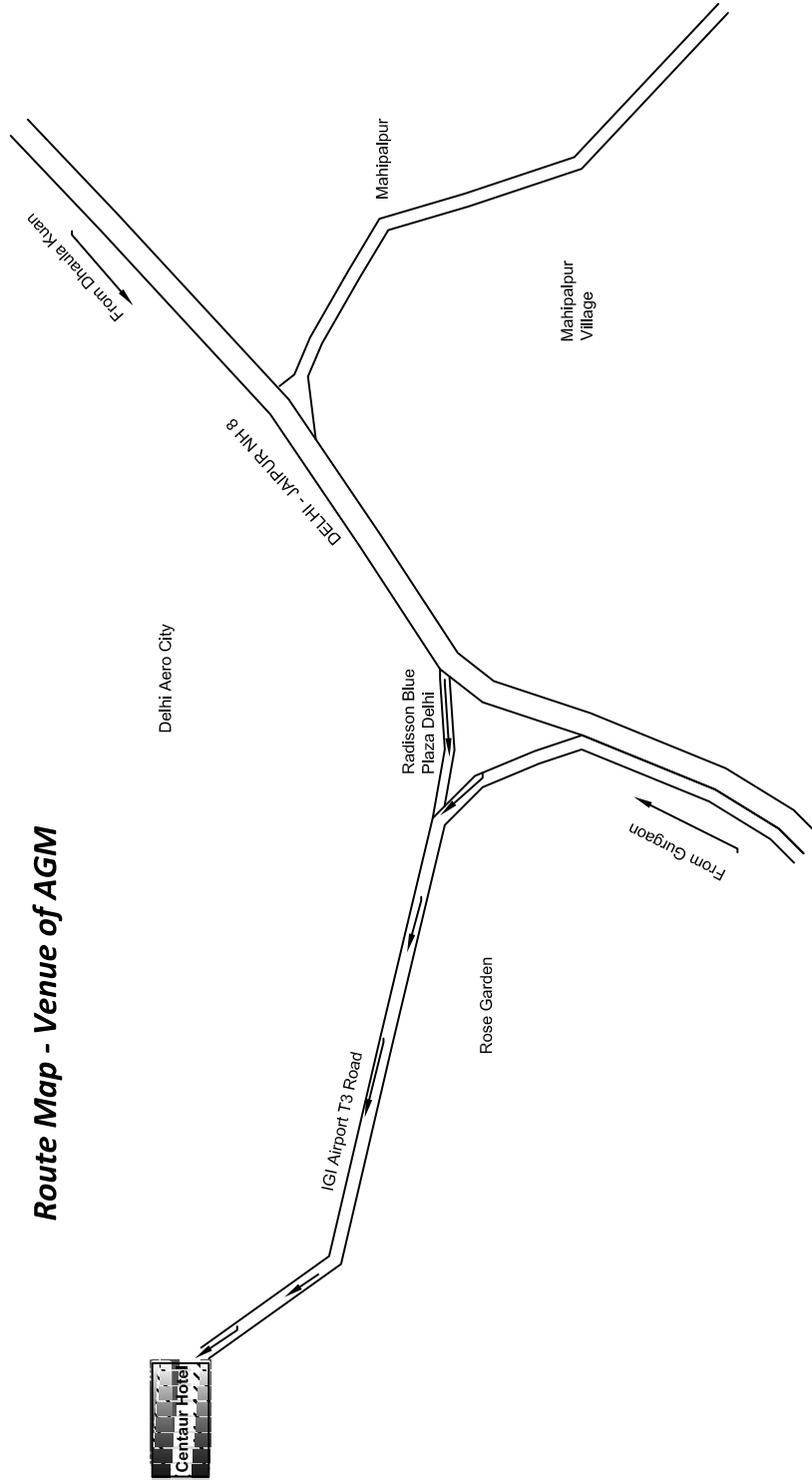
Member's Signatures

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Proxy's Signatures

\* Applicable for Members holding shares in Physical form.

## Route Map - Venue of AGM



# RattanIndia Power Limited

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# Corporate Information

## BOARD OF DIRECTORS

- |  |  |
|--|--|
| 1. Mr. Rajiv Rattan                          | 2. Mrs. Namita                                     |
| 3. Mr. Debashis Gupta (upto August 31, 2019) | 4. Mr. Tarun Kumar Prasad (upto July 19, 2018)     |
| 5. Mr. Narayanasany Jeevagan                 | 6. Mr. Sanjiv Chhikara                             |
| 7. Mr. Pranab Kumar Sinha                    | 8. Mr. Jayant Shriniwas Kawale (upto May 20, 2019) |
| 9. Mr. Sharad Behal                          | 10. Mr. Yashish Dahiya (w.e.f Sept 28, 2018)       |
| 11. Mr. Himanshu Mathur                      |  |

## BANKING AND FINANCIAL RELATION

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
Rural Electrification Corporation Limited	Syndicate Bank
Life Insurance Corporation of India	IndusInd Bank
Power Finance Corporation Limited	IDBI Bank

## COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Lalit Narayan Mathpati (w.e.f May 20, 2019)  
Mr. Gaurav Toshkhani (upto May 20, 2019)

## CHIEF FINANCIAL OFFICER

Mr. Sameer Hasmukhlal Darji  
(w.e.f April 15, 2019)  
Mr. Samir Taneja (upto Oct 16, 2018)

## CHIEF EXECUTIVE OFFICER

Mr. Aman Kumar Singh  
(w.e.f May 20, 2019)

## STATUTORY AUDITORS

Walker Chandiok & Co LLP,  
Chartered Accountants,  
L 41, Connaught Circus  
New Delhi - 110001,

## 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 & Associate  
Chartered Accountants

## REGISTRAR AND TRANSFER AGENT

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

## REGISTERED OFFICE

A-49, Ground Floor, Road No. 4,  
Mahipalpur, New Delhi – 110 037

**CIN:** L40102DL2007PLC169082

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

India continues to shine against a backdrop of trade wars and trade restrictions among several countries, and a general economic slowdown across the world. According to the International Monetary Fund, India is expected to grow at 7.3% in 2019 and will remain the fastest growing economy. The Central Government has set an ambitious target of making India a USD 5 trillion economy by 2024-25. This can only be achieved through a sustainable real GDP growth of 8%, enabled through the virtuous cycle of savings, investments and exports. Private investment will be the key component driving demand creation, capacity additions, increasing labour productivity, introduction of new technology and in job creation.

India is firmly set on the path of economic growth that will bring all-round prosperity like never before. This economic growth will be built on the back of energy availability and sustainability. India's per capita energy consumption has doubled in past 15 years but is still one third of the global averages. Reaching the global average is a huge challenge but also a great opportunity.

The Government of India is focused on making India a preferred investment destination whilst simultaneously driving the "Make in India" campaign. Over the past few years, the Government has consistently started adopting & implementing international best practices to enhance the business atmosphere in the country including reduction in number of approvals for incorporating a new business, reduction in approvals for grant of construction permits, reduction in time & cost associated with documentary compliances for cross border trading, etc. As a result of the sustained efforts of the Government, India's rank is constantly improving among the 190 countries tracked by World Bank for Doing Business. In the World Bank's Doing Business Report dated October 31, 2018, India is placed at 77<sup>th</sup> position; an improvement of 23 places as compared to the prior year.

Whilst, the government has done incredible work in improving the business atmosphere; prima facie the focus has been limited to sectors where the government is a facilitator for e.g. in the power sector the end consumer deals with power distribution companies while government plays the role of a regulator to facilitate the following: applicability of tariffs, procedures for billing and supply of electricity, settlement of disputes, etc. However, the sector wherein the Government is a supplier or consumer of goods has been totally ignored. For e.g. Independent Power Producers (IPPs) procure coal from Coal India Limited; Coal Transportation is primarily through Indian Railways and electricity generated by IPPs is supplied to Power Distribution Companies. Ministry of Coal through Coal India Limited controls the concessional coal supplied to IPPs, Ministry of Railways controls the rakes allocated to IPPs and Power Distribution Companies are under the control of State Government. Here, supplier of raw material (coal), Services (transportation) and Procurement of electricity are directly under Central or State Governments. To improve the business atmosphere in the power sector a lot of work needs to be done to improve the quality and quantity of coal supplied to IPPs, allotment of rakes by Indian Railways, timely payment of bills by Distribution Companies, etc.

Today, the infrastructure sector has slowed down with a large number of mega projects either facing stress or have been termed non-performing, with many of the project developers facing acute liquidity crisis. The situation for the power sector has been possibly the worst, with a large number of projects being stressed and on the verge of either becoming non performing or have already become NPAs. The Ministry of Power constituted a High Level Empowered Committee to understand the systemic issues plaguing the power sector and to suggest necessary recommendations to reduce the stress in the power sector. A few of the key reasons identified by the HLEC contributing to stress in the sector as highlighted in its report include: inability of the government-owned Coal India to supply full committed coal quantity to power plants, delayed payments from Discoms to generators and delay in adjudicating disputes by the regulatory commissions/tribunal – factors prima facie outside the control of power generating companies, including RattanIndia. The Committee recommended several steps for reducing stress in the power sector like increasing the coal quantity allocated for special forward e-auction for power sector, creation of facility for discounting power supply bills by PFC, REC & other public finance institutions, procurement of medium term bulk power by nodal agencies, etc. - most of which are approved by the Cabinet Committee on Economic Affairs (CCEA). Further, Ministry of Power with effect from 1-Aug-2019 has made it mandatory for all Discoms to provide and maintain Letters of Credit against all PPAs with Independent Power Producers (IPPs). This is a welcome move that will ensure that IPPs selling power to DISCOMs under long term PPAs are paid for all the power sold. Any Distribution Company not fulfilling the requirements will be barred from all power procurement, including from short term power markets. This will go a long way in improving the liquidity position of power generators and reduce stress in the system. Ministry of Power has also proposed rationalization of consumer tariffs and elimination of cross subsidy surcharges, which would further boost industrial demand for power in the times to come. The Ministry should now ensure that state regulators take actual implementable steps for rationalising tariffs and reducing the ACS-ARR gap.

The power supply position of the country continues to improve with each passing year. During the 12<sup>th</sup> five year plan, electricity generation grew at a compounded growth of 5.74%. Peak power demand recorded was 164 GW, of which 160 GW was met. Per-



**Mr. Rajiv Rattan**  
**Chairman**

## Chairman's Message (contd.)

capita consumption of electricity has increased to 1,122 units and is expected to increase further as the government focus on manufacturing initiatives during the years will start paying-off. This increasing demand for power can only be satisfied by ensuring that the country keeps on adding new generation capacity, much of which is likely to come from the private sector. Although, the current focus of government policies is tilted towards renewable energy sources and reducing the carbon footprint of the country, more than 65% of power requirement is still met from thermal power plants. Thermal power plants are the base load plants and will continue to play an important role in the future too. This has also been ratified by Niti Aayog, which estimates 45% to 50% of the total power requirement will be met from conventional sources even in 2047.

India's energy sector has witnessed rapid growth, thanks to policy interventions, reforms and investments. Various policy initiatives taken in the past, like 100% electrification and electricity for all, will continue to be the key drivers contributing to the future increase in electricity demand in India. Demand for electricity is expected to grow further with the Government's commitment to move India to an ecosystem of electric vehicles. With no new investments being planned in the thermal generation sector, and without any base load capacity addition in sight, our Nashik power plant is extremely well positioned to cater to this projected demand. We would also try to enhance profitability from selling our untied capacity from the plant in the short term open market at comparatively higher tariffs.

The future of the power sector looks very optimistic and we remain fully committed in doing our part. Various Government initiatives for improving the domestic coal availability to the power plants should lead to the reduction in overall cost of power generation and also enhance availability and generation capability. These initiatives, along with other initiatives like the revised tariff policy and the proposed amendments to the Electricity Act will improve the financial health of the Discoms, thereby creating a conducive environment.

RattanIndia Power Limited is one of the top 10 power generation companies with 2,700 MW of commissioned capacities (1,350 MW at Amravati and 1,350 MW at Nashik). Amravati Plant is supplying power to Maharashtra State Electricity Distribution Company Limited (MSEDCL) through a long term PPA and Sinnar Thermal Power Limited (STPL) has received a Letter of Intent from MSEDCL for the supply of 507 MW power on long term basis (25 years). The two plants are among the very few in the country today, which have all clearances in place, including adequate water and coal linkages.

Due to the financial stress faced by both Amravati Thermal Power Projects (Amravati TPP) and Sinnar Thermal Power Projects (hereinafter known as Sinnar or Nashik Thermal Power Project) (Sinnar TPP), the respective Project Lenders are in process of forming a suitable Resolution Plan for both the projects. Your company is leaving no stone unturned to deal with the existing structural challenges and is working diligently in addressing the same, with an aim of optimising the returns for our shareholders. The Company is focused on continuous improvement in plant efficiency and availability and has the requisite expertise to ensure that we have some of the most efficient power plants in the country.

Lastly I take this opportunity to warmly thank all our Shareholders, Customers, Vendors, Employees, Bankers, Financial Institutions and partner for reposing their faith in us and motivating us to excel across all facets of our business. I would like to end by reiterating our commitment to excellence in everything we do.

Thank you

Sd/-  
**Rajiv Rattan**  
Chairman

## ECONOMIC SCENARIO

In the backdrop of global headwinds, economic growth in India is still expected to remain robust over the next couple of years. Post demonstrating strong economic growth of 3.5% in the year 2017 and 3.6% in 2018; global economic activity slowed down in the second half of 2018. The decline in growth is attributed to the trade tensions / sanctions, political uncertainty (likes of Brexit) and overall softening of demand. According to the International Monetary Fund (IMF), global growth is set to moderate over the near term: 3.3% for 2019, down from 3.6% in 2018. Growth for 2020 is expected to move back upto 3.6%. As per IMF projections, India is an outlier and is expected to grow at 7.3% in 2019 - the fastest growing economy in the world. India is powering ahead as the key economic growth engine in Asia, even as the largest Asian economy (China) is showing signs of slowdown. According to a Boston Consulting Group (BCG) report, India is expected to become the third largest consumer economy, with consumption expected to triple to US\$ 4 trillion by 2025. Further, it is also estimated to become the second largest economy in terms of Purchasing Power Parity (PPP) by the year 2040, according to a report by PwC. However, rising crude oil prices and an increase in Non-Performing Assets in the banking system pose a considerable downside risk for the economy, along with tightening liquidity, if not addressed effectively on time. In the backdrop of a strong and stable political outlook for India, it is expected that sectorial reforms will gain pace and drive growth over the coming years.

Sustainable development of a country can only be achieved through a robust and efficient infrastructure sector that garners appropriate investment. Infrastructure projects are capital intensive with long gestation periods and rely on long term financial assistance from the banking system. Hence, a stable and enabling banking system is essential for achieving long term sustainable development of the country. Several infrastructure projects are currently under stress and categorized as NPA's – this is more acute in the power sector.

The Ministry of Coal through Coal India Limited, controls the concessional coal supplied to the IPPs, Ministry of Railways controls the rakes allocated to IPPs and the Discoms are mostly under the control of State Governments. Here, the Supplier of raw material (coal), Services (transportation) and Procurer of electricity are directly under control of either Central Government or State Government. The Government of India has already recognized the issues being faced by the power sector and has already set in motion many positive reforms initiatives for addressing the same.

## SECTOR AND POLICY OVERVIEW

Electricity is an essential constituent of infrastructure and a key contributor to economic growth of the Country. As per the advance estimates of National Income for the Financial Year 2018-19 released by the Govt of India, the Power sector contributed approximately 2.6% to the GDP. Total installed capacity of the country as on 31 March, 2019 was 356 GW, of which 226 GW is thermal, 78 GW is renewable, 45 GW hydel, and the rest nuclear. As per the National Electricity Plan presented by the Central Electricity Authority, the national electrical energy requirement is expected to be 2,047 Gigawatthours, with a peak demand of 299 GW by the year 2026-27.

A majority of the coal supplied to the Independent Power Producers (IPPs) is under the control of Coal India Limited (CIL), a Government of India Company. Between April-2018 and March 2019, CIL supplied 488 million tonnes of coal to the power utilities as compared to 454 tonnes during the corresponding period last year. Although, this represents an increase of 7.5% in coal dispatches, the power plants continued to suffer coal shortages during the peak electricity demand periods.

The Reserve Bank of India on 12<sup>th</sup> February 2018 issued a “Resolution of Stressed Assets – Revised Framework” Circular that established the procedure to be followed by Banks and Financial Institutions for resolution of NPAs, including classification of default for one day's delay, requirement of 100% lender approval and mandatory reference to NCLT upon expiry of 180 days. In spite of all our best efforts to mitigate risk, your Company underwent financial stress prima facie due to sectorial issues, which were beyond its control. Based on a quick assessment of the potential risks to the Company based on the Circular, your management proactively filed writ petitions before Hon'ble Supreme Court and Hon'ble Allahabad High Court. The Hon'ble Supreme Court of India, while hearing on one such matter, ordered the transfer of all such pending cases before various courts to the Supreme Court. Post hearing all the parties, the Supreme Court on 2<sup>nd</sup> April 2019, struck down the RBI Circular. Subsequently, the RBI published a revised circular on 7<sup>th</sup> June 2019. The broad contours of this new circular includes early recognition of any stress, complete discretion of lenders to decide on the Resolution Plan, signing of binding Inter-Creditor Agreement to finalize and implement the Resolution Plan, etc. Referencing the case to the IBC (Insolvency and Bankruptcy Code) was left to the discretion of the lenders.

To better understand the root cause/reasons for stress in the power sector, the Government of India constituted a High Level Empowered Committee (HLEC) in July-2018, headed by the Cabinet Secretary, with representation from various ministries (Railways, Coal, Power, Petroleum & Natural Gas), departments (Economic Affairs, Financial Services), and leading financial institutions of the country (SBI, PNB, PFC, REC & ICICI) to address issues related to Stressed Thermal Power Projects. The HLEC submitted its

# Management Discussion and Analysis (contd.)

report on 12-November-2018. The Committee, in its report, highlighted a few key reasons leading to stress in the sector, including: a) inability of Coal India Limited to supply in full the committed coal quantity to power plants; b) slow down in demand for electricity, delayed payments to generators from the Discoms and c) delay in adjudicating disputes by the regulatory commissions/tribunal.

Some of the key recommendation of HLEC for reducing the stress in the power sector relate to increasing the quantity of coal allocation for special forward auction for the power sector, discounting of receivables from DISCOMs by Public Financial Institutions such as PFC and REC, grant of coal linkage at notified coal prices to the IPPs having PPAs entered through competitive bidding, grant of coal linkage to power plants for sale of power under short term PPAs, etc. Cabinet Committee on Economic Affairs on 7-March 2019 approved most of the recommendations made by HLEC. With implementation of these recommendations, many of the issues affecting the Thermal Power Sector are likely to get resolved.

Further, Ministry of Power with effect from 1-August 2019 has made it mandatory for all Distribution Companies to provide and maintain Letters of Credit against all PPA's (Power Purchase Agreements) with Independent Power Producers (IPPs'). This is a welcome move that will ensure that IPPs selling power to DISCOMs under long term PPAs are paid for all the power sold. Any Distribution Company not fulfilling the requirements will be barred from any power procurement from short term power markets. This will go a long way in improving the liquidity position of power generators and reduce stress in the system.

## DEMAND - SUPPLY POSITION

The gross energy generation target for 2019-20 is 1,330 BU. During the 12th five year plan, electricity generation grew at a compounded growth of 5.74%, with per-capita consumption of electricity increasing to 1,122 units. Per-capita consumption is expected to increase further with new government initiatives to increase power demand. The planned capacity expansion targets, along with the reduction in transmission and distribution losses, will further reduce the supply demand gap in the future. Peak power demand recorded was 164 GW and peak power demand met was 160 GW.

All India generation during FY 2018-19 was 1,376 BU, out of which only 126.76 BU (i.e., approx. 9.21% of total generation) was from renewable sources. Now, even if an additional 100 GW of new renewable capacity is added to the system over the next 5 years, the generation from renewables is expected to increase to approx. 300 BU against the expected all India generation of approx. 1,650 BU. This means that, even after 5 years from now, the generation from renewables shall only be ~18% of total generation. However, if the addition from renewables is only 50GW then the corresponding share of Renewables shall be 200 BUs (~12% share). Even NitiAayog's report on Energising India estimates that coal will continue to be the major contributor, contributing at as much as 50% of the total mix by 2047. 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 Power Sector directly or indirectly impacts almost all the sectors contributing to the growth of the nation. Setting up of a power project requires huge capital investments and take years of concentrated efforts for successful completion and commissioning. Hence, any slowdown in the power sector has a domino effect on overall economic growth. Critical issues impacting the performance of the sector are mentioned below:

### **Fuel**

Fuel forms approximately 55% - 60% of the total electricity cost. Hence, availability of coal of appropriate quality at a reasonable price is one of the key components for long term success of this sector. Supply of domestic coal has improved over the past couple of years. Coal India accounts for 80% of total domestic coal production in the country. The government is targeting coal production of 1.5 billion tonnes by 2030. Better coal availability will result in improved PAF of power plants. However, issues related to quality of coal still need to be addressed effectively. Allowing commercial mining of coal in the country would further improve coal availability for the thermal power plants. Further, regulatory issues pertaining to pass-through of coal prices has to be addressed in a expeditious manner to enhance cost recovery of power producers.

### **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 flow of electricity to power deficit areas. Power evacuation remains a bottleneck in the power supply chain of the country resulting in frequent back downs of plants as requested by State/Regional Load Dispatch Center leading to under utilization of the generation capacity.

With the industry moving towards enhanced competition, and in an era of open access, demand for power is expected to increase, putting additional stress on the already stretched transmission network across the country. If India's transmission capacity is not augmented in a timely manner, this problem is expected to further aggravate.

According to the CEA, during the year 2018-19, 22,437 circuit-km of transmission lines were added against planned 22,647 circuit-km lines, while enhancing the transformation capacity by an additional 72,705 MVA, against a plan of 62,600 MVA to the nation's transmission grid. With the commissioning of these new transmission lines, congestion in transmission of electricity within inter-state and intra-state grids will reduce.

## ***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 implemented the Ujwal DISCOM Assurance Yojana (UDAY). A total of 27 states and 5 UTs have adopted UDAY scheme till date. UDAY states have reduced book losses to ₹ 15,049 crore in FY 2017-2018 from ₹ 51,480 Cr in FY 2015-2016. This is likely to improve the financial health of discoms that would further help in reducing the stress of generation projects. The primary reason for poor financial health is huge AT&C losses, operational inefficiencies and populist schemes.

## ***Distribution Reforms***

The Distribution Sector plays a crucial role in the 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. The Government is putting significant 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. Government has done a remarkable job in reducing the time taken by any person to obtain a new electricity connection, improving the connectivity of villages with the state grids under the scheme for electrification of all villages, etc. We hope that the steps taken by government will help in ameliorating the current situation. In this regard, impending segregation of content from carriage will be a game changer for the Indian power distribution sector.

## **BUSINESS REVIEW**

Your company has a well formulated strategy to tackle the challenges that the sector is facing currently. Both the plants of the Company have all key resources in place - viz., land, fuel linkage, water, financing arrangements, etc.

With 2,700 MW commissioned capacity, the Company is amongst the top 10 Private Power Producers in the country. Amravati Thermal Power Plant (Amravati TPP) has a long term arrangement for supply of 1,200 MW to the Maharashtra State Electricity Distribution Company Ltd (**MSEDCL**) and all the five units of Amravati TPP are available for supplying power. Sinnar Thermal Power Plant (Sinnar TPP) was commissioned in June-2017. Sinnar TPP has received a Letter of Intent from MSEDCL for the supply of 507 MW power under a long term PPA for a period of 25 years from this plant. As on the date of issuance of notice to the members for Annual General Meeting, the Company was in the process of arranging the necessary Bank Guarantee for signing of PPA and operationalization of the power project.

The Company continued to operate at sub-optimal levels due to lower demand of electricity from MSEDCL. Pursuant to this sub-optimal operation of plant, Company has been under financial stress. With an aim to resolve the severe financial stress, the Promoters along with the Company offered Binding One Time Settlement Proposal to the Lenders on 6-Dec-2018 (Binding Settlement Proposal). Company also received the letter of intent from Lenders with respect to the Binding Settlement Proposal. Subsequently, the Company submitted a revised Settlement Proposal to the lenders which is currently under discussion between Lenders, Investors and the Company. It is expected that such discussion will be concluded soon.

## **COMPETITIVE STRENGTHS**

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

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

Your company has obtained all required clearances, necessary for the successful operations of the Amravati Thermal Power Project and Sinnar Thermal Power Project.

For the Amravati Thermal Power Project, the Company has leased 1,350 acres of land from Maharashtra Industrial Development Corporation (MIDC), signed a Fuel Supply Agreement for 5.493 MTPA coal with South Eastern Coalfields Limited, obtained 87.6 million cubic meter water allocation from upper Wardha dam from Vidharbha Irrigation Development Corporation and has secured the consent to operate from Maharashtra State Pollution Control Board.

For Sinnar Thermal Power Project, Sinnar Thermal Power Limited has leased 1,069.35 acres of land in Nasik SEZ developed by Indiabulls Industrial Infrastructure Ltd, has coal allocation for total 5.226 MTPA coal from South Eastern Coalfields Limited & Mahanadi Coalfields Limited and 36.5 million cubic meter water allocation from Water Resource Department, Nasik.



# Management Discussion and Analysis (contd.)

## **Financial Closure**

Amravati and Nasik power projects have achieved financial closure.

## **Power Purchase Agreement**

Amravati thermal power project has a 1,200 MW PPA with MSEDCCL. Further, the Company has received a letter of Intent from MSEDCCL for signing of PPA for supplying 507 MW from Nasik thermal power project for 25 years.

## **Fuel Security**

Your Company has Fuel Supply Agreements (FSA) with Coal Companies, supplying coal at prices notified by Ministry of Coal. This puts your Company in a very strong competitive position as compared to the present mechanism wherein coal linkages are granted through e-auction process where bidders either offer premium over notified prices of coal or offer discount on the tariff for supply of power under PPA.

## **Execution Team**

One of the key strengths of your company is the team of experts who have vast experience of constructing, commissioning and operating large power projects. Senior management of the Company comprises of people from Navratna Companies such as like NTPC, BHEL to name a few and who have vast experiences in the implementation and operation of thermal power projects. This team is capable of addressing the challenges currently being faced by thermal power projects in the country.

## **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 Indian power sector. With a growing economy, there will be an increase in electricity demand and therefore, significant investment will be required across generation, transmission and distribution assets to fulfill this demand and fulfill Government of India's ambitious target of providing 'Power for All'. We have the expertise, ability to raise capital and execute large scale power projects to reap the benefits of growth in the sector.

### ***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 power projects, we have hired project managers with the ability and skill sets to drive projects to successful completion and commissioning. Your Company has a robust workforce with good project execution and plant operating skills that will enable the Company to build world class power plants with a focus on operational efficiency.

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

Your Company has adequate coal linkages/FSA with Coal India Limited to ensure a steady supply of coal to fire the power plants. Further, any shortfall in coal supply will be met through the use of imported coal in line with prevailing procurement guidelines and the PPAs.

### ***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 secured off-take arrangements will provide a level of committed revenues whilst short-term arrangements will enable the Company to realize higher tariffs from time to time, depending upon market conditions. The Company intends to utilize its marketing and trading capacities and capabilities 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 Company intends to enter into bilateral contracts on a term-ahead basis with industrial consumers and Discoms through open access. Government of India has created the DEEP portal through MSTC for conducting bid process for short term purchase of power by Discoms. 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 in place a team of very experienced and skilled O&M experts 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 established systems, which aim to provide training to employees at every level of the organization that leads to quality work output in turn helping in improving the bottom-line of your company.

In addition to this, proper remuneration, regular appraisal and development opportunities provided to the employees have enabled your Company to achieve its goal in a highly 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 and minimizes employee turnover.

## CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility Policy (CSR Policy) was framed in the year 2014 and a Corporate Social Responsibility Committee comprising members from the Board of Directors of the Company was formed. The committee is entrusted with the responsibility of effectuating and operationalizing the CSR Policy of the Company.

## INTERNAL CONTROL SYSTEMS

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

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.

### Operational Performance:

During FY 2018-19, Amravati Thermal Power Project achieved an availability of 73.57% and Plant Load Factor of 34.45% as against 69% availability and 40.35% PLF in the previous FY 2017-18. Plant Availability was affected due to lower coal despatches from SECL during the months from Sep-2018 to Dec-2018. The Company exported 3,717 million units (MU) of electricity to MSECL during the financial year.

### Financial Performance:

Particulars	FY 2018-19	FY 2017-18
Generation Sales (MU)	3,717.12	4,350.56
Net Sales (₹ Crore)	1,909.27	2,015.38
Profit before exceptional items and tax (₹ crore)	(454.23)	(411.47)

# Management Discussion and Analysis (contd.)

## SIGNIFICANT CHANGES DURING THE YEAR

During the Year under review, there were following changes in Key Financial Ratio;

S. No.	Ratio	Formula	Ratio (%)		Explanation
			31-Mar-19	31-Mar-18	
1	Inventory Turnover	COGS/Average Inventory	358%	1108%	Due to Increase in Inventory in Current FY
2	Debt Equity Ratio	Debt/Equity	384%	168%	Equity Includes the Exceptional Items of ₹ 2337.31 Cr against provision taken for impairment of Investment, Advance & ICD.
3	Operating Profit Margin (%)	Operating Profit before Int. & Tax/Total Revenue	23%	18%	-
4	Return on Net Worth	Net Income / Shareholder's equity	-25%	-9%	Equity Includes the Exceptional Items of ₹ 2337.31 Cr against provision taken for impairment of Investment, Advance & ICD.

## 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 Twelfth Annual Report and the Audited Statement of Accounts of the Company for year ended March 31, 2019

## FINANCIAL RESULTS

(₹ In lakhs)

Particulars	Standalone		Consolidated	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Revenue from operation	1,90,926.97	2,01,538.21	1,92,362.37	2,05,439.31
Profit from operations before other income, finance cost & exceptional item	44,015.18	36,105.55	13,024.86	15,488.20
Other income	18,012.43	22,411.10	17,509.34	14,924.15
Finance costs	1,07,450.64	99,663.27	2,30,409.64	1,95,383.99
<b>Profit/(Loss) before tax &amp; exceptional item</b>	<b>-45,423.03</b>	<b>-41,146.62</b>	<b>-1,99,875.44</b>	<b>-1,64,971.64</b>
Exceptional item	2,33,730.86	-	1,32,921.31	-
<b>Profit/(Loss) before tax</b>	<b>-2,79,153.89</b>	<b>-41,146.62</b>	<b>-3,32,796.75</b>	<b>-1,64,971.64</b>
Tax expense	-	691.06	-0.22	1,376.24
<b>Profit/(Loss) for the year</b>	<b>-2,79,153.89</b>	<b>-41,837.68</b>	<b>-3,32,796.53</b>	<b>-1,66,347.88</b>
Owner	-	-	-3,32,051.60	-1,66,318.74
Non-controlling interest	-	-	-744.93	-29.14
Other comprehensive income	1.27	23.68	6,261.14	1,530.25
<b>Total comprehensive income for the year</b>	<b>-2,79,152.62</b>	<b>-41,814.00</b>	<b>-3,26,535.39</b>	<b>-1,64,817.63</b>
Owner	-	-	-3,25,790.46	-1,64,788.49
Non-controlling interest	-	-	-744.93	-29.14
Paid up equity share capital (Face Value of ₹ 10 each)	2,95,293.34	2,95,293.34	2,95,293.34	2,94,543.34
Other equity	-1,13,461.86	1,65,444.34	-3,71,133.49	-44,703.27
Non-controlling interests	-	-	-345.45	188.46
Earnings per equity share (in ₹)	-9.45	-1.42	-11.27	-5.65

## TRANSFER TO RESERVES

In view of the accumulated losses, no transfer to reserves has been made.

## BUSINESS REVIEW

Your company has a well formulated strategy to tackle the challenges that the sector is facing currently. Both the plants of the Company have all key resources in place - viz., land, fuel linkage, water, financing arrangements, etc.

With 2,700 MW commissioned capacity, the Company is amongst the top 10 Private Power Producers in the Country. Amravati Thermal Power Plant (**Amravati TPP**) has a long term arrangement for supply of 1,200 MW to the Maharashtra State Electricity Distribution Company Ltd (**MSEDCL**) and all the five units of Amravati TPP are available for supplying power. Sinnar Thermal Power Plant (**Sinnar TPP**) was commissioned in June-2017. Sinnar TPP has received a Letter of Intent from MSEDCL for the supply of 507 MW power under a long term PPA for a period of 25 years from this plant. As on the date of issuance of notice to the members for Annual General Meeting, the Company was in the process of arranging the necessary Bank Guarantee for signing of PPA and operationalization of the power project.

The Company continued to operate at sub-optimal levels due to lower demand of electricity from MSEDCL. Pursuant to this suboptimal operation of plant, Company has been under financial stress. With an aim to resolve the severe financial stress, the Promoters along with the Company offered Binding One Time Settlement Proposal to the Lenders on 6-Dec-2018 (**Binding Settlement Proposal**). Company also received the letter of intent from Lenders with respect to the Binding Settlement Proposal.

# Board's Report (contd.)

Subsequently, the Company submitted a revised Settlement Proposal to the lenders which is currently under discussion between Lenders, Investors and the Company. It is expected that such discussion will be concluded soon.

## CHANGE IN NATURE OF BUSINESS

During FY 2018-19, there was no change in the nature of Company's business.

## DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP) DETAILS

Mr. Rajiv Rattan, Director (DIN:00010849) retires by rotation at the ensuing annual general meeting and being eligible for re-appointment, offers himself for the same.

Of all the Independent Directors on the Board of the Company, the term of Mr. Narayanasany Jeevagan, Mr. Sanjiv Chhikara, Mr. Sharad Behal, and Mr. Debashis Gupta expires on the day of the ensuing Annual General Meeting.

Mr. Debashis Gupta has communicated to the Company his inability to offer himself for the second term, due to prior commitments.

As regards the other Independent Directors given their valuable contributions to the Company from time to time during their current tenure, which helped the Company maintain a steady and stable course, when the entire power sector has been facing turbulent times, your directors feel that it is imperative that the said Independent Directors be reappointed for a second consecutive term of five years commencing from the date of this AGM till the 17<sup>th</sup> annual general meeting of the Company.

The Nomination and Remuneration Committee has evaluated the performance of each individual Director seeking reappointment/ appointment in the ensuing Annual General Meeting including fulfillment of their independence criteria prescribed under SEBI listing regulations. The Nomination and Remuneration Committee has placed a report on performance evaluation of Independent Director, before the Board of Directors' of the Company, for review.

Necessary resolutions are being proposed to the re-appointment of Mr. Narayanasany Jeevagan, Mr. Sharad Behal and Mr. Sanjiv Chhikara as Independent Directors at the ensuing Annual General Meeting.

During the financial year 2018-19, the members of the Company in 11th Annual General Meeting held on September 28, 2018 had approved the appointment of Mr. Yashish Dahiya (DIN: 00706336), as an Independent Director of the Company, for a period of five years w.e.f. September 28, 2018.

It would be pertinent to mention here that the Independent Directors have already submitted with the Company (i) their consents to act as directors if so appointed (ii) declarations in terms Section 149(7) of the Companies Act, 2013 to the effect that they fulfill the criteria for independence as laid down under Section 149 and shall continue to fulfill the said criteria if re-appointed as Independent Directors for a second consecutive term of five years.

Post the closure of the financial year March 31, 2019, the following changes took place in the Key Managerial Personnel of the Company:

- (a) Mr. Sameer Hasmukhlal Darji was appointed as the Chief Financial Officer of the Company, w.e.f April 15, 2019 filling the vacancy caused by the resignation of Mr. Samir Taneja, who had resigned as CFO of the Company effective October 16, 2018.
- (b) Mr. Gaurav Toshkhani, Company Secretary and Key Managerial Personnel of the Company resigned from his position as such on May 20, 2019 was replaced by Mr. Lalit Narayan Mathpati, from the same date.
- (c) Mr. Aman Singh was appointed as Chief Executive Officer and Mr. Jayant Kawale (DIN:00076038) the Managing Director of the Company resigned from the office of Director and Managing Director of the Company, with effect from May 20, 2019.

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

The Company's Nomination and Remuneration Policy for Directors and Key and Senior Managerial Personnel can be accessed on the Company's website at the web-link <http://www.rattanindia.com/rpl/policies>.

The basic tenets of the Policy seek to ensure that with the applicable legal and regulatory requirements and the corporate governance norms as the premises, the persons sought to be inducted on the Board of the Company as Directors and into the Company as Key or Senior Management Personnel, are so chosen that commensurate with the nature, size and intricacies of its business and operations, those chosen for such offices are people with the best of knowledge and talent and rich in experience.

In remunerating the Directors (in the case of executive directors), Key and Senior Management Personnel, meticulous planning and hard work goes into drawing up the remuneration packages which while ensuring adequate compensation to the persons chosen, in line with the market standards and prevailing economic scenario, does not lead to any unfairness or imbalances in the overall remuneration structure of the Company across different hierarchical levels.

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

The corporate philosophy and work culture of the Company, have dictated the need for proper periodic evaluation of the performance at every level and in every of organizational functioning and operations and the Board of Directors of the Company is no exception to this.

Thus for the Company, the evaluation of the performance of the Board of Directors as a whole, the various committees thereof and of the Chairperson of the Board and the individual directors is something which emanates from the very philosophy and culture of the Company rather than being a mere mandatory requirement in terms of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended upto date.

An annual evaluation of performance of the Board, the various Board Committees and the individual directors, involved the following:

- (a) at the outset, a review of the laid down performance standards in the light of changes in the applicable legal/ regulatory requirements, the prevailing socio-economic scenario and the business circumstances of the Company and making all the directors aware of the same as being the basic premises against which their performance, individually and as a part of the Board of Directors as a whole or various committees thereof, collectively.
- (b) at periodic intervals, circulation of questionnaires and query sheets among the directors, requiring them to describe their performance against the relevant questions/queries, against the back drop of opportunities available to them and the bottlenecks faced by them, mentioning in detail the efforts undertaken by them, to accomplish the goals set for them.

The responses received from the Directors were thoroughly evaluated.

- (c) Additionally the extent and level of participation of various Directors in the various Board and Committee meetings was also used as a measure of evaluation of performance.

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

The Nomination and Remuneration Committee has evaluated the performance of each individual Director seeking reappointment/appointment in the ensuing Annual General Meeting including fulfillment of their independence criteria prescribed under SEBI listing regulations. The Nomination and Remuneration Committee has placed a report on performance evaluation of Independent Director, before the Board of Directors' of the Company, for review.

## 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 both under Section 149(6) of the Companies Act, 2013 read with schedule IV thereof and the Regulation 16(1)(b) SEBI (LODR) Regulations, 2015.

## MEETINGS OF THE BOARD OF DIRECTORS

During the year under review 7 (Seven) 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 March 16, 2019.

## CORPORATE SOCIAL RESPONSIBILITY

The Company has always been conscious of the fact that no corporate entity can exist or survive in isolation and that since the society around it has an enormous role in its success and growth, it is imperative for the entity to reciprocate in appropriate measure, which in turn entails the discharge by the entity, of its corporate social responsibility.

The discharge of corporate social responsibility besides being mandated under Section 135 of the Companies Act, 2013 for companies with certain quantum of networth, turnover and profitability, has always been an area close to the heart of the Company which is why the Company has in place a very well defined Corporate Social Responsibility Policy ("**CSR Policy**"), drawn up by the Corporate Social Responsibility Committee ("**CSR Committee**") constituted by its Board of Directors which has duly approved the policy framed and recommended by the CSR Committee.

The Corporate Social Responsibility Committee (**CSR Committee**) of the Company consists of three directors namely Mr. Sanjiv Chhikara and Mr. Debashis Gupta, Independent Directors and Ms. Namita a non-independent director. Mr. Sanjiv Chhikara is the

# Board's Report (contd.)

Chairman of the Committee and has the primary responsibility of implementing and monitoring the CSR Policy of the Company under the control and supervision of the Board of Directors.

It would be pertinent to mention here that the terms of Mr. Debashis Gupta and Mr. Sanjiv Chhikara, the Independent Directors forming a part of the CSR Committee, expire on the day of the ensuing Annual General Meeting (**AGM**). However, Mr. Gupta has conveyed to the company, his inability to continue as a Director of the Company post the expiry of his term, the other Independent Director Mr. Sanjiv Chhikara, has expressed his desire to be re-appointment as such, for second consecutive term of five years expiring on the day of this AGM to which effect necessary resolution is set out in the Notice convening the ensuing AGM. In view of the above, the CSR activities Committee of the Board of Director shall have to be reconstituted post the forthcoming AGM.

The CSR Policy of the Company has been uploaded on the website of the Company and is available at the link: <http://www.rattanindia.com/rpl/policies>.

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

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

In due compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a well formulated and meticulously framed policy of materiality of related party transactions and dealing with related party transactions has been in place in the Company since long, which is followed in letter and spirit. The policy is uploaded on the website of the Company at the weblink: <http://www.rattanindia.com/rpl/policies>

In consonance with the tenets and requirements of the policy, the transactions entered into by the Company, with the related parties are on arms – length basis and in the ordinary course of business made with the prior approval of the Audit Committee, in respect of such of the related parties transactions, as are materially significant prior approval of the shareholders besides the prior approval of the Audit Committee are the pre-requisites, essentially followed

The details of the related party transactions so entered into, are periodically placed before the Board of Directors of the Company for review.

The particulars of contracts or arrangements, which are related party transactions, within the meaning of Section 188 of the Companies Act, 2013, entered into during the financial year 2018-19, have been set out in detail in the financial statements and therefore as permitted by the first proviso to sub section (2) of Section 134 of the Companies Act, 2013, in the stipulated form AOC-2. The same are therefore not being separately provided in this report.

The various transactions entered into by the Company with person or entity belonging to the Promoters/Promoter group, which holds 10% or more of the shareholding in the Company, during the financial year 2018-19, are mentioned in the Notes to the financial statement.

## INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

Your Company attaches utmost importance to the internal control systems in force in the Company, always striving to ensure that all facets of Company's functioning and operations are adequately and efficiently scrutinized and regulated by the control systems in force, such systems in turn, being subject to regular periodic reviews to gauge their efficacy and usefulness. This is more so in the case of internal financial controls.

The Internal control systems and in particular the internal financial controls aim to ensure that the standards of performance in terms of efficiency, quality and ethics are adhered and the provisions of the applicable laws are complied with under all circumstances, with deviations if any being identified without any loss of time and the necessary rectifications being instantly initiated

Towards this end the Company has a very robust internal audit framework commensurate with and aligned to the nature and size of the business of the Company which is approved, implemented and reviewed by the Audit Committee, aided by the highly efficient internal control department, IT systems and risk management framework, all of which seek to ensure that there is absolute and truthfulness in the recording and reporting of all the financial or other information and no transactions are undertaken without proper authority and adherence to the laid down norms and rules.

## RISK MANAGEMENT

Risks pertinent to and associated with the thermal power generation industry are peculiar in nature as distinguished from the risks associated with the industrial sector in the country in general, emanating from the problems which the thermal power generation sector has been facing over the last few years due to factor such as bottlenecks in the receipt of coal supplies, low power off take and the resultant low plant factors, poor health of power distribution companies which constitute the buyers for

power generation companies and many other related factors all of which lead to lower or negative revenue streams and cash crunch, in turn impacting the debt service obligations of the power generators.

This coupled with the general slump in the industrial sector of the country in general, are the considerations based on which a carefully considered and well thought out risk management policy in the Company has been drawn up, seeking to provide for way outs, which would allow the Company to tide over the crisis successfully while at the same time concentrating on alternative recourses available to ensure continuity in power production and release of the withheld revenues

Towards the effectuation of the Risk Management Policy, an internal team has been created which evaluates the risks which have arisen or could be reasonable anticipated to arise in future and suggesting the measures to be taken for mitigating their impact, within the framework of the risk management policy of the Company..

## **PUBLIC DEPOSITS**

During the year under review, your company has not accepted any Public deposits within the meaning of Section 73 of the Companies Act, 2013 read with framed thereunder.

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

Full particulars of the loans given, guarantees extended or securities provided and the investments made by the Company in various bodies corporate are in consonance with the provisions of Section 186 of the Companies Act, 2013 and the rules framed thereunder and have been adequately described in the notes to Financial Statements.

## **CONSOLIDATED FINANCIAL STATEMENTS**

The Company has Pursuant to the provisions of Section 129, 134 and Section 136 of the Companies Act, 2013 read with rules framed thereunder and pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, prepared consolidated financial statements of the Company and its subsidiaries and a separate statement containing the salient features of financial statements of the subsidiaries in the form AOC-1, forming part of the Annual Report. The financial statements as stated above, are also available on the website of the Company at [www.rattanindia.com/rpl/annual-report](http://www.rattanindia.com/rpl/annual-report)

## **DIVIDEND**

No dividend has been recommended for the financial year 2018-2019.

## **EXTRACT OF ANNUAL RETURN**

An extract of the Annual Return of the Company as at March 31, 2019, 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 there was no acquisition or disposal of its subsidiaries by the Company. However, 48 subsidiary companies of the Company have filed application in terms of Section 248(2) of the Companies Act, 2013 read with Companies (Removal of Names from the Register of Companies) Rules, 2016, with the Registrar of Companies (ROC), seeking the striking off, of the names of such companies from the ROC records.

The details of such companies find a mention in the Extract of Annual Return in the stipulated form MGT-9, which forms an annexure to this report, as also in the financial statements of the Company for the financial year ended March 31, 2019.

The Company does not have any associate, nor is it in joint venture with any other entity.

Report on the performance and financial position of the subsidiaries, in the stipulated form AOC-1, forms a part of the consolidated financial statements.

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

## **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The information required pursuant to Section 197 of the Act read with Rule 5(2) 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



# Board's Report (contd.)

Registered Office of the Company during business hours (Between 11:00 A.M. to 01:00 P.M.) on all 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.

## VIGIL MECHANISM

One of the cornerstones of the edifice in which the structure of your Company was built, is the Vigil mechanism in force through a Whistle Blower Policy, which has been in place in the Company since long and in fact, much before the law mandated the corporates to have the same.

The mechanism as effectuated through the aforesaid policy, seeks to ensure that not only are the applicable laws complied with in totality, in both letter and spirit but also that highest standards of professionalism and work ethics are not compromised under any circumstances.

Towards this end Directors, employees at every level, have been provided with a platform to report and voice their grievances against any violations of laid down laws or ethics or any unfair conduct, with the identity of the whistle blower is kept completely confidential so as safeguard them against any victimization.

If the whistle blower is not satisfied with the actions taken there are recourses available within the mechanism for escalation of the matter to a higher level. Additionally, the Whistle Blower Policy also provides for direct access of every person, to the Chairperson of the Audit Committee. The Whistle Blower Policy is available on the website of the Company <http://www.rattanindia.com/rpl/policies>

## MATERIAL CHANGES AND COMMITMENTS

Apart from the information provided/disclosures made elsewhere in the Directors' Report including Annexures thereof, there are no material changes and commitments affecting the financial position of the Company, occurred between the end of the Financial year of the Company i.e. March 31, 2019 till date of this Report.

## GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions pertaining to or developments in respect of such matters, during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except the employee stock option schemes in force in the Company, referred to in this scheme.
3. Passing of Material orders by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. Any frauds reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013.

## EMPLOYEE STOCK OPTIONS

As an essential ingredient of its work policy and work culture, 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 Indiabulls 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 as stipulated under the Securities And Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as on March 31, 2019 (cumulative position) with regard to the Employees' Stock Option Scheme- are provided as Annexure-D, to this Report.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) read with Schedule V of SEBI (LODR) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

## CORPORATE GOVERNANCE REPORT

Pursuant to the applicable regulations of SEBI (LODR) 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.

## STATUTORY AUDITORS & AUDITORS' REPORT

M/s Walker Chandiok & Co LLP, Chartered Accountants (Registration no.: 001076N/N500013), Statutory Auditors of the Company, having in compliance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 was 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, continue as the Auditors of the Company till the financial year 2020-2021.

The Statutory Auditors of the Company have raised a qualification in respect of certain advances made by the Company in the course of its business, to Sinnar Thermal Power Limited, a wholly owned subsidiary of the Company, expressing concern over the ability of the Company to recover the value of such advances and to make an impairment assessment in its books in regard to the same.

It has been explained to the Auditors that the management is confident of realizing the value of such advances and accordingly no impairment in the value of the same has been recorded in the books of the Company.

## AUDIT COMMITTEE

The Audit Committee currently comprises of four members namely, Mr. Narayanasany Jeevagan Independent Director as the Chairperson, Mr. Debashis Gupta, Mr. Sanjiv Chhikara, 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.

It would be pertinent to mention here that the terms of Mr. Narayanasany Jeevagan, Mr. Sanjiv Chhikara and Mr. Debashis Gupta, the Independent Directors forming a part of the Audit Committee, expire on the day of the ensuing Annual General Meeting (**AGM**). With the exception of Mr. Debashis Gupta who has conveyed to the Company, his inability to continue as a Director of the Company post the expiry of his term, the other Independent Directors as aforementioned, have expressed their desire to be re-appointed as such for a second consecutive term of five years expiring on the day of this annual general meeting to which effect the necessary resolutions shall be set out in the notice convening the ensuing Annual General Meeting. In consequence of the above, the Audit Committee of the Board of Directors shall have to be reconstituted post the forthcoming AGM.

## COST AUDITORS

The Board has appointed the M/s Nisha Vats & Co., Cost Accountants, as cost auditors for conducting the audit of cost records as required under Section 148(1) of the Companies Act, 2013, to be made and maintained, of the Company for the financial year 2018-19

## SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of Company Act, 2013 read with the rules made thereunder, the Board had appointed M/s S. Khandelwal & Co, Practicing Company Secretaries, to conduct Secretarial Audit of the Company for the financial year 2018-19. SEBI vide its circular CIR/CFD/CMD1/27/2019 dated February 8, 2019, made it compulsory for listed entity and its Unlisted Indian Material Subsidiary Companies to conduct secretarial audit. The Secretarial Audit Report of the Company and its Unlisted Indian Material Subsidiary namely Sinnar Thermal Power Limited for the financial year ended March 31, 2019, is annexed as Annexures - E & F, to this Report. The Secretarial Audit Report does not contain any reservation, qualification or adverse remark.

The Report is self – explanatory and therefore do not call for any further explanation.

# Board's Report (contd.)

## SECRETARIAL STANDARDS

The Company has complied with all applicable Secretarial Standards as stipulated and notified by the Institute of Company Secretaries of India.

## DIRECTORS' RESPONSIBILITY STATEMENT

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

1. in the preparation of the annual financial statements, the applicable accounting standards have been followed and that there are no material departures from the same;
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 31<sup>st</sup> March, 2019 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 Financial Statement 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 since inception, has been following a policy of zero tolerance against sexual harassment of women and in order to ensure this in all its strictness, has in place an Internal Complaints Committee, the constitution whereof, is in complete compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The anti-sexual harassment of women policy, in force in the Company has very effectively promoted and propagated an environment and culture in the Company which inculcates in the male employees, a spirit of utmost respect for the women workforce at every level. Towards this end training and awareness sessions for employees are held at regular intervals.

Equally important is the fact that the Policy has enough built in safeguards to make sure that no instances of sexual harassment take place in the Company. Towards this end a set of standing orders and rules have been laid down, which stipulate very harsh punitive measures against any employee found guilty of having or attempting to have sexually harassed a female employee, which without prejudice to the other actions taken against the offender, include immediate termination of his services.

The fact that safety and security of the women workforce in the Company has been an area given the paramount importance in the Company explains why the Company can proudly boast of being among the safest work places for women in the Country.

As has been the case in the previous years, during the year under review as well, no complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, were received during the year under review.

## 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 2019-2020 has been paid.

## GREEN INITIATIVES

The policy of the Company is to focus on assessing the environmental cost of the Company's services and activities, and seeks to reduce or eliminate the negative impact and increase their positive effects.

Electronic copies of the Annual Report for Financial year 2018-19 and Notice of the 12th AGM are sent to all the members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report for Financial year 2018-19 and Notice of the 12th AGM are sent in the permitted mode.

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice of the 12th AGM. This is pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies

(Management and Administration) Rules, 2014 as substituted by Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (LODR) Regulations, 2015. The instructions for remote e-voting are provided in the Notice of 12th AGM.

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.

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

## **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 thereby being able to earn substantial operational revenues. The Company and its Directors hope for and look forward to the continuance of the same in period ahead.

**For RattanIndia Power Limited**

Place: New Delhi  
Date: August 31, 2019

Sd/-  
**Rajiv Rattan**  
Chairman

# Board's Report (contd.)

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

### A. ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION

RattanIndia has optimized the Plant water requirement and saved around 25 % by adopting High Cycle of Concentration for Circulating Water (CoC ~ 7), deploying efficient Actiflo & Rapid Gravity Sand Filters in place of conventional Clarifiers and disposal of Bottom Ash mixed with Fly Ash through High Slurry Disposal (HCSD) system. These measures have resulted in corresponding savings in the Pumping power also.

Both Amravati & Nasik Plants are effectively Zero Liquid Discharge Plants; the Plant Effluents are treated & used for Coal Dust suppression, Ash Handling Plant operation and Gardening /Horticulture. The Effluent water is fully utilized within Plant and no water is released outside Plant boundary.

The conventional Air Pre-heater baskets are being replaced with modified design baskets resulting in improved Flue Gas heat transfer & prolonged equipment life.

For further Energy Efficiency improvement, Variable Frequency Drives (VFDs) are being considered for Induced Draft (ID) Fans, Condensate Extraction Pumps (CEPs) and Raw Water Intake Pumps.

### B. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	As at March 31, 2019	As at March 31, 2018
	(₹)	(₹)
Earnings in Foreign Currency		
- Interest income on Inter corporate deposit	68,10,138	1,98,95,881
Expenditure in Foreign Currency	Nil	Nil

## 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:**

With the aim and objective of discharging its corporate social responsibility in compliance with the requirements of the Companies Act, 2013 and more importantly, towards effectuation of its principle policy of paying back to the society for having contributed to the success and growth of the Company, a well-defined and well detailed Corporate Social Responsibility Policy ('CSR Policy') has been in place.

The CSR Policy encompasses a wide range of areas aimed at welfare and well- being of the society and once the financial position of the Company permits, the Policy shall be effectuated with full gusto.

The CSR Policy of the Company has been uploaded on the website of the Company and is available at the link: <http://www.rattanindia.com/rpl/policies>.

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

The CSR Committee of the Company comprises of three Directors namely Mr. Sanjiv Chhikara, an Independent Director who is also the chairman of the committee and Mr. Debashis Gupta, Independent Director and Mrs. Namita, a non-independent director as on March 31, 2019.

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

The Company has, at an average, been at a 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 2018-2019:**

- (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/-  
**Aman Kumar Singh**  
Chief Executive Officer

Sd/-  
**Sanjiv Chhikara**  
Chairman, 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 31.03.2019

[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	<b>RattanIndia Power Limited</b>
4	Category/Sub-category of the Company	Public Limited Company
5	Address of the Registered office & contact details	A-49, Ground Floor, Road No. 4, Mahipalpur New Delhi 110037. Tel: 011-46611666, Fax: 011-46611777, Email: ir@rattanindia.com, Website: www.rattanindia.com/rpl
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	<b>Karvy Fintech Private Limited.</b> R/O- Karvy Selenium Tower - B, Plot No.31-32, Financial District, Gachibowli, Nanakramguda, Seriligampally, Hyderabad - 500 032. Phone No. 040-67162222, Fax No. 040-23001153, E-mail: einward.ris@karvy.com, Website : www.karvyfintech.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 / Services	NIC Code of the Product/Service	% 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 under Companies Act, 2013
1	Lucina Power And Infrastructure Limited. <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U70109DL2006PLC151540	Subsidiary	100%	2(87)
2	Aravali Properties Limited. <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U70109DL2006PLC151196	Subsidiary	100%	2(87)
3	Devona Power Limited. <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45400DL2007PLC167739	Subsidiary	74% (Equity), 100% (Preference)	2(87)
4	Diana Energy Limited. <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40108DL2007PLC168651	Subsidiary	74%	2(87)
5	Angina Power Limited. <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45204DL2008PLC177190	Subsidiary	100%	2(87)
6	Poena Thermal Power Limited. <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40104DL2008PLC179779	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 under Companies Act, 2013
7	Sinnar Power Transmission Company Limited (100% subsidiary of Sinnar Thermal Power Limited). <b>Address:</b> A-150-151, Ground Floor, K.H. No. 407, A Block, Mahipalpur Extension, New Delhi-110037	U40104DL2008PLC180166	Subsidiary	100%	2(87)
8	Hecate Power Transmission Limited. <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45207DL2008PLC180519	Subsidiary	80%	2(87)
9	Poena Power Development Limited. <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45207DL2008PLC180508	Subsidiary	100%	2(87)
10	Albina Power Trading Limited. <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45400DL2007PLC167741	Subsidiary	100%	2(87)
11	Sinnar Thermal Power Limited. (Formally known as Rattanindia Nasik Power Limited). <b>Address:</b> A-150-151, Ground Floor, K.H. No. 407, A Block, Mahipalpur Extension, New Delhi-110037	U70109DL2007PLC157316	Subsidiary	100%	2(87)
12	Elena Power And Infrastructure Limited. <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45204DL2008PLC177186	Subsidiary	100%	2(87)
13	Sentia Power Limited. <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U74120DL2008PLC178299	Subsidiary	100%	2(87)
14	Albina Water Supply and Waste Management Services Limited (100% subsidiary of Sinnar Thermal Power Limited)* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U41000DL2006PLC149245	Subsidiary	100%	2(87)
15	Sentia Hydro Electric Power Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40300DL2007PLC168144	Subsidiary	100%	2(87)
16	Sentia Hydro Energy Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40101DL2007PLC168155	Subsidiary	100%	2(87)
17	Sentia Hydro Power Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40300DL2007PLC168141	Subsidiary	100%	2(87)
18	Sentia Hydro Power Projects Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40300DL2007PLC168148	Subsidiary	100%	2(87)
19	Devona Power Projects Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40108DL2007PLC168156	Subsidiary	100%	2(87)
20	Devona Power Infrastructure Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur 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 under Companies Act, 2013
21	Albina Thermal Energy Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40300DL2007PLC168147	Subsidiary	100%	2(87)
22	Albina Thermal Power Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40300DL2007PLC168143	Subsidiary	100%	2(87)
23	Sentia Electricity Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40300DL2007PLC168146	Subsidiary	100%	2(87)
24	Diana Power Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40300DL2007PLC168150	Subsidiary	100%	2(87)
25	Devona Thermal Power and Infrastructure Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40300DL2007PLC168654	Subsidiary	100%	2(87)
26	Citra Thermal Power and Infrastructure Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40102DL2007PLC168797	Subsidiary	100%	2(87)
27	Selene Power Company Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40102DL2007PLC169085	Subsidiary	100%	2(87)
28	Sentia Thermal Power and Infrastructure Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40300DL2007PLC169088	Subsidiary	100%	2(87)
29	Sepset Thermal Power and Infrastructure Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40102DL2007PLC169087	Subsidiary	100%	2(87)
30	Triton Energy Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40109DL2007PLC169177	Subsidiary	100%	2(87)
31	Sepla Hydropower Projects Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40109DL2007PLC171033	Subsidiary	100%	2(87)
32	Kaya Hydropower Projects Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40101DL2007PLC171066	Subsidiary	100%	2(87)
33	Tharang Warang Hydropower Projects Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40101DL2007PLC171067	Subsidiary	100%	2(87)
34	Airmid Power Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40109DL2008PLC174462	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 under Companies Act, 2013
35	Hecate Power and Energy Resources Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40103DL2008PLC179261	Subsidiary	100%	2(87)
36	Poena Power Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40107DL2008PLC179263	Subsidiary	100%	2(87)
37	Hecate Energy Trading Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40300DL2008PLC179477	Subsidiary	100%	2(87)
38	Hecate Energy Private Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40104DL2008PTC179773	Subsidiary	100%	2(87)
39	Hecate Power Projects Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40104DL2008PLC179781	Subsidiary	100%	2(87)
40	Poena Power Services Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40104DL2008PLC179780	Subsidiary	100%	2(87)
41	Poena Power Generation Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40104DL2008PLC179991	Subsidiary	100%	2(87)
42	Poena Power Distributors Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40104DL2008PLC179782	Subsidiary	100%	2(87)
43	Poena Hydro Power Projects Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40101DL2008PLC179783	Subsidiary	100%	2(87)
44	Poena Power Trading Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40104DL2008PLC179786	Subsidiary	100%	2(87)
45	Devona Power Development Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40107DL2008PLC180351	Subsidiary	100%	2(87)
46	Albina Power Transmission Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45207DL2008PLC180234	Subsidiary	100%	2(87)
47	Devona Power Generation Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45207DL2008PLC180178	Subsidiary	100%	2(87)
48	Hecate Power Development Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45207DL2008PLC180510	Subsidiary	100%	2(87)
49	Hecate Power Systems Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40101DL2008PLC180525	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 under Companies Act, 2013
50	Hecate Power Utility Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45207DL2008PLC180610	Subsidiary	100%	2(87)
51	Hecate Electric Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40104DL2008PLC180506	Subsidiary	100%	2(87)
52	Poana Power Systems Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45207DL2008PLC180509	Subsidiary	100%	2(87)
53	Poana Power Management Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40109DL2008PLC180692	Subsidiary	100%	2(87)
54	Poana Power Utility Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45207DL2008PLC180613	Subsidiary	100%	2(87)
55	Poana Power Solutions Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45207DL2008PLC180606	Subsidiary	100%	2(87)
56	Sentia Electric Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45207DL2008PLC181706	Subsidiary	100%	2(87)
57	Sentia Electricity Generation Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45207DL2008PLC181701	Subsidiary	100%	2(87)
58	Albina Thermal Power Management Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45207DL2008PLC181698	Subsidiary	100%	2(87)
59	Devona Thermal Power Projects Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45207DL2008PLC181769	Subsidiary	100%	2(87)
60	Albina Thermal Projects Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U40300DL2008PLC181793	Subsidiary	100%	2(87)
61	Devona Power Distribution Limited.* <b>Address:</b> A-49, Ground Floor Road No. 4, Mahipalpur New Delhi 110037	U45400DL2007PLC167740	Subsidiary	100%	2(87)
62	Bracond Limited. <b>Address:</b> 77, Strovolos Avenues, Strovolos Centre, Flat/Office 204, 2018 Strovolos, Nicosia, Cyprus.	-	Subsidiary	100%	2(87)
63	Genoformus Limited (100% subsidiary of Bracond Limited) <b>Address:</b> 77, Strovolos Avenues, Strovolos Centre, Flat/Office 204, 2018 Strovolos, Nicosia, Cyprus	-	Subsidiary	100%	2(87)
64	Renemark Limited (100% subsidiary of Bracond Limited) <b>Address:</b> 77, Strovolos Avenues, Strovolos Centre, Flat/Office 204, 2018 Strovolos, Nicosia, Cyprus	-	Subsidiary	100%	2(87)

\* As on March 31, 2019, 48 wholly owned Subsidiaries of RattanIndia Power Limited are under the process of Strike Off

# 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-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>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%	1,567,500,000	-	1,567,500,000	53.08%	-0.77%
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	7,500,000	-	7,500,000	0.25%	-	-	-	0.00%	-0.25%
<b>Sub Total (A) (1)</b>	<b>1,597,500,000</b>	<b>-</b>	<b>1,597,500,000</b>	<b>54.10%</b>	<b>1,567,500,000</b>	<b>-</b>	<b>1,567,500,000</b>	<b>53.08%</b>	<b>-1.02%</b>
(2) <b>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>1,597,500,000</b>	<b>-</b>	<b>1,597,500,000</b>	<b>54.10%</b>	<b>1,567,500,000</b>	<b>-</b>	<b>1,567,500,000</b>	<b>53.08%</b>	<b>-1.02%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	8,026,164	-	8,026,164	0.27%	-	-	-	0.00%	-0.27%
b) Banks / FI	11,893,949	-	11,893,949	0.40%	30,277,328	-	30,277,328	1.03%	0.63%
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%	0.00%
g) FIIs/FPI	87,126,698	-	87,126,698	2.95%	102,134,874	-	102,134,874	3.46%	0.51%
h) Foreign Venture Capital Funds	393,273,458	-	393,273,458	13.32%	393,273,458	-	393,273,458	13.32%	0.00%
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>500,936,441</b>	<b>-</b>	<b>500,936,441</b>	<b>16.96%</b>	<b>526,301,832</b>	<b>-</b>	<b>526,301,832</b>	<b>17.82%</b>	<b>0.86%</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	311,516,852	-	311,516,852	10.55%	284,560,655	-	284,560,655	9.64%	-0.91%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	195,629,494	29,986	195,659,480	6.63%	193,867,819	26,436	193,894,255	6.57%	-0.06%

# 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-2018]				No. of Shares held at the end of the year[As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	299,368,367	-	299,368,367	10.14%	338,296,399	-	338,296,399	11.46%	1.32%
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	22,201,277	-	22,201,277	0.75%	18,696,084	-	18,696,084	0.63%	-0.12%
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Clearing Members	3,449,466	-	3,449,466	0.12%	1,382,658	-	1,382,658	0.05%	-0.07%
Trusts	-	-	-	-	-	-	-	-	-
Other Foreign Entities	22,301,470	-	22,301,470	0.76%	22,301,470	-	22,301,470	0.76%	0.00%
<b>Sub-total (B)(2):-</b>	<b>854,466,926</b>	<b>29,986</b>	<b>854,496,912</b>	<b>28.94%</b>	<b>859,105,085</b>	<b>26,436</b>	<b>859,131,521</b>	<b>29.09%</b>	<b>0.15%</b>
<b>Total Public (B)</b>	<b>1,355,403,367</b>	<b>29,986</b>	<b>1,355,433,353</b>	<b>45.90%</b>	<b>1,385,406,917</b>	<b>26,436</b>	<b>1,385,433,353</b>	<b>46.92%</b>	<b>1.02%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>2,952,903,367</b>	<b>29,986</b>	<b>2,952,933,353</b>	<b>100.00%</b>	<b>2,952,906,917</b>	<b>26,436</b>	<b>2,952,933,353</b>	<b>100.00%</b>	<b>-</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%	100.00%	1,185,000,000	40.13%	100.00%	0.00%
2	IPL PPSL Scheme Trust	7,500,000	0.25%	100%	-	0.00%	-	-0.25%
3	RR Infralands Private Limited	405,000,000	13.72%	84.81%	382,500,000	12.95%	83.92%	-0.77%

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

S. No.	Particulars	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
1	<b>RattanIndia Infrastructure Limited</b>						
	At the beginning of the year	01.04.2018		1185000000	40.13%	1185000000	40.13%
	Changes during the year		No change During the year				
	At the end of the year	31.03.2019		1185000000	40.13%	1185000000	40.13%

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

## Extract of Annual Return

S. No.	Particulars	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	<b>RR Infralands Private Limited</b>						
	At the beginning of the year	01.04.2018		405,000,000	13.72%	405,000,000	13.72%
	Changes during the year	23.04.2018	Invocation of pledge	(30,000,000)	-1.02%	375,000,000	12.70%
		19.11.2018	Inter-se transfer*	7,500,000	0.25%	382,500,000	12.95%
	At the end of the year	31.03.2019		382,500,000	12.95%	382,500,000	12.95%

\* 7,500,000 Equity Shares were transferred Inter-se between Promoters.

S. No.	Particulars	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
3	<b>IPL PPSL Scheme Trust</b>						
	At the beginning of the year	01.04.2018		7,500,000	0.25%	7,500,000	0.25%
	Changes during the year	19.11.2018	Inter-se transfer*	(7,500,000)	-0.25%	0	0.00%
	At the end of the year	31.03.2019		0	0.00%	0	0.00%

\* 7,500,000 Equity Shares were transferred Inter-se between Promoters.

### (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
1	<b>Name: FIM LIMITED</b>						
	At the beginning of the year	01.04.2018		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	31.03.2019		393,273,458	13.32%	393,273,458	13.32%
2	<b>Name: Indiabulls Real Estate Limited</b>						
	At the beginning of the year	01.04.2018		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	31.03.2019		219,050,000	7.42%	219,050,000	7.42%
3	<b>Name: VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES</b>						
	At the beginning of the year	01.04.2018		33,153,204	1.12%	33,153,204	1.12%
	Changes during the year		No change During the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2019		33,153,204	1.12%	33,153,204	1.12%



# 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
4	Name: <b>‘VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND</b>						
	At the beginning of the year	01.04.2018		25,500,612	0.86%	25,500,612	0.86%
	Changes during the year		No change During the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2019		25,500,612	0.86%	25,500,612	0.86%
5	Name: <b>ARISTON INVESTMENTS SUB C LIMITED</b>						
	At the beginning of the year	01.04.2018		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	31.03.2019		22,301,470	0.76%	22,301,470	0.76%
6	Name: <b>IDBI Bank Limited</b>						
	At the beginning of the year	01.04.2018		0	0.00%	0	0.00%
	Changes during the year	01.06.2018	Bought	30,000,000	1.02%	30,000,000	1.02%
		07.09.2018	Sold	(691,655)	-0.02%	29,308,345	0.99%
		14.09.2018	Sold	(4,207,801)	-0.14%	25,100,544	0.85%
		21.09.2018	Sold	(4,328,764)	-0.15%	20,771,780	0.70%
	At the end of the year	31.03.2019		20,771,780	0.70%	20,771,780	0.70%
7	Name: <b>‘LGOF GLOBAL OPPORTUNITIES LIMITED</b>						
	At the beginning of the year	01.04.2018		0	0.00%	0	0.00%
	Changes during the year	23.11.2018	Bought	2,600,000	0.09%	2,600,000	0.09%
		30.11.2018	Bought	5,739,930	0.19%	8,339,930	0.28%
		07.12.2018	Bought	1,371,851	0.05%	9,711,781	0.33%
		14.12.2018	Bought	200,000	0.01%	9,911,781	0.34%
		21.12.2018	Bought	2,072,323	0.07%	11,984,104	0.41%
		28.12.2018	Bought	2,200,000	0.07%	14,184,104	0.48%
		31.12.2018	Bought	1,200,000	0.04%	15,384,104	0.52%
		04.01.2019	Bought	1,743,781	0.06%	17,127,885	0.58%
		11.01.2019	Bought	2,341,212	0.08%	19,469,097	0.66%
		18.01.2019	Bought	629,638	0.02%	20,098,735	0.68%
		25.01.2019	Bought	494,654	0.02%	20,593,389	0.70%
		15.02.2019	Sold	(264,670)	-0.01%	20,328,719	0.69%
		08.03.2019	Sold	(379,429)	-0.01%	19,949,290	0.68%
At the end of the year	31.03.2019		19,949,290	0.68%	19,949,290	0.68%	
8	Name: <b>‘HSBC INDIAN EQUITY MOTHER FUND</b>						
	At the beginning of the year	01.04.2018		8,440,969	0.29%	8,440,969	0.29%
	Changes during the year	23.11.2018	Sold	(1,026,684)	-0.03%	7,414,285	0.25%
		30.11.2018	Sold	(64,490)	0.00%	7,349,795	0.25%
		14.12.2018	Sold	(87,649)	0.00%	7,262,146	0.25%
		21.12.2018	Sold	(7,262,146)	-0.25%	0	0.00%
At the end of the year	31.03.2019		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
9	Name: 'IL AND FS SECURITIES SERVICES LIMITED						
	At the beginning of the year	01.04.2018		6,769,653	0.23%	6,769,653	0.23%
	Changes during the year	06.04.2018	Bought	75,550	0.00%	6,845,203	0.23%
		06.04.2018	Sold	(168,504)	-0.01%	6,676,699	0.23%
		13.04.2018	Bought	100,358	0.00%	6,777,057	0.23%
		20.04.2018	Sold	(67,623)	0.00%	6,709,434	0.23%
		27.04.2018	Sold	(569,003)	-0.02%	6,140,431	0.21%
		04.05.2018	Bought	16,614	0.00%	6,157,045	0.21%
		11.05.2018	Sold	(80,322)	0.00%	6,076,723	0.21%
		18.05.2018	Bought	371,495	0.01%	6,448,218	0.22%
		25.05.2018	Sold	(615,430)	-0.02%	5,832,788	0.20%
		01.06.2018	Sold	(2,665)	0.00%	5,830,123	0.20%
		08.06.2018	Bought	76,832	0.00%	5,906,955	0.20%
		08.06.2018	Sold	(325,929)	-0.01%	5,581,026	0.19%
		15.06.2018	Sold	(16,047)	0.00%	5,564,979	0.19%
		22.06.2018	Sold	(1,055,764)	-0.04%	4,509,215	0.15%
		29.06.2018	Sold	(247,535)	-0.01%	4,261,680	0.14%
		06.07.2018	Bought	49,054	0.00%	4,310,734	0.15%
		13.07.2018	Sold	(225,545)	-0.01%	4,085,189	0.14%
		20.07.2018	Bought	430,358	0.01%	4,515,547	0.15%
		20.07.2018	Sold	(512,180)	-0.02%	4,003,367	0.14%
		27.07.2018	Sold	(106,699)	0.00%	3,896,668	0.13%
		03.08.2018	Bought	539,697	0.02%	4,436,365	0.15%
		03.08.2018	Sold	(562,543)	-0.02%	3,873,822	0.13%
		10.08.2018	Sold	(480,555)	-0.02%	3,393,267	0.11%
		17.08.2018	Bought	216,150	0.01%	3,609,417	0.12%
		24.08.2018	Sold	(190,992)	-0.01%	3,418,425	0.12%
		31.08.2018	Sold	(14,620)	0.00%	3,403,805	0.12%
		07.09.2018	Sold	(266,170)	-0.01%	3,137,635	0.11%
		14.09.2018	Bought	341,327	0.01%	3,478,962	0.12%
		14.09.2018	Sold	(273,980)	-0.01%	3,204,982	0.11%
		21.09.2018	Sold	(178,127)	-0.01%	3,026,855	0.10%
		28.09.2018	Bought	243,136	0.01%	3,269,991	0.11%
		29.09.2018	Sold	(144,000)	0.00%	3,125,991	0.11%
		05.10.2018	Sold	(1,844)	0.00%	3,124,147	0.11%
		12.10.2018	Sold	(23,785)	0.00%	3,100,362	0.10%
		19.10.2018	Bought	59,245	0.00%	3,159,607	0.11%
		19.10.2018	Sold	(170,564)	-0.01%	2,989,043	0.10%
		26.10.2018	Sold	(62,445)	0.00%	2,926,598	0.10%

# 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
		02.11.2018	Bought	60,187	0.00%	2,986,785	0.10%
		09.11.2018	Bought	81,713	0.00%	3,068,498	0.10%
		16.11.2018	Bought	25,725	0.00%	3,094,223	0.10%
		23.11.2018	Sold	(19,876)	0.00%	3,074,347	0.10%
		30.11.2018	Sold	(22,442)	0.00%	3,051,905	0.10%
		07.12.2018	Sold	(414,225)	-0.01%	2,637,680	0.09%
		14.12.2018	Sold	(46,105)	0.00%	2,591,575	0.09%
		21.12.2018	Sold	(152,583)	-0.01%	2,438,992	0.08%
		28.12.2018	Sold	(19,585)	0.00%	2,419,407	0.08%
		31.12.2018	Bought	37,282	0.00%	2,456,689	0.08%
		04.01.2019	Sold	(170,586)	-0.01%	2,286,103	0.08%
		11.01.2019	Bought	40,927	0.00%	2,327,030	0.08%
		11.01.2019	Sold	(5,191)	0.00%	2,321,839	0.08%
		18.01.2019	Sold	(307,057)	-0.01%	2,014,782	0.07%
		25.01.2019	Bought	134,557	0.00%	2,149,339	0.07%
		01.02.2019	Sold	(210,923)	-0.01%	1,938,416	0.07%
		08.02.2019	Bought	278,600	0.01%	2,217,016	0.08%
		08.02.2019	Sold	(23,183)	0.00%	2,193,833	0.07%
		15.02.2019	Sold	(42,641)	0.00%	2,151,192	0.07%
		22.02.2019	Sold	(14,310)	0.00%	2,136,882	0.07%
		01.03.2019	Sold	(32,140)	0.00%	2,104,742	0.07%
		08.03.2019	Bought	255,637	0.01%	2,360,379	0.08%
		15.03.2019	Sold	(479,500)	-0.02%	1,880,879	0.06%
		22.03.2019	Bought	141,617	0.00%	2,022,496	0.07%
		29.03.2019	Sold	(274,853)	-0.01%	1,747,643	0.06%
		30.03.2019	Sold	(359,329)	-0.01%	1,388,314	0.05%
	At the end of the year	31.03.2019		1,388,314	0.05%	1,388,314	0.05%
10	Name: <b>'SNEHA RAHUL SURANA'</b>						
	At the beginning of the year	01.04.2018		5,149,201	0.17%	5,149,201	0.17%
	Changes during the year	25.05.2018	Bought	813,278	0.03%	5,962,479	0.20%
		01.06.2018	Bought	300,000	0.01%	6,262,479	0.21%
	At the end of the year	31.03.2019		6,262,479	0.21%	6,262,479	0.21%

# 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
1	Name : <b>Mr. Rajiv Rattan</b>						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year		No change During the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
2	Name : <b>Mr. Himanshu Mathur</b>						
	At the beginning of the year	01.04.2018		10,000	0.00%	10,000	0.00%
	Changes during the year	06.07.2018	Bought	10,000	0.00%	20,000	0.00%
		21.09.2018	Bought	5,000	0.00%	25,000	0.00%
	At the end of the year	31.03.2019		25,000	0.00%	25,000	0.00%
3	Name : <b>Mr. Debashis Gupta</b>						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year		No change During the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
4	Name : <b>Mr. Narayanasany Jeevagan</b>						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year		No change During the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
5	Name : <b>Mrs. Namita</b>						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year		No change During the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
6	Name : <b>Mr. Jayant Shriniwas Kawale*</b>						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year		No change During the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
	* Mr. Jayant Srinivas Kawalw ceased to be Managing Director w.e.f May 20, 2019						
7	Name : <b>Mr. Tarun Kumar Prasad*</b>						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year		No change During the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
	* Mr. T.K. Prasad, ceased to be Director w.e.f. July 19, 2018						

# 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
7	Name : <b>Mr. Yashish Dahiya*</b>						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year		No change During the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
	* Mr. Yashish Dahiya, appointed as Director w.e.f. September 28, 2018						
8	Name : <b>Mr. Sharad Behal</b>						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year		No change During the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
9	Name : <b>Mr. Sanjiv Chhikara</b>						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year		No change During the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
10	Name : <b>Mr. Pranab Kumar Sinha</b>						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year		No change During the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
11	Name : <b>Mr. Gaurav Toshkhani*</b>						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year		No change During the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
	* Mr. Gaurav Toshkhani ceased to be a Company Secretary w.e.f May 20, 2019						
12	Name : <b>Mr. Samir Taneja*</b>						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year		No change During the year	-	0.00%	-	0.00%
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
	* Mr. Samir Taneja ceased to be a Chief Financial Officer w.e.f October 16, 2018						

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

## Extract of Annual Return

### V. INDEBTEDNESS

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

(Amt. ₹/Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	737,158.35	37,289.78	-	774,448.13
ii) Interest due but not paid	77,819.98	-	-	77,819.98
iii) Interest accrued but not due	6,461.95	-	-	6,461.95
<b>Total (i+ii+iii)</b>	<b>821,440.28</b>	<b>37,289.78</b>	<b>-</b>	<b>858,730.06</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	105,434.56	-	-	105,434.56
* Reduction	(80,703.55)	-	-	(80,703.55)
<b>Net Change</b>	<b>24,731.00</b>	<b>-</b>	<b>-</b>	<b>24,731.00</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	658,986.81	37,289.78	-	696,276.59
ii) Interest due but not paid	181,083.95	-	-	181,083.95
iii) Interest accrued but not due	6,100.53	-	-	6,100.53
<b>Total (i+ii+iii)</b>	<b>846,171.29</b>	<b>37,289.78</b>	<b>-</b>	<b>883,461.07</b>

### 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	Mr. Jayant Shrinivas Kawale*	Mr. Himanshu Mathur	(₹)
	Designation	Managing Director	Whole-Time Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,49,45,786	1,09,97,496	2,59,43,282
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	10,50,000	-	10,50,000
	(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	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act	-	-	-

\* Mr. Jayant Shrinivas Kawale ceased to be Managing Director w.e.f May 20, 2019

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

## Extract of Annual Return

### B. Remuneration to other Directors

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

\* ceased to be the director w.e.f July 19, 2018

\*\* appointed director w.e.f Sept 28, 2018

### 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. Samir Taneja*	Mr. Gaurav Toshkhani**	
	Designation	Chief Financial Officer	Company Secretary	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	45,62,310	39,72,123	85,34,433
	(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	0	0	
	<b>Total</b>	45,62,310	39,72,123	<b>85,34,433</b>

\* ceased to be the CFO w.e.f Oct 16, 2018.

\*\* ceased to be the Company Secretary w.e.f May 20, 2019.

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

Extract of Annual Return

**RattanIndia**

## 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	-	-	-	-	-



# Annexure 'C' to Board's Report

## 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 2018-19;

S.No.	Designation	Ratio
1	Managing Director	56.68 : 1
2	Executive Director	39.84 : 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 2018-19;

S. No.	Designation	% increase in remuneration
1	Executive Director	15
2	Company Secretary	25

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

Particulars	Amounts	% age of Increments
April 18 Median	29,190	
Mar 19 Median	33,115	13.45%

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

558 permanent employees as on March 31, 2019.

- (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)
12.21%	20.00%

- (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 TO THE BOARD'S 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, 2019

Particulars		
a.	Options Granted	2,00,00,000
b.	Exercise price	₹ 10 per share
c.	Options vested	71,69,100
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/option not yet granted	1,42,12,000
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	8,95,800
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 [Indian Accounting Standard (Ind AS) 33 'Earnings Per Share']	₹ (9.45)
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 35 Notes to Accounts forming part of the 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 35 Notes to Accounts forming part of the 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 'D' to Board's Report (contd.)

### 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, 2019

Particulars		
a.	Options Granted	2,00,00,000
b.	Exercise price	₹ 14/- per share
c.	Options vested	3,184,900
d.	Options exercised	281,800
e.	The total number of Shares arising as a result of exercise of option	281,800
f.	Options lapsed/options not yet granted	1,94,25,400
g.	Variation in terms of options	None
h.	Money realized by exercise of options	₹ 39,45,200/-
i.	Total number of options in force	292,800
j.	Employee wise details of options granted to;	
i.	Key Management personnel	None
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 [Indian Accounting Standard (Ind AS) 33 'Earnings Per Share']	₹ (9.45)
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 35 Notes to Accounts forming part of the 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:	Refer No 35 Notes to Accounts forming part of the 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 EMPLOYEES STOCK OPTION SCHEME 2011 (FORMERLY INDIABULLS POWER LIMITED EMPLOYEES STOCK OPTION SCHEME 2011) - AS ON MARCH 31, 2019**

Particulars		
a.	Options Granted	18,95,000*
b.	Exercise price	₹ 12/- per share
c.	Options vested	56,800
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	4,98,00,000
g.	Variation in terms of options	None
h.	Money realized by exercise of options	Nil
i.	Total number of options in force	2,00,000
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 [Indian Accounting Standard (Ind AS) 33 'Earnings Per Share']	₹ (9.45)
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 35 Notes to Accounts forming part of the 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 Fair Value is ₹ 1.78 per share Average Exercise Price is ₹ 12 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 35 Notes to Accounts forming part of the 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	

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

# Annexure 'E' to Board's Report

FORM NO – MR -3

## SECRETARIAL AUDIT REPORT

For The Financial Year Ended on 31st March, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended]

To,  
The Members,  
RattanIndia Power Limited,  
A-49, Ground Floor Road No. 4, Mahipalpur, 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, 2019 complied with the statutory provisions listed here under 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 herein after:

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, 2019 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, 2018;
  - 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, 2018 (Not applicable as the Company has not bought back/propose to buy back it's security during the financial year under review); and
  - i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi. and other applicable laws like:
  - The Electricity Act, 2003
  - National Tariff Policy
  - The Trade Mark Act, 1999

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

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  
CP No. 6128

Place : New Delhi  
Date : August 09, 2019

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

**'Annexure 1'**

To,  
The Members,  
RattanIndia Power Limited  
A-49, Ground Floor Road No. 4, Mahipalpur,  
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

Sd/-  
(Sanjay Khandelwal)  
FCS No. 5945  
CP No. 6128

Place : New Delhi  
Date : August 09, 2019

## SECRETARIAL AUDIT REPORT

For The Financial Year Ended on 31st March, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013]

To,  
The Members,  
SINNAR THERMAL POWER LIMITED,  
A-150-151, Ground Floor, K.H. No. 407,  
A Block, Mahipalpur Extension New  
Delhi South West Delhi 110037

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sinnar Thermal 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, 2019 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 Sinnar Thermal Power Limited for the financial year ended on 31st March, 2019 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder
- iii. 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. 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 and the changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

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 : 09.08.2019

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 'F' to Board's Report (contd.)

'Annexure 1'

To,  
The Members,  
SINNAR THERMAL POWER LIMITED,  
A-150-151, Ground Floor, K.H. No. 407,  
A Block, Mahipalpur Extension New  
Delhi South West 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  
Sd/-  
(Sanjay Khandelwal)  
FCS No. 5945  
C P No.: 6128

Place : New Delhi  
Date : 09.08.2019

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

RattanIndia Power Limited has established a reputation of honesty, integrity and sound governance over the years and is committed to maintaining the highest standards of Corporate Governance in its conduct towards Shareholders, employees, regulators, customers, suppliers, lenders and other Stakeholders. At RattanIndia, good corporate governance is a way of life and the way we do our business, encompassing every day's activities and is enshrined as a part of our way of working. Our actions are governed by our values and principles, which are reinforced at all levels of the organisation. These principles have been and will continue to be our guiding force in future.

Philosophy of corporate governance at RattanIndia, is to achieve business excellence by enhancing the long-term welfare of all its Stakeholders without compromising on integrity, social obligations, environment and regulatory compliances. The Company believes that corporate governance is about creating organisations that succeed in the market place with the right approach and values which will enhance the value for all its Stakeholders. The cardinal principles such as independence, accountability, responsibility, transparency, trusteeship and disclosure serve as means for implementing the philosophy of Corporate Governance

The Company has adopted Governance Guidelines to help fulfil its corporate responsibility towards its stakeholders. The Governance Guidelines cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, directors' term, retirement age and mandates of Board Committees. It also covers aspects relating to nomination, appointment, induction and development of directors, directors' remuneration and Board effectiveness review. These guidelines ensure that the Board will have the necessary authority and processes to review and evaluate its operations, when required.

The Company has adopted the requirements of Corporate Governance as specified under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time.

## 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 term interests of the Company and its stakeholders.

The Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive

Advantage in providing 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 requires skills/expertise/competencies in the areas of strategy, finance, accounting, economics, legal and regulatory matters, to efficiently carry on its core businesses. All the above required skills/expertise/competencies are available with the Board.

The Board of Directors of the Company currently comprises of 9 directors, five of such directors being Independent Directors and four being non- Independent directors including an institutional nominee and one of the non-Independent director being executive director with defined responsibilities. The Chairman of the Company and Board of Directors (Board), is a non-Independent promoter director.

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 including listed company as also the number of their memberships and chairpersonships on various board committees, as at 31.03.2019, are depicted in the table given below:

# Report on Corporate Governance (contd.)

S. No.	Name of Director	Category of Directorship	Number of shares held in the Company	Directorships in other companies*	Category of Directorship and name of the other listed Company(s) as on 31-03-2019	No. of Memberships/ Chairpersonship in Board Committees of various companies including the Company**	
						Memberships	Chairpersonships
1	Mr. Rajiv Rattan (DIN: 00010849)	Chairman & Non-Executive Promoter Director	Nil	2	RattanIndia Infrastructure Limited – Non-executive Director	5	Nil
2	Mrs. Namita (DIN: 08058824)	Non - Executive Woman Director	Nil	8	RattanIndia Infrastructure Limited – Non-executive Woman Director	1	Nil
3	Mr. Pranab Kumar Sinha (DIN: 05262027)	Nominee Director (Institutional Representative)	Nil	3	Nil	Nil	Nil
4	Mr. Jayant Shriniwas Kawale (DIN: 00076038) (ceased w.e.f May 20, 2019)	Managing Director	Nil	Nil	Nil	Nil	Nil
5	Mr. Narayanasany Jeevagan (DIN: 02393291)	Independent Director	Nil	8	RattanIndia Infrastructure Limited – Independent Director	10	5
6	Mr. Debashis Gupta (DIN: 02774388)	Independent Director	Nil	1	RattanIndia Infrastructure Limited – Independent Director	2	Nil
7	Mr. Sharad Behal (DIN: 02774398)	Independent Director	Nil	Nil	Nil	Nil	Nil
8	Mr. Sanjiv Chhikara (DIN: 06966429)	Independent Director	Nil	7	RattanIndia Infrastructure Limited – Independent Director	10	4
9	Mr. Himanshu Mathur (DIN: 03077198)	Whole time Director	25,000 Equity shares & 80,000 vested stock option (out of a total of 1,00,000 Stock option granted)	8	Nil	Nil	Nil
10	Mr. Yashish Dahiya (DIN : 00706336)	Independent Director	Nil	Nil	Nil	Nil	Nil

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

\*\*In the above table, memberships/Chairpersonship of the Audit Committees and Stakeholders' Relationship Committee in various Indian public limited companies in terms of Regulation 26(1) of the SEBI (LODR) Regulations, have been depicted.

None of the directors held directorship in more than eight listed companies. 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. Only memberships of Audit Committee and Stakeholders Relationship Committee have been taken into consideration for the purpose of ascertaining the limit as per listing agreement. 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.

None of the directors are related to each other.

The Chairman of the Company is a Non-Executive Director and not related to the CEO & Whole time Director.

Mr. Tarun Kumar Prasad ceased to be an Independent Director of the Company w.e.f. July 19, 2018, due to personal reason. Mr. Yashish Dahiya has been appointed an Independent Director of the Company w.e.f September 28, 2018. Mr. Jayant Shriniwas Kawale ceased to the Managing Director of the Company w.e.f May 20, 2019.

Mr. Debashis Gupta (DIN: 02774388), an Independent Director, who, in view of his priors commitments, had opted not to propose his candidature for re-appointment as an Independent Director of the Company, for the further five years.

## 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. Namita as the Non-Executive Non-Independent 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 2018-2019, the Board met 7(Seven) times. The dates of the Board meetings were 18-May-2018, 10-August-18, 31-August-18, 14-November-18, 4-February-19, 7-February-2019 and 24-February-19. The gap between two meetings did not exceed 120 days

The last Annual General Meeting of the Company was held on September 28, 2018.

A table depicting the attendance of Directors at various board meetings and annual general meeting held during the financial year 2018 - 2019 is given below:

S. No.	Name of Director	No. of Board Meeting held during the tenure covered in the FY 2018-19	No. of Board Meetings attended during the FY 2018-19	Attendance at the last AGM
1	Mr. Rajiv Rattan	7	6	Yes
2	Mr. Pranab Kumar Sinha	7	1	No
3	Mr. Jayant Shriniwas Kawale*	7	3	No
4	Mr. Himanshu Mathur	7	7	No
5	Mr. YashishDahiya**	4	1	N.A
6	Mr. Narayanasany Jeevagan	7	7	Yes
7	Mr. Debashis Gupta	7	1	Yes
8	Mr. Sharad Behal	7	1	No
9	Mr. Sanjiv Chhikara	7	7	Yes
10	Mr. Tarun Kumar Prasad***	1	1	-
11	Mrs. Namita	7	7	No

\*Ceased to be director with effect from May 20, 2019.

\*\*Appointed as an independent director with effect from September 28, 2018

\*\*\*Ceased to be director with effect from July 19, 2018.

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.

The Board of Directors of the Company do hereby confirms that all the present Independent Directors of the Company

# Report on Corporate Governance (contd.)

fulfill the conditions specified in the SEBI LODR regulations, 2015 and are independent of the management of the Company.

The Board of Directors of the Company had accepted all recommendation of committees of the Board which are mandatorily required, during the financial year 2018-19.

## **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 March 16, 2019 to

- (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 that is necessary for the Board to effectively and reasonably perform its duties.

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**

### **(i) Code of Conduct and ethics**

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/policies>.

All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Financial Year 2018-19. A declaration signed by the Mr. Rajiv Rattan, Chairman, 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.

### **(ii) Code of Conduct for Prevention of Insider Trading**

The Company has laid down a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Companies Act, 2013, with a view to regulate trading in Securities of the Company by its directors, designated persons and employees.

## **(D) Chart / Matrix of Skills / Expertise / Competence of the Board of Directors in context to Company's business and sector:**

We recognize the importance of having a Board comprising of directors who have a range of experiences, capabilities and diverse points of view. This helps us create an effective and well-rounded Board. The capabilities and experiences sought in the Board of Directors of our Company in the areas of strategy, finance, accounting, economics, legal and regulatory matters to efficiently carry on its core businesses

## **3. Familiarization Programmes for directors including 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 2018-2019, as it had been carried out in the previous financial year.

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 31st March, 2019 comprised of four members namely Mr. Narayanasany Jeevagan as the Chairman and member and Mr. Debashis Gupta, Mr. Rajiv Rattan and Mr. Sanjiv Chhikara as the other three members. While Mr. Narayanasany Jeevagan, 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.

It would be pertinent to mention here that the terms of Mr. Narayanasany Jeevagan, Mr. Sanjiv Chhikara and Mr. Debashis Gupta, the Independent Directors forming a part of the Audit Committee, expire on the day of the ensuing Annual General Meeting (AGM). With the exception of Mr. Debashis Gupta who has conveyed to the Company, his inability to continue as a Director of the Company post the expiry of his term, the other Independent Directors as aforementioned, have expressed their desire to be re-appointed as such for a second consecutive term of five years expiring on the day of this annual general meeting to which effect the necessary resolutions are set out in the notice convening the ensuing Annual General Meeting. In consequence of the above, the Audit Committee of the Board of Directors shall have to be reconstituted post the forthcoming AGM.

All the members are financially literate and bring in expertise in the fields of finance, accounting, development, strategy and management.

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. (f) the appointment, removal and terms of remuneration of the Internal Auditor.
- (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 annual 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

# Report on Corporate Governance (contd.)

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) reviewing the utilization of loans and/ or advances from/investment by the Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments existing as on the date of coming into force of this provision
- (21) 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, 2019 the Committee met four times. The dates of the meetings were 18-May-18, 10-August-18, 14-November-18 and 7-February-19.

The attendance of the members of the Committee at the meetings held during the FY 2018-19 is depicted in the table given below:

SI No.	Name of members	No. of meetings held during their tenure	No. of meetings Attended
1	Mr. Rajiv Rattan	4	3
2	Mr. Debashis Gupta	4	1
3	Mr. Narayanasany Jeevagan	4	4
4	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 Eleventh Annual General Meeting held on 28 Sept, 2018.

## (B) Nomination & Remuneration Committee.

The Nomination & Remuneration Committee of the Board as on March 31, 2019 comprised of three Non-Executive Directors as its members, namely Mr. Narayanasany Jeevagan as the Chairman and member and Mr. Sanjiv Chhikara and Mrs. Namita 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.
- 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.
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- recommend to the board, all remuneration, in whatever form, payable to senior management

## Meetings and Attendance during the year

During the financial year 2018-2019, Committee met two times. The dates of the meetings were 7-July-2018 and 31-Aug-18.

The attendance of the members of the Committee at the meetings held during the FY 2018-19 is depicted in the table given below:

Sl No.	Name of members	No. of meetings held during their tenure	No. of meetings Attended
1	Mr. Narayanasany Jeevagan	2	2
2	Mrs. Namita	2	2
3	Mr. Sanjiv Chhikara	2	2

The Chairman of the Nomination & Remuneration Committee was present at the Eleventh Annual General Meeting held on 28 Sept, 2018.

## Performance evaluation criteria for Independent Directors

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 behavior and judgment. 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/policies>.

In terms of the provisions of Section 178(3) of the Act and Regulation 19(4) read with Part D of Schedule II to the SEBI Regulations, the Committee is responsible for inter alia formulating the criteria for determining qualification, positive attributes and independence of a Director. The Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Board has adopted the Policy on Board Diversity & Director Attributes and Remuneration Policy for Directors, Key Managerial Personnel and other senior employees of the Company.

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.



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## Remuneration of Directors

### (i) Remuneration of Executive Directors

Details of the remuneration drawn by the Managing/executive director during the financial year 2018-2019 areas 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 Shriniwas Kawale	None	1,59,95,786	-	Refer below Note 2	-	-	Nil	1,59,95,786
Mr. Himanshu Mathur	None	1,09,97,496	-	Refer below Note 2	-	80,000	Nil	1,09,97,496

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 80,000 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 2018-2019. 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 as on March 31, 2019, 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, 2019 the Committee met four times. The dates of the meetings were 18-May-2018, 09-July-18, 17-October- 18 and 21-January-19.

The attendance of the members of the Committee at the meetings held during the FY 2018-19 is depicted in the table given below:

SI No.	Name of members	No. of meetings held during their tenure	No. of meetings Attended
1	Mr. Sanjiv Chhikara	4	4
2	Mr. Rajiv Rattan	4	2
3	Mr. Narayanasany Jeevagan	4	4

The Chairman of the Stakeholders Relationship Committee was present at the Eleventh Annual General Meeting held on 28 Sept, 2018.

## Name and designation of compliance officer

Mr. Lalit Narayan Mathpati, 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 2018 – 19:

SI. No.	PARTICULARS	OPENING	RECEIVED	DISPOSED	PENDING
1	Non-receipt of annual report	0	5	5	0
2	Non-receipt of dividend	0	6	6	0
3	Non credit/receipt of shares in demat account	0	1	1	0
	<b>Total</b>	<b>0</b>	<b>12</b>	<b>12</b>	<b>0</b>

All the complaints were resolved to the satisfaction of shareholders.

## (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 as on March 31, 2019, of three members, Mr. Sanjiv Chhikara as its Chairman and Mr. Debashis Gupta and Mrs. Namita 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.

It would be pertinent to mention here that the terms of Mr. Debashis Gupta and Mr. Sanjiv Chhikara, the Independent Directors forming a part of the CSR Committee, expire on the day of the ensuing Annual General Meeting (AGM). However, Mr. Gupta has conveyed to the company, his inability to continue as a Director of the Company post the expiry of his term, the other Independent Director Mr. Sanjiv Chhikara, has expressed his desire to be re-appointment as such, for second consecutive term of five years expiring on the day of this AGM to which effect necessary resolution is set out in the Notice convening the ensuing AGM. In view of the above, the CSR Committee of the Board of Director shall have to be reconstituted post the forthcoming AGM.

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

## Terms of Reference

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

- To recommend to the Board the policy and the CSR activity(ies) to be undertaken by the Company in pursuance thereof;
- To recommend to the Board the expenditure to be incurred on the CSR activity;
- To monitor, oversee and review the effective implementation of the CSR policy;

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(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 2018-19.

## 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
9 <sup>th</sup> AGM	2015-16	Centaur Hotel, IGI Airport, Delhi – Gurgaon Road, New Delhi – 110037	September 30, 2016	10.00 A.M.
10 <sup>th</sup> AGM	2016-17	Centaur Hotel, IGI Airport, Delhi – Gurgaon Road, New Delhi – 110037	September 19, 2017	10.00 A.M.
11 <sup>th</sup> AGM	2017-18	Centaur Hotel, IGI Airport, Delhi – Gurgaon Road, New Delhi – 110037	September 28, 2018	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 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 the reunder 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.
- (ii) In the AGM of the Company for the FY 2016 - 2017 held on September 19, 2017, 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, 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.

- b. Special resolution in terms of Sections 196, 197 & 198 and other applicable of the Companies Act, 2013 read with Schedule V to the Act and the Notification dated September 12, 2016 issued by the Ministry of Corporate Affairs, variation in the terms of appointment and remuneration of Mr. Jayant Kawale, Managing Director of the Company.
- (iii) In the AGM of the Company for the FY 2017 - 2018 held on September 28, 2018, special resolutions as briefly specified hereunder, were passed
  - a. Special resolution in terms of Sections 42, 55, 62 & 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 secure/unsecured redeemable non-convertible/optionally convertible debentures (including bonds of various types) and Cumulative Redeemable Preference Shares on private placement basis.
  - b. Special resolution in terms of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto, to approve the re-appoint of Mr. Himanshu Mathur by the Board of directors, as the Whole-time Director of the Company for a period of three years with effect from July 8, 2018.

**C. Special Resolutions passed during the FY 2018 - 19 through postal ballots:**

During the year 2018-19, no postal ballot was conducted by the Company.

**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/policies>.

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 2019-2020, 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.

# Report on Corporate Governance (contd.)

## **(iii) Whistle Blower policy/Vigil Mechanism and affirmation that no personnel have 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 where by 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 <http://www.rattanindia.com/rpl/policies>.

## **(iv) Dividend Distribution Policy**

The Dividend Distribution Policy has been formulated in line with Regulation 43A of the SEBI (LODR), the Policy on dividend distribution be accessed on the Company's website <http://www.rattanindia.com/rpl/policies>.

Since the Company doesn't fall within top 500 companies in terms of the market capitalization calculated as on March 31, 2019, the Company is not required to disclose the dividend distribution policy in the Annual Report.

## **(v) 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 SEBI (LODR) Regulation, 2015 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.

## **(vi) 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.

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('the PIT Regulations') on prevention of insider trading, your Company has revised its Code of Conduct for regulating, monitoring and reporting of trading by Designated Persons in line with the recent amendments brought by SEBI in the PIT Regulations. The said Code lays down guidelines, which advise Designated Persons on the procedures to be followed and disclosures to be made in dealing with the shares of the Company and cautions them on consequences of non-compliances.

Your Company has also updated its Code of practices and procedures of fair disclosures of unpublished price sensitive information by including a policy for determination of legitimate purposes. Further, your Company has put in place adequate & effective system of internal controls and standard processes have been set to ensure compliance with the requirements given in these regulations to prevent insider trading.

## **(vii) 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 one unlisted material Indian subsidiary company, as on March 31, 2019, on the boards of directors 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/policies>.

**(viii) Disclosures in relation to the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Number of complaints filed during the financial year 2018-19	Number of complaints disposed of during the financial year 2018-19	Number of complaints pending as on end of the financial year 2018-19
Nil	Nil	Nil

**(ix) Fees paid to the Statutory Auditors**

Total fees for all services, paid by the Company and its subsidiary namely Sinnar Thermal Power Limited, on a consolidated basis, to statutory auditors of the Company and other firms in the network entity of which the statutory auditors are a part, during the year ended March 31, 2019, is as under:

Particulars	By the Company	By the Subsidiary	Total Amount
Statutory audit	4,800,000/-	1,200,000/-	6,000,000/-
Total	4,800,000/-	1,200,000/-	6,000,000/-

## 7. Means of Communication

- Publication of Results: The quarterly / annual results of the Company are published in the leading newspapers viz. The Financial Express and Jansatta.
- 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.
- Management's Discussion and Analysis Report; same has been included in the Annual Report, which forms a part of the Annual Report.
- 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.
- 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.
- 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.
- SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redressal system.

## 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.

### (C) Profile of Independent Directors seeking appointment.

In terms of the provisions of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2, particulars of Independent Directors seeking reappointment at this AGM are given hereunder;

# Report on Corporate Governance (contd.)

## (i) Mr. Narayanasany Jeevagan, Independent Director

Mr. Narayanasany Jeevagan, aged 69 years, is gold medalist of Madurai Kamaraj University in B.Com final exam of March, 1969. He joined Canara Bank in September, 1970 as probationary officer and retired from there in April, 2010 as General Manager.

During his 40 years of service in the Bank, he held various positions, including as in-charge of bank's different regions/ Circle offices, where due to his motivational skills he ensured achievement of business targets by the branches, with active participation of all staff members. Being well versed in Credit and Risk Management, he headed bank's Corporate Services Branch at Chennai, handling high value accounts. He was also posted as Managing Director of Canara Bank Venture Capital Ltd. He was deputed to United Bank of India for three years as GM - Vigilance after selection by Ministry of Finance.

Mr. Jeevagan is also on the Board of RattanIndia Infrastructure Limited, Elena Power and Infrastructure Limited, Amravati Power Transmission Company Limited, Devona Power Limited, Eurotas Infrastructure Limited, Eleos Infrastructure Limited, Sinnar Thermal Power Limited and Cladeus Infrastructure Limited.

Membership/Chairpersonship of Mr. Jeevagan in committees of various companies is as under:

Name of the Company	Name of Committee	Chairperson/ Member
Elena Power and Infrastructure Limited	Audit Committee, Nomination and Remuneration Committee	Member
Amravati Power Transmission Company Limited	Audit Committee, Nomination and Remuneration Committee	Chairman
Eleos Infrastructure Limited	Audit Committee, Nomination and Remuneration Committee	Member
Devona Power Limited	Audit Committee, Nomination and Remuneration Committee	Member
Cladeus Infrastructure Limited	Audit Committee, Nomination and Remuneration Committee	Member
Eurotas Infrastructure Limited	Audit Committee, Nomination and Remuneration Committee	Member
RattanIndia Power Limited	Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee'	Chairman
RattanIndia Infrastructure Limited	Audit Committee, Nomination and Remuneration Committee	Chairman

Mr. Jeevagan does not hold any share in the Company and he is not related to any other director of the Company.

The profile of Mr. Narayanasany Jeevagan as set out in herein, has also been reproduced in the Explanatory Statement accompanying to the Notice.

## (ii) Mr. Sharad Behal (DIN: 02774398), Independent Director

Mr. Sharad Behal aged 48 years holds a B Tech. degree in Mechanical Engineering from the Indian Institute of Technology, Mumbai, one of the premier engineering institutes in the country and also holds a Masters in Business Administration from the reputed Rotterdam School of Management, Erasmus University, Netherlands. Armed with knowledge and skills of a top order engineering and management professional, Mr. Behal started his career journey as a Field Engineer with Schlumberger in the year 1994 where he has had a fairly long stint spanning over several years, in diverse areas, holding several high level key management positions including that of the Vice President Wireline Segment for Middle East & Asia and Vice President for Schlumberger Oil field Services for East Asia.

Mr. Behal does not hold any shares in the Company nor is he related to any director of the Company.

The profile of Mr. Sharad Behal as set out in herein, has also been reproduced in the Explanatory Statement accompanying to the Notice.



Mr. Sharad Behal, does not hold any directorships and membership/chairpersonship of board committees in any other companies.

**(iii) Mr. Sanjiv Chhikara, Independent Director**

Mr. Sanjiv Chhikara, aged 54 years, started his carrier with the Customs Department at Mumbai where he put in 20 years and was handling several facets of works of the customs department such as clearance of import and export cargo, adjudication of cases, project imports, Duty Exemption Scheme, Export Oriented units, Investigations and intelligence CESAT and settlement commission etc. In the year 2011 he took a voluntary retirement and is currently an independent consultant. He is also doing high tech agriculture using poly house technology near Delhi.

Mr. Chhikara is also on the Board of RattanIndia Infrastructure Limited, Shigong Infrastructure Private Limited, Elena Power and Infrastructure Limited, Chloris Properties Limited, Devona Power Limited, Sinnar Thermal Power Limited, IIC Limited, RattanIndia Wind 1 Private Limited and Asopus Infrastructure Limited.

Membership/Chairpersonship of Mr. Chhikara in committees of various companies is as under:

Name of the Company	Name of Committee	Chairperson/ Member
Elena Power and Infrastructure Limited	Audit Committee, Nomination and Remuneration Committee	Chairman
Chloris Properties Limited	Audit Committee, Nomination and Remuneration Committee	Member
Devona Power Limited	Audit Committee, Nomination and Remuneration Committee	Chairman
Asopus Infrastructure Limited	Audit Committee, Nomination and Remuneration Committee	Member
IIC Limited	Audit Committee, Nomination and Remuneration Committee	Chairman
RattanIndia Power Limited	Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee'	Member
RattanIndia Power Limited	Corporate Social Responsibility Committee'	Chairman
RattanIndia Infrastructure Limited	Audit Committee, Nomination and Remuneration Committee	Member
RattanIndia Infrastructure Limited	Stakeholders Relationship Committee', Corporate Social Responsibility Committee'	Chairman

Mr. Chhikara does not hold any share in the Company and he is not related to any other director of the Company.

The profile of Mr. Chhikara as set out in herein, has also been reproduced in the Explanatory Statement accompanying to the Notice.

**(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 2018-2019.

**(F) Date of Book Closure**

Information pertaining to the Book Closure dates has been provided in the Notice convening the AGM.



# Report on Corporate Governance (contd.)

## (G) (i) Distribution of shareholding as on 31st March, 2019

S. No.	Shareholding of nominal value	No. of holders	% of total holders	Total Shares	Value in ₹	% of Nominal Value
1	1-5000	75306	48.55	17,026,850	170,268,500.00	0.58
2	5001- 10000	26128	16.85	22,758,881	227,588,810.00	0.77
3	10001- 20000	17847	11.51	28,732,667	287,326,670.00	0.97
4	20001- 30000	10970	7.07	27,082,456	270,824,560.00	0.92
5	30001- 40000	3718	2.40	13,677,815	136,778,150.00	0.46
6	40001- 50000	5416	3.49	26,140,717	261,407,170.00	0.89
7	50001- 100000	7460	4.81	59,093,983	590,939,830.00	2.00
8	100001 & Above	8257	5.32	2,758,419,984	27,584,199,840.00	93.41
	Total	155,102	100.00	2,952,933,353	29,529,333,530	100.00

## (ii) Shareholding pattern as on 31st March, 2019

S. No.	Category	No of shares	% holding
1	PROMOTERS BODIES CORPORATE	156,75,00,000	53.08
2	RESIDENT INDIVIDUALS	532,165,063	18.02
3	FOREIGN VENTURE CAPITAL INVESTORS AND OTHER FOREIGN ENTITES NOT INDICATED ABOVE	415,574,928	14.02
4	BODIES CORPORATES (DOMESTICS)	282,785,774	9.58
5	FOREIGN PORTFOLIO INVESTORS (INCLUDING FIi's)	102,134,874	3.45
6	NON RESIDENT INDIANS/ erstwhile OCBs	18,696,084	0.63
7	BANKS, NBFC, TRUSTS AND INDIAN FINANCIAL INSTITUTION	32,693,972	1.12
8	CLEARING MEMBERS	1,382,658	0.05
	Total	2,952,933,353	100.00

## (H) 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, 2019, nearly 100 % Equity shares of the Company representing 295,29,06,917 out of a total of 295,29,33,353 Equity shares, were held in dematerialized form with a miniscule balance of 26,436 Equity shares constituting less than 1% of the total outstanding Equity shares, being held in the physical segment.

ISIN for Dematerialization : INE399K01017

## (I) Convertible Instruments

As on March 31, 2019, an aggregate of 13,38,600 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.

## (J) 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

## (K) Stock Code

BSE Limited - 533122

National Stock Exchange of India Ltd - RTNPOWER/EQ

ISIN for Dematerialization - INE399K01017

## PAYMENT OF LISTING FEE

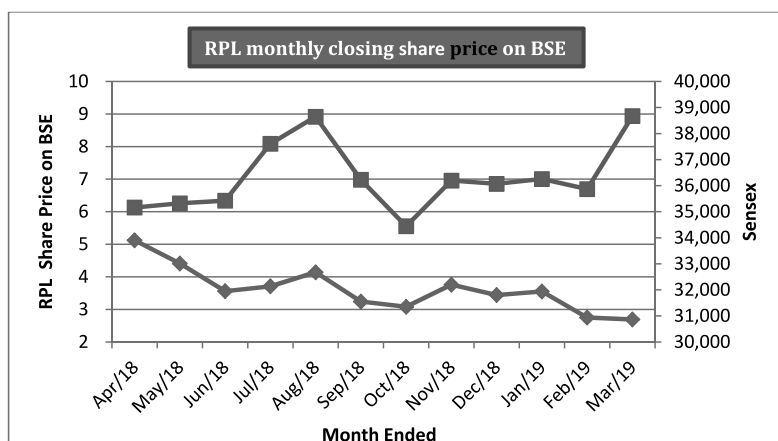
Annual listing fee for the Financial Year 2019-20 has been paid by the Company to BSE and NSE.

## (L) Market Price data

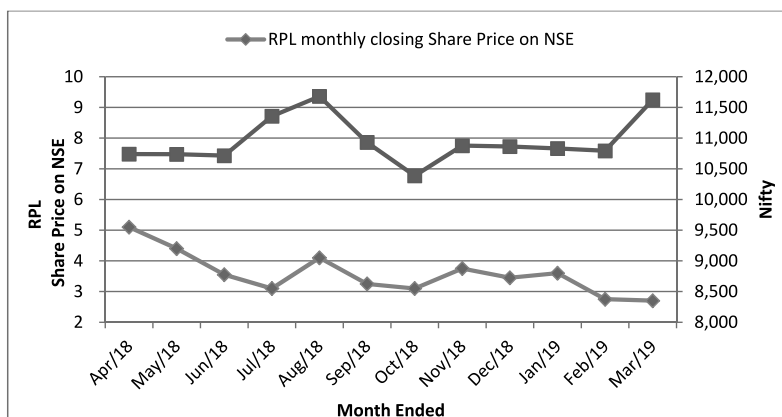
The monthly high and low market prices of equity shares at the National Stock Exchange of India Limited (NSE) and BSE

Month	NSE		BSE	
	High (INR)	Low (INR)	High (INR)	Low (INR)
Apr-18	5.8	5.05	5.79	5.06
May-18	5.5	4.25	5.5	4.28
Jun-18	4.45	3.2	4.46	3.2
Jul-18	3.95	3.1	3.9	3.12
Aug-18	4.35	3.45	4.35	3.5
Sep-18	5.3	3.15	5.28	3.18
Oct-18	3.55	2.85	3.5	2.86
Nov-18	4.1	2.95	4.15	2.92
Dec-18	3.8	3.1	3.94	3.14
Jan-19	4.1	3.35	4.07	3.25
Feb-19	3.65	2.5	3.65	2.5
Mar-19	3.25	2.65	3.29	2.54

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



# Report on Corporate Governance (contd.)



## (N) Registrar and Transfer Agents

M/s Karvy Fintech 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 Fintech 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](mailto:einward.ris@karvy.com)  
 Website: <https://www.karvyfintech.com/>

## (O) Share Transfer System

In terms of amended SEBI (LODR) Regulations, 2015, effective from April 1, 2019, request for transfer of shares of the Company, shall not be proceeds unless shares are held in demat form with the depository.

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

## (P) Address for Correspondence

Registered office:  
 RattanIndia Power Limited  
 A-49, Ground Floor, Road No. 4,  
 Mahipalpur New Delhi 110037,  
 Tel : 011-46611666, Fax: 011-46611777  
 Website: [www.rattanindia.com](http://www.rattanindia.com)

## (Q) Plant Locations :

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

## (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:

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning/closing of the year.

1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year.	97 shareholders holding 31,650 equity 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.	97 shareholders holding 31,650 equity 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.

**(T) Commodity price risk or foreign exchange risk and hedging activities:** The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. The Company has no exposure to the commodity price & foreign exchange risk.

**9. No Disqualification Certificate from Company Secretary in Practice**

Certificate from S.Khandelwal & Co., Practising Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority, as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.

**10. 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 in Regulation 34(3) read with 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 Annual Report.

**11. 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 Chief Executive Officer and Chief Financial Officer, was placed before the Board of Directors.

CEO and CFO have issued certificate pursuant to the Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015, certifying that the financial statements do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

**12. 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 Chief Executive Officer.**

While the Company has a non-executive Chairman, it separately had a Managing Director as well, who was appointed with effect from October 1, 2014 and ceased to be as such with effect from May 20, 2019.

The Company has appointed Mr. Aman Singh as Chief executive Officer with effect from May 20, 2019.

# Report on Corporate Governance (contd.)

## (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) Modified financial statements

While it has been the endeavor of the Company to have its accounting and operational systems and controls working to enable and ensure a complete adherence to applicable accounting standards and the best of corporate practices, sometimes situations could arise where a company while being compliant with the same in spirit, may opt out due to audit perceptions emanating from the procedural aspects, receive a Modified Auditors Report on Standalone Financial Statements.

In their report on the annual accounts of the Company for the financial year 2018-2019, the Statutory Auditors of the Company have raised a qualification in respect of certain advances made by the Company in the course of its business, to Sinner Thermal Power Limited, a wholly owned subsidiary of the Company, expressing concern over the ability of the Company to recover the value of such advances and to make an impairment assessment in its books in regard to the same.

It has been explained to the Auditors that the management is confident of realizing the value of such advances and accordingly no impairment in the value of the same has been recorded in the books of the Company.

It is worth while to mention here this does not change the constant efforts of the Company, being the efforts which have always yielded fruits in the past, to implement and put into operation the best of compliance systems, accounting and non –accounting policies, practices and procedures and corporate practices, accounting and non-accounting, to always ensure utmost level of compliances on part of the Company.

## (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.

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### DECLARATION PURSUANT TO REGULATION 34(3) READ WITH SCHEDULE-V OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

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, 2019.

For **RattanIndia Power Limited**

Sd/-  
**Rajiv Rattan**  
Chairman

## NO DISQUALIFICATION CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

To  
The Members,  
RattanIndia Power Limited,  
A-49, Ground Floor, Road No. 4,  
Mahipalpur, New Delhi 110037.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of RattanIndia Power Limited having CIN L40102DL2007PLC169082 and having registered office at A-49, Ground Floor, Road No. 4, Mahipalpur New Delhi 110037 (herein after referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company, for the financial year ending on 31 March, 2019, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authorities.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these, based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Date : August 09, 2019  
Place : New Delhi

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

# Report on Corporate Governance (contd.)

To  
The Board of Directors  
RattanIndia Power Limited  
A-49, Ground Floor, Road No. 4,  
Mahipalpur, New Delhi - 110037

**Compliance Certificate pursuant to Regulation 17(8) read with Part-B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 of Chief Financial Officer (CFO) and Chief Executive Officer (CEO) of the Company.**

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

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31st, 2019 and to the best of our knowledge and belief, we state that:
  - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with 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 having evaluated the same, state there was nothing to disclose to the Auditors and the Audit Committee as to deficiencies in the design or operation of internal controls as no such deficiencies were to the best of our knowledge and information, found.
- (d) It has been indicated to the Audit Committee and the Auditors that :
  - (1) there have not been any significant changes in internal control over financial reporting during the year ended March 31st, 2019;
  - (2) there have not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - (3) We are not aware of any instances of significant fraud with involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi  
Date : May 20, 2019

Sd/-  
**Aman Kumar Singh**  
Chief Executive Officer

Sd/-  
**Sameer Has Mukhlal Darji**  
Chief Financial Officer

## CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To  
The Members,  
RattanIndia Power Limited,  
A-49, Ground Floor, Road No. 4,  
Mahipalpur, New Delhi - 110037

We have examined the compliance of conditions of Corporate Governance by RattanIndia Power Limited ("the Company"), for the year ended March 31, 2019, 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, 2019.

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 09, 2019  
Place : New Delhi



# Independent Auditors' Report

To the members of RattanIndia Power Limited (formerly Indiabulls Power Limited.)

## Report on the Audit of the Consolidated Financial Statements

### Opinion

1. We have audited the accompanying consolidated financial statements of RattanIndia Power Limited (formerly 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 2019, 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.
2. 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 Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group as at 31 March 2019, and its consolidated loss (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

4. We draw attention to Note 52 to the consolidated financial statements which indicate that the Group has incurred a net loss of ₹ 326,535.39 lakhs during the year ended 31 March 2019 and, as of that date, the Group's accumulated losses from operations amounted to ₹ 682,068.22 lakhs and its current liabilities exceed current assets by ₹ 671,282.00 lakhs. The Group has also made defaults in repayment of borrowings from banks, including interest, by an amount aggregating ₹ 520,183.10 lakhs up till 31 March 2019. These conditions along with other matters as set forth in such note, indicate the existence of material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. However, in view of the ongoing discussions relating to restructuring of its borrowings and other debts with the lenders, better financial performance as a result of favourable business conditions expected in future and other mitigating factors mentioned in the aforesaid note, the management is of the view that going concern basis of accounting is appropriate.

In relation to the above key audit matter, our audit work included, but was not restricted to, the following procedures:

- a) Obtained understanding of the management's process for identifying all events or conditions that could impact the Group's ability to continue as a going concern, and the process to assess the corresponding mitigating factors existing against each such event or condition.
- b) Evaluated the design and tested the operating effectiveness of key controls around aforesaid identification of events or conditions and mitigating factors, and controls around cash flow projections prepared by the management.
- c) Tested the appropriateness of the key assumptions in the cash flow projections for next 12 months by considering our understanding of the business, past performance of the Company, external data and market conditions apart from discussing these assumptions with the management and the Audit Committee.
- d) Evaluated the sensitivity analysis performed by the management in respect of the key assumptions discussed above to ensure that there was sufficient headroom with respect to the estimation uncertainty impact of such assumptions on the calculation.
- e) Tested the arithmetical accuracy of the calculations including those related to sensitivity analysis performed by the management.

- f) Evaluated the historical accuracy of the cash flow projections made by the management in prior periods.
- g) Reviewed the minutes of meetings of lenders, binding offer, correspondence with proposed investors, etc. with respect to the status of OTS offer.
- h) Evaluated the appropriateness of the disclosures made in the financial statements in respect of going concern basis of accounting in accordance with the applicable accounting standards.

Our opinion is not modified in respect of this matter.

## Emphasis of Matter

5. We draw attention to Note 53 to the accompanying consolidated financial statements with respect to capital work-in-progress (CWIP) aggregating to ₹ 98,430.35 lakhs outstanding as at 31 March 2019, pertaining to construction of second 1350 MW power plant (Phase II) of the Holding Company and STPL, which are currently suspended. Based on expected revival of the project and other factors described in the aforesaid note, the management believes that no adjustment is required to the carrying value of the aforesaid balances. Our opinion is not modified in respect of this matter.

## Key Audit Matter

6. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
7. In addition to the matter described in the Material Uncertainty Related to Going Concern and Emphasis of Matter sections we have determined the matters described below to be the key audit matters to be communicated in our report.

<p><b>Recoverability of amounts due from Maharashtra State Electricity Distribution Company Limited (MSEDCL)</b></p> <p>The Holding Company has dues from MSEDCL amounting to ₹ 123,297.03 lakhs as at 31 March 2019.</p> <p>As detailed in note no 32(C) to the consolidated financial statements, there are certain claims by the Holding Company which are disputed by MSEDCL including claim on account of Compensatory Claim (CCEA) amounting to ₹ 28,658.80 lakhs and Late Payment Surcharge (LPS) thereon and Change-in-law (CIL) claims. These are under litigation at various levels of regulatory authorities.</p> <p>The Holding Company has obtained a legal opinion from an independent counsel with respect to recoverability of Rs. 28,658.80 lakhs on account of CCEA claims and LPS thereon.</p> <p>Further, in respect of claim related to CIL, the Maharashtra Electricity Regulatory Commission, vide order dated 3 April 2018, has decided a methodology for computing the quantum of claim which is disputed by the Company and the matter is pending for resolution under Appellate Tribunal for Electricity.</p> <p>Considering the materiality of the balances to the Group's consolidated financial statements and the judgements involved in the estimation of recoverability, this matter is considered to be a key audit matter for the current year audit.</p>	<p>Our audit work in relation to assessment of recoverability of amounts due from MSEDCL included, but was not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the nature of litigations and key developments during the year from the management.</li> <li>• Tested the design, implementation and operating effectiveness of the controls that the Group has established in relation to recoverability of such dues.</li> <li>• Evaluated the reasonableness of the key assumptions used by the management in determination of recoverable amount based on our knowledge of the business and industry.</li> <li>• Obtained legal opinion from the Group's external legal counsel and analysed the same in light of the current industry practice.</li> <li>• Obtained and reviewed the necessary evidence which includes correspondence with the internal legal counsels and where necessary, inspected minutes of case proceedings available in public domain, to support the decisions and rationale for creation of provisions and / or disclosure of receivables in respect of each such litigation selected for testing.</li> <li>• Ensured appropriateness of disclosures made in the consolidated financial statements with respect to the receivables are in accordance with the applicable accounting standards.</li> </ul>
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## Independent Auditors' Report (contd.)

<p><b>Impairment of power plants</b></p> <p>Refer Note 3 for the accounting policies for impairment of assets. The Group have power generating plant and allied facilities valuing ₹ 1,332,976.31 lakhs and ₹ 80,646.03 lakhs respectively.</p> <p>In accordance with Ind AS 36, Impairment of assets, the management identified that impairment indicators existed for the power plants owing to the fact that there has been less than full capacity utilisation of the Amravati plant since the commencement of operations, and currently, the plant is operating at around 34% capacity. Also, there are no operations in Nasik power plant due to non-availability of PPA.</p> <p>The aforesaid assessment of the impairment involves exercising a significant judgement with regard to assumptions and estimates involved in forecasting future cash flows. These assumptions include plant operating level, discount rates, estimation of terminal value.</p> <p>Changes in the management forecasts or assumptions can impact the assessment of the discounted cash flows and consequently the valuation of such power plants.</p> <p>A significant amount of audit effort was required particularly as some of these assumptions are dependent on the economic factors and trading conditions in the markets in which the Group operates. Considering the significance of the amounts involved, degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, we have determined impairment of power generating plant as a key audit matter.</p>	<p>Our audit procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management process, and performed a walkthrough to evaluate design effectiveness and tested the operating effectiveness of key controls for identifying impairment indicators as well as determining the appropriate methodology to carry out impairment testing for plant, property and equipment.</li> <li>• Evaluated the appropriateness of applying relevant accounting standards in recognising the impairment loss.</li> <li>• Challenged the management on the underlying assumptions used for the cash flow projections including the implied growth rates, discount rate, estimation of terminal value etc. considering the evidence available to support these assumptions and our understanding of the business and industry.</li> <li>• Tested the discount rate and plant operating level, used in the forecasts, including comparison to economic and industry forecasts where appropriate.</li> <li>• Evaluated the sensitivity analysis performed by the management in respect of the key assumptions discussed above to ensure that there was sufficient headroom with respect to the estimation uncertainty impact of such assumptions on the calculation.</li> <li>• Ensured that disclosures for the aforesaid balances and transactions are adequately disclosed in accordance with the applicable accounting standards.</li> </ul>
<p><b>Litigation and contingent liabilities</b></p> <p>We refer to the Note 32 of the consolidated financial statements of the Group for the year ended 31 March 2019. The Group operates in an industry which is heavily regulated which increases inherent risk of litigations. There are a number of legal and regulatory cases, of which the most significant ones are claims by the Holding Company on MSEDCL as explained in the KAM on recoverability from MSEDCL, and claims by the vendors / suppliers on the Company.</p> <p>The eventual outcome of these legal proceedings is dependent on the outcome of future events and unexpected adverse outcomes could significantly impact the Group's reported loss and balance sheet position.</p> <p>The amounts involved are material and the application of accounting principles as given under Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, in order to determine the amount to be recorded as a liability or to be disclosed as a contingent liability, in each case, is inherently</p>	<p>Our audit procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management process for: <ul style="list-style-type: none"> <li>- identification of legal and tax matters initiated against the Group;</li> <li>- assessment of accounting treatment for each such litigation identified under Ind AS 37 accounting principles; and</li> <li>- for measurement of amounts involved.</li> </ul> </li> <li>• Evaluated the design and tested the operating effectiveness of key controls around above process.· Obtained an understanding of the nature of litigations pending against the Group and discussed the key developments during the year for key litigations with the management and respective legal counsels handling such cases on behalf of the Group.</li> <li>• Obtained and reviewed the necessary evidence which includes correspondence with the external and internal legal counsels, wherever applicable and inspected</li> </ul>

<p>subjective, and needs careful evaluation and judgement to be applied by the management.</p> <p>Key judgments are also made by the management in estimating the amount of liabilities, provisions and/or contingent liabilities related to aforementioned litigations.</p> <p>Considering the degree of judgment, significance of the amounts involved, inherent high estimation uncertainty and reliance on external legal and tax experts, this matter has been identified as a key audit matter for the current year audit.</p>	<p>minutes of case proceedings available in public domain, to support the decisions and rationale for creation of provisions and / or disclosure of contingent liabilities in respect of each such litigation selected for testing. We focused on the developments in the existing litigations and new litigations, which could have materially impacted the amounts recorded as provisions or disclosed as contingent liability in the consolidated financial statements.</p> <ul style="list-style-type: none"> <li>• Assessed management's conclusions through discussions held with the in-house legal counsel and understanding precedents set in similar cases.</li> <li>• Obtained and read the correspondence with the regulatory authorities, including past judgements on the subject matter of specific significant litigations.</li> <li>• Assessed the appropriateness of methods used, and the reliability of underlying data for the underlying calculations made for quantifying the amounts involved. Tested the arithmetical accuracy of such calculations.</li> <li>• Evaluated the adequacy of disclosures made by the Company in the consolidated financial statements in view of the requirements as specified in the Indian Accounting Standards.</li> </ul>
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## Information other than the Financial Statements and Auditor's Report thereon

8. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

9. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements 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 changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 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 of the Group 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

## Independent Auditors' Report (contd.)

10. In preparing the consolidated financial statements, management of Holding Company is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
11. Those Board of Directors of Holding Company are also responsible for overseeing the Group's financial reporting process.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
13. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management of the Holding Company.
  - Conclude on the appropriateness of management of Holding Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
14. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

17. We did not audit the financial statements of 12 subsidiaries, whose financial statements reflect total assets of ₹ 93,774.21 lakh and net assets of ₹ (10,650.34) lakh as at 31 March 2019, total revenues of ₹ 1,623.16 lakh and net cash outflows

amounting to ₹ 1,585.77 lakh 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 is based solely on the reports of the other auditors.

18. We did not audit the financial statements of 3 subsidiaries, whose financial statements reflects total assets of Rs. Nil and net assets of ₹ (12,467.28) lakh as at 31 March 2019, total revenues of Rs. Nil and net cash outflow amounting to Rs. Nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, and matters identified and disclosed under key audit matters section above 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 such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

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 matter with respect to our reliance on the financial statements certified by the management.

Further, of these subsidiaries 3 subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

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.

## Report on Other Legal and Regulatory Requirements

19. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 17, on separate financial statements of the subsidiaries, we report that the Holding Company, its subsidiary companies covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
20. 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 and other financial information 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;
  - 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 consolidated financial statements dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;
  - e) the matters described in paragraph 3 under the Material Uncertainty Related to Going Concern paragraph and paragraph 4 under Emphasis of Matters paragraph, in our opinion, may have an adverse effect on the functioning of the Company;
  - f) 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 covered under the Act, none of the directors of the Group companies covered under the Act are disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act;



## Independent Auditors' Report (contd.)

- g) with respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary companies covered under the Act and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and
- h) 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 as also the other financial information of the subsidiaries:
- i. the Group, as detailed in Note 32 to the consolidated financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2019;
- ii. the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and subsidiary companies during the year ended 31 March 2019; and
- iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Place :** New Delhi

**Date :** 20 May 2019

**Rohit Arora**

Partner

Membership No.: 504774

## 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 2019, 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.

#### Auditors' 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.



## Annexure A to the Independent Auditors' Report

### Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on IFCoFR of the subsidiary companies, the Holding Company, its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, 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 in so far as it relates to 12 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 93,774.21 lakhs and net assets of ₹ (10,650.34 lakhs) as at 31 March 2019, total revenues of ₹ 1,623.16 lakhs and net cash outflows amounting to ₹ 1,585.77 lakhs for the year ended on that date, as considered in the consolidated financial statements. The IFCoFR in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rohit Arora**

Partner

Membership No.: 504774

**Place :** New Delhi

**Date :** 20 May 2019

# Consolidated Balance Sheet

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) as at 31 March 2019

		(Amount in ₹ Lakhs)	
	Note	As at 31 March 2019	As at 31 March 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	4	1,459,169.63	1,501,050.83
(b) Capital work-in-progress		235,419.60	228,288.71
(c) Goodwill	5	-	31.23
(d) Other intangible assets	5	30.12	46.48
(e) Financial assets			
(i) Loans	6	972.29	1,543.80
(ii) Other financial assets	7	3,114.42	4,226.18
(f) Deferred tax assets (net)	8	0.65	0.65
(g) Non-current tax assets (net)	9	4,763.64	4,574.25
(h) Other non-current assets	10	4,606.60	114,640.08
		<b>1,708,076.95</b>	<b>1,854,402.21</b>
<b>Current assets</b>			
(a) Inventories	11	44,185.92	15,299.52
(b) Financial assets			
(i) Investments	12	19,308.83	1,007.02
(ii) Trade receivables	13	124,936.45	132,714.59
(iii) Cash and cash equivalents	14	2,249.01	14,914.39
(iv) Other bank balances	15	2,021.02	3,651.45
(v) Loans	6	405.97	1,751.02
(vi) Other financial assets	7	17,527.88	21,672.06
(c) Current tax assets (net)	9	6.47	37.89
(d) Other current assets	10	25,349.85	91,546.78
		<b>235,991.40</b>	<b>282,594.72</b>
<b>TOTAL ASSETS</b>		<b>1,944,068.35</b>	<b>2,136,996.93</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	16	295,293.34	294,543.34
(b) Other equity	17	(371,133.49)	(44,703.27)
		(75,840.15)	249,840.07
(c) Non-controlling interests		(345.45)	188.46
		<b>(76,185.60)</b>	<b>250,028.53</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	991,727.32	1,108,201.10
(ii) Other financial liabilities	19	15,171.76	14,402.20
(b) Provisions	20	17,730.98	16,339.40
(c) Other non-current liabilities	21	88,350.49	67,845.57
		<b>1,112,980.55</b>	<b>1,206,788.27</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	125,500.48	157,810.87
(ii) Trade payables	23	1,352.55	4,500.85
(iii) Other financial liabilities	19	760,762.31	502,022.30
(b) Other current liabilities	21	15,607.38	10,506.53
(c) Provisions	24	4,050.68	5,339.58
		<b>907,273.40</b>	<b>680,180.13</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,944,068.35</b>	<b>2,136,996.93</b>

Summary of significant accounting policies 3  
The accompanying notes are integral part of the consolidated financial statements. 1-54

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

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013

For and on behalf of the Board of Directors

**Rohit Arora**

Partner

Membership No. : 504774

**Rajiv Rattan**

Chairman

DIN: 00010849

**Sanjiv Chhikara**

Director

DIN: 06966429

**Aman Singh**

Chief Executive Officer

Place : New Delhi

Date : 20 May 2019

**Sameer Darji**

Chief Financial Officer

**Lalit Narayan Mathpati**

Company Secretary

# Consolidated Statement of Profit and Loss

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

		(Amount in ₹ Lakhs)	
	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Revenue</b>			
Revenue from operations	25	192,362.37	205,439.31
Other income	26	17,509.34	14,924.15
		<b>209,871.71</b>	<b>220,363.46</b>
<b>Expenses</b>			
Cost of fuel, water and power consumed	27	106,787.44	119,347.16
Employee benefits expense	28	12,270.75	12,690.13
Finance costs	29	230,409.64	195,383.99
Depreciation and amortisation expense	30	42,013.77	39,973.14
Other expenses	31	18,265.55	17,940.68
		<b>409,747.15</b>	<b>385,335.10</b>
<b>Loss before tax and exceptional items</b>		<b>(199,875.44)</b>	<b>(164,971.64)</b>
Less: Exceptional item		(132,921.31)	-
<b>Loss before tax</b>		<b>(332,796.75)</b>	<b>(164,971.64)</b>
<b>Tax expense:</b>	44		
Current tax		(0.22)	113.25
Deferred tax		-	1,262.99
<b>Loss for the year</b>		<b>(332,796.53)</b>	<b>(166,347.88)</b>
<b>Other comprehensive income</b>			
A. Items that will not be reclassified to profit or loss			
i) Re-measurements of defined benefit plans		743.84	990.46
B. Items that will be reclassified to profit or loss			
i) Exchange differences in translating the foreign operations		5,517.30	539.79
<b>Other comprehensive income for the year</b>		<b>6,261.14</b>	<b>1,530.25</b>
<b>Total comprehensive loss for the year</b>		<b>(326,535.39)</b>	<b>(164,817.63)</b>
<b>Loss for the year attributable to:</b>			
Owner		(332,051.60)	(166,318.74)
Non-controlling interest		(744.93)	(29.14)
		<b>(332,796.53)</b>	<b>(166,347.88)</b>
<b>Other comprehensive income for the year attributable to:</b>			
Owner		6,261.14	1,530.25
Non-controlling interest		-	-
		<b>6,261.14</b>	<b>1,530.25</b>
<b>Total comprehensive loss for the year attributable to:</b>			
Owner		(325,790.46)	(164,788.49)
Non-controlling interest		(744.93)	(29.14)
		<b>(326,535.39)</b>	<b>(164,817.63)</b>
<b>Loss per equity share (Face value Rs.10)</b>	37		
Basic (₹)		(11.27)	(5.65)
Diluted (₹)		(11.27)	(5.65)
<b>Summary of significant accounting policies</b>	3		
<b>The accompanying notes are integral part of the consolidated financial statements.</b>	1-54		

This is the statement of Profit and Loss referred to in our report of even date.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013

For and on behalf of the Board of Directors

**Rohit Arora**

Partner

Membership No. : 504774

Place : New Delhi

Date : 20 May 2019

**Rajiv Rattan**

Chairman

DIN: 00010849

**Sameer Darji**

Chief Financial Officer

**Sanjiv Chhikara**

Director

DIN: 06966429

**Lalit Narayan Mathpati**

Company Secretary

**Aman Singh**

Chief Executive Officer

# Consolidated Statement of Changes in equity

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## A Equity share capital (refer note 16)

(Amount in ₹ Lakhs)

Particulars	Balance as at 1 April 2017	Movement during the year	Balance as at 31 March 2018	Movement during the year	Balance as at 31 March 2019
Equity share capital	295,293.34	-	295,293.34	-	295,293.34
Less: Treasury shares	10,750.00	(10,000.00)	750.00	(750.00)	-
<b>Total</b>	<b>284,543.34</b>	<b>(10,000.00)</b>	<b>294,543.34</b>	<b>(750.00)</b>	<b>295,293.34</b>

## B Other equity (refer note 17)

(Amount in ₹ Lakhs)

Particulars	Attributable to owners						Non-Controlling interests	Total
	Reserves and surplus					Total other equity		
	Capital reserve	Securities premium	Foreign currency translation reserve	Employee's stock options reserve	Retained earnings			
Balance as at 1 April 2017	26,826.43	255,772.26	24,891.21	86.91	(185,246.91)	122,329.90	217.60	122,547.50
Loss for the year	-	-	-	-	(166,318.74)	(166,318.74)	(29.14)	(166,347.88)
Other comprehensive income	-	-	539.79	-	990.46	1,530.25	-	1,530.25
Employee's stock options vested/ (lapsed)(refer note 35)	-	-	-	(25.75)	25.75	-	-	-
Loss on disposal of treasury shares (refer note 51)	(2,210.46)	-	-	-	-	(2,210.46)	-	(2,210.46)
Other adjustments	-	-	-	(34.22)	-	(34.22)	-	(34.22)
<b>Balance as at 31 March 2018</b>	<b>24,615.97</b>	<b>255,772.26</b>	<b>25,431.00</b>	<b>26.94</b>	<b>(350,549.44)</b>	<b>(44,703.27)</b>	<b>188.46</b>	<b>(44,514.81)</b>
Loss for the year	-	-	-	-	(332,051.60)	(332,051.60)	(744.93)	(332,796.53)
Other comprehensive income	-	-	5,517.30	-	743.84	6,261.14	-	6,261.14
Employee's stock options vested/ (lapsed)(refer note 35)	-	-	-	1.02	-	1.02	-	1.02
Loss on disposal of treasury shares (refer note 51)	(429.76)	-	-	-	-	(429.76)	-	(429.76)
Other adjustments	-	-	-	-	(211.02)	(211.02)	211.02	-
<b>Balance as at 31 March 2019</b>	<b>24,186.21</b>	<b>255,772.26</b>	<b>30,948.30</b>	<b>27.96</b>	<b>(682,068.22)</b>	<b>(371,133.49)</b>	<b>(345.45)</b>	<b>(371,478.94)</b>

The accompanying notes are integral part of the financial statements (refer note 1-54).

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

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013

For and on behalf of the Board of Directors

**Rohit Arora**

Partner

Membership No. : 504774

**Rajiv Rattan**

Chairman

DIN: 00010849

**Sanjiv Chhikara**

Director

DIN: 06966429

**Aman Singh**

Chief Executive Officer

Place : New Delhi

Date : 20 May 2019

**Sameer Darji**

Chief Financial Officer

**Lalit Narayan Mathpati**

Company Secretary

# Consolidated Cash flow statement

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

	(Amount in ₹ Lakhs)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before tax	(332,796.75)	(164,971.64)
<b>Adjustments for:</b>		
Depreciation/ amortisation expense	42,013.77	39,973.14
Loss on sale of assets	92.47	81.91
Profit on sale of investment	(133.70)	(65.96)
Interest income	(651.82)	(872.93)
Provision for compensation payable	1,228.11	-
Dividend income	(904.75)	(468.57)
Net gain on foreign currency transaction and translation	(124.30)	451.10
Finance costs	230,409.64	195,383.99
Goodwill written off	31.23	-
Profit on sale of property, plant and equipment	(24.57)	(2.20)
Provision for employee benefits payable	3,497.48	2,421.02
Unclaimed balances and excess provisions written back	(1,780.89)	(139.40)
Provision for other receivables	132,921.31	-
Advances write off	3,131.51	-
<b>Operating profit before working capital changes</b>	<b>76,908.74</b>	<b>71,790.46</b>
<b>Movement in working capital</b>		
Increase in inventories	(28,886.40)	(6,961.91)
Decrease in other financial assets	4,144.18	24,069.47
Increase in other assets	(4,525.26)	(32,574.16)
(Increase)/Decrease in trade and other receivables	7,778.14	(53,708.86)
Increase/(Decrease) in other financial liabilities	9,988.68	(361.84)
Increase in other liabilities	21,726.70	20,972.83
Decrease in trade and other payables	(3,415.31)	(822.09)
<b>Cash flow generated from operating activities post working capital changes</b>	<b>83,719.47</b>	<b>22,403.90</b>
Income tax paid (net)	(157.75)	(921.23)
<b>Net cash flow generated from operating activities (A)</b>	<b>83,561.72</b>	<b>21,482.66</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work-in-progress)	(2,216.33)	(49,377.75)
Proceeds from sale/disposal of property, plant and equipment	125.88	22,760.84
Purchase of intangible assets	(15.83)	(12.14)
Movement in investments	(18,168.11)	4,172.30
Proceeds from disposal of subsidiaries	-	9,962.00
Movement in fixed deposits (net)	2,742.19	455.72
Interest received	489.34	852.22
Dividend received	904.75	468.58
<b>Net cash flows used in investing activities (B)</b>	<b>(16,138.11)</b>	<b>(10,718.23)</b>

# Consolidated Cash flow statement *(Contd.)*

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

	(Amount in ₹ Lakhs)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from / (Repayment of) long-term borrowings	(43,655.24)	24,875.55
Proceeds from / (Repayment of) short-term borrowings (net)	(35,264.25)	(5,531.72)
Finance cost paid	(1,169.50)	(42,824.96)
<b>Net cash used in financing activities (C)</b>	<b>(80,088.99)</b>	<b>(23,481.12)</b>
<b>Increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(12,665.38)</b>	<b>(12,716.68)</b>
Cash and cash equivalents at the beginning of the year	14,914.39	27,631.07
<b>Cash and cash equivalents at the end of the year (refer note 14)</b>	<b>2,249.01</b>	<b>14,914.39</b>

Reconciliation of liabilities arising from financing activities		(Amount in ₹ Lakhs)	
	Long-term borrowings	Short-term borrowings	Total
<b>As at 1 April 2018</b>	1,303,852.96	157,810.87	<b>1,461,663.83</b>
Cash flows:			
Proceed from / (repayment of) borrowings	(44,288.24)	(36,045.01)	<b>(80,333.25)</b>
Receipt of Borrowings	633.00	780.76	<b>1,413.76</b>
Non-cash:			
Invocation of Pledge	-	200.65	<b>200.65</b>
Reduction in borrowing pursuant to shares invoked by IDBI Bank Limited.	(394.03)	-	<b>(394.03)</b>
Reclassification among nature of borrowing	(841.59)	841.59	-
Interest conversion to dues	-	1,866.62	<b>1,866.62</b>
Impact of borrowings measured at amortised cost	957.17	-	<b>957.17</b>
Others	-	45.00	<b>45.00</b>
<b>As at 31 March 2019</b>	<b>1,259,919.27</b>	<b>125,500.48</b>	<b>1,385,374.75</b>

The accompanying notes are integral part of the financial statements (refer note 1-54).

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

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

**Rohit Arora**  
Partner  
Membership No. : 504774

Place : New Delhi  
Date : 20 May 2019

For and on behalf of the Board of Directors

**Rajiv Rattan**  
Chairman  
DIN: 00010849

**Sameer Darji**  
Chief Financial Officer

**Sanjiv Chhikara**  
Director  
DIN: 06966429

**Lalit Narayan Mathpati**  
Company Secretary

**Aman Singh**  
Chief Executive Officer

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## 1. Corporate Information

### Nature of Operations

RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) (the 'Holding 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 Holding 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 Holding Company, as was intimated by the Holding 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 Holding Company through postal ballot declared on 16 October 2014, accorded their approval to change the name of the Holding 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 2019 were approved by the Board of Directors on 20 May 2019.

## 2. Recent accounting pronouncements

### Application of new and revised Indian Accounting Standard (Ind AS)

Accounting standards or amendments in the accounting standards adopted on/from 1 April 2018 Ind-AS 115, "Revenue from Contracts with Customers" issued on March 28, 2018, which provides a unified five step model for determining the timing, measurement and recognition of revenue. The focus of the new standard is to recognize revenue as performance obligations are met rather than based on the transfer of risks and rewards. Ind-AS 115 includes a comprehensive set of disclosure requirements including qualitative and quantitative information about contracts with customers to understand the nature, amount, timing and uncertainty of revenue.

The standard supersedes the erstwhile standard, viz., Ind-AS 18 "Revenue" and Ind-AS 11 "Construction Contracts". Ind-AS 115 clarifies how to identify a performance obligation, determine whether a company is a principal or an agent. The group's revenue is predominantly derived from the single performance obligation i.e. sale of electricity in which the transfer of risks and rewards of ownership and the fulfilment of the Company's performance obligation occur at the same time. Henceforth, the adoption of this standard did not have a material impact on the financial statements of the group.

#### **Insertion of Appendix B to Ind AS 21:**

This Appendix applies to a foreign currency transaction (or part of it) when an entity recognizes a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income (or part of it). The amendment to Ind AS 21 requires the entities to consider exchange rate on the date of initial recognition of advance consideration (asset/liability), for recognising related expense/income on the settlement of said asset/liability.

This Appendix does not apply when an entity measures the related asset, expense or income on initial recognition:

- a. At fair value; or
- b. At the fair value of the consideration paid or received at a date other than the date of initial recognition of the non-monetary asset or non-monetary liability arising from advance consideration.

An entity is not required to apply this Appendix to:

- a. income taxes; or
- b. insurance contracts (including reinsurance contracts) that it issues or reinsurance contracts that it holds.

The group does not have its impact on the financial statements.

#### **Amendment to Ind AS 12**

The amendment to Ind AS 12 requires the entities to consider restriction in tax laws in sources of taxable profit against which entity may make deductions on reversal of deductible temporary difference (may or may not have arisen from same source) and also consider probable future taxable profit.

The group does not have its impact on the financial statements.

#### **Standards issued but not yet effective**

##### **IND AS 116 – Leases**

On March 30 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, "Leases" as part of the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2019. Ind AS 116 replaces existing standard on leases i.e. Ind AS 17, with effect from accounting periods starting on or after April 1, 2019. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize a right-of-use asset over the underlying leased asset and a lease liability representing its obligation to make lease payments for all leases with a term of more than 12 months, unless the underlying asset is of low value.

#### **Other Amendments on the existing standard not yet effective:**

A number of other accounting standards have been modified on miscellaneous issues with effect from April 1, 2019. Such changes include clarification/guidance on:

- a) Income tax consequences in case of dividends (Ind AS 12 – Income Taxes (amendments relating to Income tax consequences of dividend));
- b) Accounting for Income tax when there is uncertainty over income tax treatment of an item by tax authorities (Ind AS 12 - Income Taxes (amendments relating to uncertainty over Income tax treatments));
- c) Accounting treatment for specific borrowings post capitalization of corresponding qualifying asset (Ind AS 23 – Borrowing Costs);
- d) Accounting for plan amendment, curtailment or settlement occurring in-between the reporting periods in case of long term employee benefit plans (Ind AS 19 – Plan Amendments, Curtailment of Settlement).

The above amendments will come into force from April 1, 2019. Basis the preliminary evaluation, the group does not expect the effect of this on the financial statements to be material.



# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## 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 Holding 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.

## 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.

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## *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.

### **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.

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

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.

### *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

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

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

- 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 judgment.



## 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 2019

4. Property, plant and equipment													(Amount in ₹ Lakhs)	
Particulars	Freehold land <sup>(i)</sup>	Leasehold land	Buildings-Plant	Buildings-Other	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Tools & tackles	Ships	Leasehold improvement	Railways	Total
Gross carrying amount														
Balance as on 1 April 2017	21,359.55	25,576.07	37,088.07	11.73	1,015,209.29	623.10	1,981.22	517.74	428.37	36.60	41.04	859.73	51,806.60	1,155,539.11
Additions	-	-	8,283.87	-	448,536.97	96.90	1.31	28.00	61.97	18.05	-	-	4,851.51	461,878.58
Disposals/ adjustments	8.72	-	-	-	-	1.66	154.78	8.08	3.00	0.15	-	-	-	176.39
Balance as on 31 March 2018	21,350.83	25,576.07	45,371.94	11.73	1,463,746.26	718.34	1,827.75	537.67	487.34	54.50	41.04	859.73	56,658.11	1,617,241.30
Additions	345.10	-	-	-	77.20	10.67	-	18.94	4.07	-	-	-	-	455.98
Disposals/ adjustments	-	-	-	-	-	85.36	646.21	2.17	-	-	-	859.73	-	1,593.47
Balance as on 31 March 2019	21,695.93	25,576.07	45,371.94	11.73	1,463,823.46	643.65	1,181.54	554.44	491.41	54.50	41.04	-	56,658.11	1,616,103.81
Accumulated depreciation														
Balance as on 1 April 2017	-	1,599.76	2,847.01	2.14	63,773.53	305.15	1,325.73	376.18	334.84	15.17	25.61	111.19	5,667.31	76,383.62
Additions	-	274.60	2,352.37	0.19	32,582.21	74.80	246.16	62.63	36.07	16.55	5.33	95.53	4,222.30	39,968.74
Disposals/ adjustments	-	-	-	-	-	1.40	149.62	7.86	2.91	0.10	-	-	-	161.89
Balance as on 31 March 2018	-	1,874.36	5,199.38	2.33	96,355.74	378.56	1,422.27	430.95	368.00	31.62	30.94	206.72	9,889.61	116,190.47
Additions	-	274.60	2,297.32	0.19	34,491.41	200.85	166.97	50.71	48.42	12.10	10.10	434.10	3,997.72	41,984.49
Disposals/ adjustments	-	-	-	-	-	85.36	512.43	2.17	-	-	-	640.82	-	1,240.78
Balance as on 31 March 2019	-	2,148.96	7,496.70	2.52	130,847.15	494.05	1,076.81	479.49	416.42	43.72	41.04	-	13,887.33	156,934.18
Net carrying amount														
Balance as on 31 March 2018	21,350.83	23,701.71	40,172.56	9.40	1,367,390.52	339.78	405.48	106.72	119.34	22.88	10.10	653.01	46,768.50	1,501,050.83
Balance as on 31 March 2019	21,695.93	23,427.11	37,875.24	9.21	1,332,976.31	149.60	104.73	74.95	74.99	10.78	-	-	42,770.78	1,459,169.63

(i) Amount included of Rs 337.35 lakhs, registration for which is in process with the Registration Authority.

(ii) Please refer note 43 for pledge of property, plant and equipment.

# Notes to the Consolidated Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## 5. Intangible assets

(Amount in ₹ Lakhs)

Particulars	Software	Goodwill	Total
<b>Gross carrying amount</b>			
Balance as on 1 April 2017	741.07	31.23	772.30
Additions	12.14	-	12.14
<b>Balance as on 31 March 2018</b>	<b>753.21</b>	<b>31.23</b>	<b>784.44</b>
Additions	15.83	-	15.83
<b>Balance as on 31 March 2019</b>	<b>769.04</b>	<b>31.23</b>	<b>800.27</b>
<b>Accumulated amortisation</b>			
Balance as on 1 April 2017	613.33	-	613.33
Additions	93.40	-	93.40
<b>Balance as on 31 March 2018</b>	<b>706.73</b>	<b>-</b>	<b>706.73</b>
Additions	32.20	-	32.20
Disposals/ adjustments	-	(31.23)	(31.23)
<b>Balance as on 31 March 2019</b>	<b>738.93</b>	<b>31.23</b>	<b>770.16</b>
<b>Net carrying amount</b>			
Balance as on 31 March 2018	46.48	31.23	77.71
Balance as on 31 March 2019	30.12	-	30.12

(Amount in ₹ Lakhs)

## 6. Loans (Unsecured, considered good)

	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	Non-current		Current	
Security deposits:				
Premises	14.04	183.87	270.13	323.25
Others	958.25	1,359.93	105.24	106.04
Loans to:				
Employees	-	-	7.09	6.86
Others	-	-	23.51	-
	972.29	1,543.80	405.97	436.15
Inter corporate deposits	-	-	-	1,314.87
Credit impaired	-	-	-	-
	-	-	-	1,314.87
Less :- Provision for doubtful	-	-	-	-
	-	-	-	1,314.87
	<b>972.29</b>	<b>1,543.80</b>	<b>405.97</b>	<b>1,751.02</b>

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

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

		(Amount in ₹ Lakhs)			
7. Other financial assets		31 March 2019	31 March 2018	31 March 2019	31 March 2018
		Non-current		Current	
Unbilled revenue		-	-	17,466.21	21,395.90
Accrued income		-	-	51.43	267.80
Bank deposits for original maturity more than 12 months		3,114.42	4,226.18	-	-
Finance lease receivable		-	-	-	-
Advances recoverable					
Employees		-	-	10.24	8.36
		<b>3,114.42</b>	<b>4,226.18</b>	<b>17,527.88</b>	<b>21,672.06</b>

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

		(Amount in ₹ Lakhs)	
8. Deferred tax (liabilities)/assets (net)		31 March 2019	31 March 2018
		Non-current	
<b>Tax effect of items constituting deferred tax liabilities</b>			
Property, plant and equipment		(292,931.47)	(298,751.13)
Borrowings		(1,923.09)	(3,566.51)
Investments in preference shares		-	(437.73)
Retention money		(1,460.30)	(2,321.94)
		<b>(296,314.86)</b>	<b>(305,077.31)</b>
<b>Tax effect of items constituting deferred tax assets</b>			
Employee benefit obligations		377.12	373.34
Capital work-in-progress		3,754.23	2,696.94
Employee stock options		9.83	7.68
Lease equalisation reserve		29,493.08	23,832.19
Security deposits		0.20	6.65
Unabsorbed depreciation and brought business losses		262,680.40	278,160.51
Tax credit (minimum alternative tax)		0.65	0.65
		<b>296,315.51</b>	<b>305,077.96</b>
<b>Deferred tax assets (net)</b>		<b>0.65</b>	<b>0.65</b>
<b>Deferred tax liabilities (net)</b>		<b>-</b>	<b>-</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 2019

	(Amount in ₹ Lakhs)			
Movement in deferred tax assets/ (liabilities)	As at 31 March 2018	Recognized in profit or loss	Disposal of subsidiary	As at 31 March 2019
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, plant and equipment	(298,751.13)	5,819.66	-	(292,931.47)
Borrowings	(3,566.51)	1,643.42	-	(1,923.09)
Investments in preference shares	(437.73)	437.73	-	-
Retention money	(2,321.94)	861.64	-	(1,460.30)
	<b>(305,077.31)</b>	<b>8,762.45</b>	-	<b>(296,314.86)</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Employee benefit obligations	373.34	3.78	-	377.12
Capital work-in-progress	2,696.94	1,057.29	-	3,754.23
Employee stock options	7.68	2.15	-	9.83
Lease equalisation reserve	23,832.19	5,660.89	-	29,493.08
Security deposits	6.65	(6.45)	-	0.20
Unabsorbed depreciation and brought business losses	278,160.51	(15,480.11)	-	262,680.40
Tax credit (minimum alternative tax)	0.65	(0.00)	-	0.65
	<b>305,077.96</b>	<b>(8,762.45)</b>	-	<b>296,315.51</b>
<b>Deferred tax assets (net)</b>	<b>0.65</b>	-	-	<b>0.65</b>
<b>Deferred tax liabilities (net)</b>	-	-	-	-

	(Amount in ₹ Lakhs)			
	As at 31 March 2017	Recognized in profit or loss	Disposal of subsidiary	As at 31 March 2018
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, plant and equipment	(150,271.56)	(153,056.09)	4,576.52	(298,751.13)
Borrowings	(2,393.70)	(1,207.99)	35.18	(3,566.51)
Investments in preference shares	(374.67)	(63.06)	-	(437.73)
Retention money	(1,169.01)	(1,152.93)	-	(2,321.94)
	<b>(154,208.94)</b>	<b>(155,480.07)</b>	<b>4,611.70</b>	<b>(305,077.31)</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Employee benefit obligations	365.59	13.81	(6.06)	373.34
Capital work-in-progress	1,851.08	845.86	-	2,696.94
Employee stock options	20.92	(13.24)	-	7.68
Lease equalisation reserve	15,800.00	8,032.19	-	23,832.19
Security deposits	5.06	1.59	-	6.65
Derivatives	-	-	-	-
Unabsorbed depreciation and brought business losses	132,625.91	146,599.86	(1,065.26)	278,160.51
Tax credit (minimum alternative tax)	1,677.67	(1,262.99)	(414.03)	0.65
	<b>152,346.23</b>	<b>154,217.08</b>	<b>(1,485.35)</b>	<b>305,077.96</b>
<b>Deferred tax assets (net)*</b>	<b>1,677.67</b>	<b>(1,262.99)</b>	<b>(414.03)</b>	<b>0.65</b>
<b>Deferred tax liabilities (net)</b>	<b>(3,540.38)</b>	-	<b>3,540.38</b>	-

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 ₹ 390,584.82 lakhs are

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

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

available for offset for maximum period of eight years from the incurrence of loss.

\*MAT credit recognized amounting to ₹ 491.83 lakhs during the previous year is adjusted with current tax expenses of previous year in statement of profit and loss.

		(Amount in ₹ Lakhs)	
9. Tax assets (net)		31 March 2019	31 March 2018
		31 March 2019	31 March 2018
		Non-current	Current
Advance income tax (net of provision)		4,763.64	4,574.25
		6.47	37.89
		<u>4,763.64</u>	<u>4,574.25</u>
		<u>6.47</u>	<u>37.89</u>

		(Amount in ₹ Lakhs)	
10. Other assets (unsecured, considered good)		31 March 2019	31 March 2018
		31 March 2019	31 March 2018
		Non-current	Current
Capital advances		1,172.13	108,916.88
Other advances		-	-
Prepaid expenses		794.42	951.51
Balances with statutory authorities		2,640.05	4,771.69
		<u>4,606.60</u>	<u>114,640.08</u>
		<u>25,349.85</u>	<u>91,546.78</u>

		(Amount in ₹ Lakhs)	
11. Inventories (valued at cost, unless otherwise stated)		31 March 2019	31 March 2018
Coal - Stores <sup>(i)</sup>		40,434.38	12,346.37
Light diesel oil - stores		547.39	1,057.55
Stores and spares <sup>(ii)</sup>		2,366.89	36.88
Other consumables		837.26	1,858.72
		<u>44,185.92</u>	<u>15,299.52</u>

(i) Coal - stores includes in transit ₹ Nil (31 March 2018: ₹ 2,831.44 lakhs).

(ii) Stores and spares - includes in transit ₹ 3.05 lakhs (31 March 2018: ₹ 11.66 lakhs).

		(Amount in ₹ Lakhs)	
12. Current investments (Unquoted, non-trade)		31 March 2019	31 March 2018
Investments in mutual funds		19,308.83	1,007.02
		<u>19,308.83</u>	<u>1,007.02</u>
Aggregate amount of book value and market value of quoted investments		-	-
Aggregate amount of unquoted investments		19,308.83	1,007.02
Aggregate amount of impairment in value of investments		-	-

# Notes to the Consolidated Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>13. Trade receivables (Unsecured unless otherwise stated, at amortised cost)</b>		
(i) Considered good - Secured	-	-
(ii) Considered good - Unsecured	124,926.06	132,714.59
(iii) Receivables having significant increase in credit risk	-	-
(iv) Credit impaired	-	-
	<b>124,926.06</b>	<b>132,714.59</b>
Others	10.39	-
Credit impaired	-	-
	<b>10.39</b>	<b>-</b>
Less :- Provision for doubtful	-	-
	<b>10.39</b>	<b>-</b>
	<b>124,936.45</b>	<b>132,714.59</b>

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>14. Cash and cash equivalents</b>		
Cash on hand	13.70	15.82
Balances with banks		
Current accounts	2,115.58	12,768.47
Deposits with original maturity of less than 3 months	119.73	2,130.10
	<b>2,249.01</b>	<b>14,914.39</b>

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

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>15. Other bank balances</b>		
Fixed deposits original maturity for more than 3 months but less than 12 months	2,021.02	3,651.45
	<b>2,021.02</b>	<b>3,651.45</b>

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

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>16. Equity share capital</b>		
<b>Authorised capital</b>		
5,000,000,000 (31 March 2018: 5,000,000,000) equity shares of ₹ 10 each	500,000.00	500,000.00
	<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 2018: 2,952,933,353) equity shares of ₹ 10 each fully paid up	295,293.34	295,293.34
Less: Treasury shares*	-	750.00
	<b>295,293.34</b>	<b>294,543.34</b>

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

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

(Amount in ₹ Lakhs)

	As at 31 March 2019		As at 31 March 2018	
	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>
Less: Treasury shares*	-	-	7,500,000	750.00
	<b>2,952,933,353</b>	<b>295,293.34</b>	<b>2,945,433,353</b>	<b>294,543.34</b>

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

## b) Rights/restrictions attached to equity shares

The Holding 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.

## c) Shares held by company having substantial interest

(Amount in ₹ Lakhs)

	31 March 2019	31 March 2018
<b>RattanIndia Infrastructure Limited</b> <b>(Formerly known as Indiabulls Infrastructure and Power Limited)</b>		
1,185,000,000 (1,185,000,000 shares as on March 31, 2018) equity shares of ₹ 10 each fully paid	118,500.00	118,500.00

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

	As at 31 March 2019		As at 31 March 2018	
	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%
RR Infralands Private Limited	382,500,000	12.95%	405,000,000	13.72%
FIM Limited	393,273,458	13.32%	393,273,458	13.32%
Indiabulls Real Estate Limited	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 2019	31 March 2018
RPL ESOP- 2008 (Formerly known as SPCL – IPSL ESOP, 2008)	895,800	895,800
RPL ESOS 2009 (Formerly known as IPL ESOS 2009)	244,000	294,000
RPL ESOS 2011 (Formerly known as IPL ESOS - 2011)	125,000	205,000

## f) No bonus shares or shares issued for consideration other than cash or share bought back over the last five years immediately preceding the reporting date.

# Notes to the Consolidated Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>17 Other equity</b>		
<b>Retained earnings</b>		
Opening balance	(350,549.44)	(185,246.91)
Add : Net loss for the year	(332,051.60)	(166,318.74)
Items of other comprehensive income recognised directly in retained earnings		
Re-measurement of post-employment benefit obligation, net of tax	743.84	990.46
Other Adjustment	(211.02)	-
Employee's stock options lapsed (refer note 35)	-	25.75
<b>Closing balance</b>	<b>(682,068.22)</b>	<b>(350,549.44)</b>
<b>Capital reserve</b>		
Opening balance	24,615.97	26,826.43
Disposal of treasury shares (IPL- PPSL Scheme Trust)	(429.76)	(2,210.46)
<b>Closing balance</b>	<b>24,186.21</b>	<b>24,615.97</b>
<b>Securities premium</b>		
Opening balance	255,772.26	255,772.26
Add : Additions during the year	-	-
<b>Closing balance</b>	<b>255,772.26</b>	<b>255,772.26</b>
<b>Employee stock option reserve</b>		
Opening balance	26.94	86.91
Employee's stock options vested (refer note 35)	1.02	-
Employee's stock options lapsed (refer note 35)	-	(25.75)
Other adjustments	-	(34.22)
<b>Closing balance</b>	<b>27.96</b>	<b>26.94</b>
<b>Foreign currency translation reserve</b>		
Opening balance	25,431.00	24,891.21
Add: Effect of translating the foreign operations	5,517.30	539.79
<b>Closing balance</b>	<b>30,948.30</b>	<b>25,431.00</b>
	<b>(371,133.49)</b>	<b>(44,703.27)</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 from some specific transactions of capital nature. Capital reserve is not available for the distribution to the shareholders. (refer note 51)

### Securities premium

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



# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## 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 2019	31 March 2018	31 March 2019	31 March 2018
	Non-current		Current	
<b>Secured</b>				
<b>Term loans</b>				
From consortium of banks	315,890.83	363,094.16	108,715.88	72,239.75
From consortium of financial institutions	674,297.72	743,542.26	145,764.64	109,308.82
From other banks	-	-	13,355.97	13,750.00
Vehicle loan	-	98.41	-	23.74
<b>Unsecured</b>				
Vehicle loan	72.50	-	25.91	-
Maturities of finance lease obligations	1,466.27	1,466.27	185.97	185.97
From other banks	-	-	1,795.82	1,795.82
	<b>991,727.32</b>	<b>1,108,201.10</b>	<b>269,844.19</b>	<b>197,304.10</b>

## (i) For Amravati Project

- (i) Loans from Consortium of Banks aggregating to ₹ 284,173.87 lakhs (31 March 2018: ₹ 295,261.99 lakhs) and from Financial Institutions aggregating to ₹ 236,659.99 lakhs (31 March 2018: ₹ 270,335.49 lakhs) are secured by way of first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project. The aforesaid Phase I Loan Facility is further secured by the pledge of 1,181,173,342 (31 March 2018: 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), Company 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 in favour of Power Finance Corporation Limited (PFC) - the lead consortium lender. Also, disbursements against cost overrun underwritten portion is secured by a pledge of 219,050,000 (31 March 2018: 219,050,000) equity shares held by Indiabulls Real Estate Limited in the Company. Additionally, the Company is required for negative lien on 11% equity shares 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 ₹ 13,355.97 lakhs (31 March 2018: ₹ 13,750.00 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 20,771,780 (31 March 2018: 30,000,000) 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 ₹ 1,795.82 lakhs (31 March 2018: ₹ 1,795.82 lakhs) was secured by way of pledge of Nil (31 March 2018: Nil) equity shares of the Company held by RR Infralands Private Limited.

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

(Amount in ₹ Lakhs)

Financial year	31 March 2019*			31 March 2018*		
	Financial institutions	Banks	Total	Financial institutions	Banks	Total
2018-19				30,734.00	28,402.00	59,136.00
2019-20	30,771.00	32,946.00	63,717.00	30,771.00	32,946.00	63,717.00
2020-21	23,479.00	18,444.00	41,923.00	23,479.00	18,444.00	41,923.00
2021-22	16,182.00	10,085.00	26,267.00	16,182.00	10,085.00	26,267.00
2022-23	15,547.00	13,869.00	29,416.00	15,547.00	13,869.00	29,416.00
2023-24	15,384.00	15,344.00	30,728.00	15,384.00	15,344.00	30,728.00
2024-25	14,002.00	9,769.00	23,771.00	14,002.00	9,769.00	23,771.00
2025-26	8,809.00	1,266.00	10,075.00	8,809.00	1,266.00	10,075.00
2026-27	9,048.00	2,367.00	11,415.00	9,048.00	2,367.00	11,415.00
2027-28	12,339.00	6,140.00	18,479.00	12,339.00	6,140.00	18,479.00
2028-29	15,510.00	9,318.00	24,828.00	15,510.00	9,318.00	24,828.00
2029-30	18,846.00	12,499.00	31,345.00	18,846.00	12,499.00	31,345.00
2030-31	11,104.00	12,724.00	23,828.00	11,104.00	12,724.00	23,828.00
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>216,990.00</b>	<b>246,928.00</b>	<b>463,918.00</b>	<b>247,724.00</b>	<b>275,330.00</b>	<b>523,054.00</b>

\*The above schedule is based on sanction letters without considering the impact of defaults made by the company.

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

(Amount in ₹ Lakhs)

Financial year	31 March 2019*	31 March 2018*
2018-19		9,950.00
2019-20	1,600.00	1,600.00
2020-21	1,600.00	1,600.00
2021-22	1,800.00	1,800.00
2022-23	2,000.00	2,000.00
<b>Total</b>	<b>7,000.00</b>	<b>16,950.00</b>

\*The above schedule is based on sanction letters without considering the impact of defaults made by the company.

(v) The above mentioned loans from consortium of banks and financial institutions carry floating rates of interest ranging from 12.65% p.a. to 14.00% p.a. (31 March 2018: from 12.65% p.a. to 14.00% p.a.) and the term loan from other banks carries a floating rate of interest of 11.45% p.a. to 16% p.a. (31 March 2018: floating rate of interest 11.45% p.a. to 16% p.a.).

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

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

- (vi) The Company has defaulted in repayment of principal and interest in respect of loans from bank and financial institutions as mentioned below:

Particulars	(Amount in ₹ Lakhs)			
	0-3 Months	3-6 Months	6-12 Months	> 12 Months
<b>Consortium Financial Institution</b>				
- Principal	7,733.09	7,526.13	4,845.30	-
- Interest	18,933.44	8,759.95	17,649.52	27,635.80
<b>Consortium banks</b>				
- Principal	7,130.17	6,047.82	10,408.99	15,592.20
- Interest	20,894.76	9,529.01	19,157.39	34,351.39
<b>Other banks</b>				
- Principal	-	3,750.00	4,605.97	6,795.82
- Interest	1,399.51	592.72	1,209.40	2,502.78

- (vii) The Company has made payments of ₹ 57,500.00 lakhs out of its TRA account to the lenders in proportion to their outstanding loan as at 15 November 2017 and the same has been reduced from Term Loan by ₹ 32,838.00 lakhs and from Cash Credit facility by ₹ 24,662.00 lakhs. The amount paid of ₹ 57,500.00 lakhs will be adjusted as cash component against the amount payable as per undergoing resolution settlement (refer note 52).
- (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 38).

### (ii) For Nasik Project

- (i) Loans from consortium of banks aggregating to ₹ 140,432.84 Lakhs (31 March 2018: ₹ 140,071.92 Lakhs) and from financial institutions aggregating to ₹ 568,415.67 Lakhs (31 March 2018: ₹ 567,546.94 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 2018 : 20,864,880) equity shares of the Company as per underwritten and consolidated facility agreement dated 21 November 2016 stipulated requirement of pledge of 77% 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 2018 5,574,105 ) 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 2018 : 658,261) equity shares of the Company in favor of Axis Bank Limited. Further subject to approval from the competent authority of the Lenders, the Lenders have agreed to release the obligations of the Pledgor (RPL) under the Nasik Additional Security Documents in consideration of the Pledgor inter alia pledging the 4,880,000 (31 March 2018: Nil) equity shares of the Company in terms of Share Pledge Agreement dated 18 January 2019, in addition to the Existing Pledged Shares, in favour of the the Security Trustee for the benefit of the Lenders, such that 100% of the equity share capital of the Company is pledged as security for the due repayment of the secured obligations.

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

(Amount in ₹ Lakhs)

Financial year	31 March 2019*			31 March 2018*		
	Financial institutions	Banks	Total	Financial institutions	Banks	Total
2018-19				35,129.07	14,793.10	49,922.17
2019-20	39,029.18	14,793.10	53,822.28	39,029.18	14,793.10	53,822.28
2020-21	41,853.39	14,793.10	56,646.49	41,853.39	14,793.10	56,646.49
2021-22	44,643.98	14,793.10	59,437.08	44,643.98	14,793.10	59,437.08
2022-23	48,577.71	14,793.10	63,370.81	48,577.71	14,793.10	63,370.81
2023-24	41,845.99	14,793.10	56,639.09	41,845.99	14,793.10	56,639.09
2024-25	41,845.99	14,793.10	56,639.09	41,845.99	14,793.10	56,639.09
2025-26	41,845.99	14,793.10	56,639.09	41,845.99	14,793.10	56,639.09
2026-27	41,845.99	14,793.10	56,639.09	41,845.99	14,793.10	56,639.09
2027-28	41,845.99	7,396.55	49,242.54	41,845.99	7,396.55	49,242.54
2028-29	41,845.99	-	41,845.99	41,845.99	-	41,845.99
2029-30	32,132.11	-	32,132.11	32,132.11	-	32,132.11
2030-31	22,418.22	-	22,418.22	22,418.22	-	22,418.22
2031-32	22,418.22	-	22,418.22	22,418.22	-	22,418.22
2032-33	11,794.70	-	11,794.74	11,161.70	-	11,161.70
	<b>513,943.45</b>	<b>125,741.35</b>	<b>639,684.80</b>	<b>548,439.55</b>	<b>140,534.45</b>	<b>688,974.00</b>

\*The above schedule is based on sanction letters without considering the impact of defaults made by the company.

- (iii) The above mentioned loans from consortium of banks and financial institutions carry floating rates of interest ranging from 12.85% p.a. to 15.15% p.a. (31 March 2018: 12.85% p.a. to 14.50% p.a.).
- (iv) The Company has defaulted in repayment of principal and interest in respect of loans from bank and financial institutions as mentioned below:

(Amount in ₹ Lakhs)

Particulars	0-3 Months	3-12 Months	> 12 Months
<b>Consortium financial institution</b>			
- Principal	8,782.27	26,346.80	20,909.88
- Interest	10,265.18	60,743.05	96,633.68
<b>Consortium banks</b>			
- Principal	3,698.28	11,094.83	7,396.55
- Interest	3,113.12	17,848.14	16,300.20

**(iii) For Sinnar Power Transmission Company Limited**

- a) Common Rupee Term Loan of ₹ 14,986.69 lakhs from Power Finance 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 Public Finance Corporation Limited in 48 equal quarterly installments of ₹ 316.06 lakhs each commencing from 15 July 2020 and ending on 15 April 2032.

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

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

(b) Term loan from financial institutions are repayable in quarterly installments as follows:

	(Amount in ₹ Lakhs)
Financial year	31 March 2019
2019-20	-
2020-21	947.44
2021-22	1,262.74
2022-23	1,262.74
2023-24	1,262.74
2024-25	1,262.74
2025-26	1,262.74
2026-27	1,262.74
2027-28	1,262.74
2028-29	1,262.74
2029-30	1,262.74
2030-31	1,262.74
2031-32	1,262.74
2032-33	321.37
	<b>15,159.00</b>

	(Amount in ₹ Lakhs)			
19. Other financial liabilities	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	Non-current		Current	
Retention money	15,064.68	14,191.31	58,296.13	59,099.49
Lease equalisation reserve	-	103.81	-	-
Current maturities of				
Term loan from consortium of banks	-	-	108,715.88	72,239.75
Term loan from consortium of financial institutions	-	-	145,764.64	109,308.82
Term loan from other bank	-	-	15,151.79	15,545.82
Vehicle loan	-	-	25.91	23.74
Finance lease obligations	-	-	185.97	185.97
Interest accrued on				
Term loans	-	-	387,436.18	172,865.21
Cash credit facility	-	-	18,560.32	8,827.99
Payable for purchase of property, plant and equipment	-	-	21.90	46,522.76
Security and earnest money deposits from customers	-	-	64.04	66.74
Due to employees	-	-	0.03	1.49
Expenses payable	-	-	26,539.52	17,334.52
Other payables	107.08	107.08	-	-
	<b>15,171.76</b>	<b>14,402.20</b>	<b>760,762.31</b>	<b>502,022.30</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 2019

		(Amount in ₹ Lakhs)	
20. Provisions		31 March 2019	31 March 2018
<b>Provision for employee benefits (refer note 36)</b>			
Provision for compensated absences (unfunded)		637.15	647.25
Provision for gratuity (unfunded)		620.65	613.16
Provision for superannuation (unfunded)		16,473.18	15,078.99
		<b>17,730.98</b>	<b>16,339.40</b>

		(Amount in ₹ Lakhs)		
21. Other liabilities	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	Non-current		Current	
Advance from customers	3,135.00	3,130.00	8,554.56	8,644.08
Lease equalisation reserve	85,215.49	64,715.57	-	-
Deferred revenue	-	-	6,846.47	-
Statutory dues	-	-	206.35	1,862.45
	<u>88,350.49</u>	<u>67,845.57</u>	<u>15,607.38</u>	<u>10,506.53</u>

		(Amount in ₹ Lakhs)	
22. Borrowings (Short-term)		31 March 2019	31 March 2018
<b>Secured</b>			
Cash credit facility from banks ((i), (iv), (v)) and note 18 (vii))		42,350.64	75,687.44
Short-term loans :			
From consortium of financial institutions ((ii), (iv) & (v))		15,500.00	15,500.00
Loans from related parties inter corporate deposits ((iii) & (vi))		67,649.84	66,623.43
		<b>125,500.48</b>	<b>157,810.87</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 Holding Company's movable 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) During the previous year, for the purpose of securing repayment of inter company loan, the Holding Company has pledged 50,000 share of Poena Power Development Limited in favour of lenders of inter company loan.
- (iv) The above mentioned loans from consortium of banks and financial institutions carry floating rates of interest ranging from 10.65% p.a. to 15.35% p.a. (31 March 2018: from 10.65% p.a. to 12.75% p.a.).
- (v) The Holding Company has defaulted in repayment of interest in respect of cash credit facility and short term loan as mentioned below:

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

Particulars	(Amount in ₹ Lakhs)			
	0-3 Months	3-6 Months	6-12 Months	6-12 Months
Financial Institution	854.46	492.71	996.25	1,560.75
Other banks	1,922.18	1,845.20	4,036.54	6,760.19

(vi) There were no continuing defaults in repayment of inter corporate deposits and interest thereon as at 31 March 2019 and 31 March 2018.

## 23. Trade payables

Total outstanding dues of micro enterprises and small enterprises (refer note 47)

Total outstanding dues of creditors other than micro enterprises and small enterprises

(Amount in ₹ Lakhs)	
31 March 2019	31 March 2018
-	-
1,352.55	4,500.85
<b>1,352.55</b>	<b>4,500.85</b>

## 24. Provisions

### Provision for employee benefits (refer note 36)

Provision for compensated absences (unfunded)

Provision for gratuity (unfunded)

### Provision for others

Provision for compensation payable (i)

(Amount in ₹ Lakhs)	
31 March 2019	31 March 2018
46.18	56.89
120.52	110.17
3,883.98	5,172.52
<b>4,050.68</b>	<b>5,339.58</b>

(i) Provision for penalty due to non supply of upto 80% contract capacity under power purchase agreement.

### Movement in provision for others

#### Compensation Payable

#### Opening Balances

Accrued during the year

Adjusted during the year

#### Closing Balances

(Amount in ₹ Lakhs)	
31 March 2019	31 March 2018
5,172.52	2,751.50
1,228.11	2,421.02
(2,516.66)	-
<b>3,883.98</b>	<b>5,172.52</b>

## 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 2019	31 March 2018
125,061.85	140,221.87
65,865.12	61,316.34
-	3,901.10
1,435.40	-
<b>192,362.37</b>	<b>205,439.31</b>

## Revenue from contract with customers

### Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(Amount in ₹ Lakhs)

Particulars	31 March 2019	31 March 2018
<b>(A) Revenue from contracts with customers</b>		
Based on nature of goods/services		
Sale of electricity	125,061.85	140,221.87
Sale of services	67,300.52	65,217.44

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

(Amount in ₹ Lakhs)

Particulars	31 March 2019	31 March 2018
<b>Receivables</b>		
Trade receivables (gross)	124,936.45	132,714.59
Unbilled revenue for passage of time	17,031.51	21,150.58
Less : Allowances for doubtful debts	-	-
<b>Net receivables (a)</b>	<b>141,967.96</b>	<b>153,865.17</b>
<b>Contract assets</b>		
Unbilled revenue other than passage of time	434.70	245.32
<b>Total contract assets (b)</b>	<b>434.70</b>	<b>245.32</b>
<b>Contract liabilities</b>		
Advance from customer	-	-
<b>Total contract liabilities (c)</b>	<b>-</b>	<b>-</b>
<b>Total (a+b-c)</b>	<b>142,402.66</b>	<b>154,110.49</b>

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

There are no contract assets and the contract liabilities during the year (31 March 2018: Nil), therefore disclosure regarding significant changes in contract assets and contract liabilities is not given.



# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

(Amount in ₹ Lakhs)

Particulars	31 March 2019	31 March 2018
<b>Revenue as per contract</b>	192,362.37	205,439.31
Adjustments:		
Cash rebate	-	-
Other adjustments	-	-
<b>Revenue from contract with customers</b>		
	<b>192,362.37</b>	<b>205,439.31</b>

## Transaction price - remaining performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed till the reporting period.

(Amount in ₹ Lakhs)

<b>26. Other income</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
<b>Income from current investments</b>		
Dividend received	904.75	468.57
	<b>904.75</b>	<b>468.57</b>
<b>Interest on :</b>		
Bank deposits	358.59	648.35
Security deposits	257.34	138.87
Inter corporate deposits	-	85.71
Overdue trade receivables	12,381.80	13,121.03
Income tax refund	2.33	-
VAT refund	35.89	65.24
	<b>13,035.95</b>	<b>14,059.20</b>
<b>Other income</b>		
Profit on sale of investments	133.70	65.96
Unclaimed balances and excess provisions written back	1,780.89	139.40
Net gain on foreign currency transaction and translation	124.30	-
Profit on sale of property, plant and equipment	24.57	2.20
Miscellaneous income	1,505.17	188.82
	<b>3,568.63</b>	<b>396.38</b>
	<b>17,509.34</b>	<b>14,924.15</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 2019

		(Amount in ₹ Lakhs)	
		31 March 2019	31 March 2018
<b>27. Cost of fuel, water and power consumed</b>			
Coal consumed		100,788.03	116,797.53
Electricity consumed		1,529.35	978.54
Water consumed		4,470.06	1,571.09
		<b>106,787.44</b>	<b>119,347.16</b>

		(Amount in ₹ Lakhs)	
		31 March 2019	31 March 2018
<b>28. Employee benefit expense</b>			
Coal			
Salaries and wages		9,887.19	10,331.65
Contribution to provident and other funds		59.16	55.41
Provision for gratuity/ compensated absences/ superannuation benefits		2,269.37	2,234.86
Staff welfare expenses		55.03	68.21
		<b>12,270.75</b>	<b>12,690.13</b>

		(Amount in ₹ Lakhs)	
		31 March 2019	31 March 2018
<b>29. Finance costs</b>			
<b>Interest on</b>			
Term loans		217,643.94	178,494.30
Inter corporate deposits		-	2,874.40
Cash credit facility		11,598.95	9,779.00
Short-term loan facility		-	2,152.95
Car loans		10.66	12.82
Others		1.94	66.70
<b>Other finance costs</b>			
Loan processing fees		264.93	293.62
Letter of credit charges		5.53	3.94
Bank guarantee charges		883.69	721.44
Other finance charges		-	984.82
		<b>230,409.64</b>	<b>195,383.99</b>

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

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

	(Amount in ₹ Lakhs)	
30. Depreciation and amortisation	31 March 2019	31 March 2018
<b>Depreciation on</b>		
Property, plant and equipment	41,981.57	39,896.74
<b>Amortisation on</b>		
Intangible assets	32.20	76.40
	<b>42,013.77</b>	<b>39,973.14</b>

	(Amount in ₹ Lakhs)	
31. Other expenses	31 March 2019	31 March 2018
Rent	279.39	525.02
Rates and taxes	3,376.19	487.33
Legal and professional charges	1,671.69	6,169.07
Communication	34.86	58.89
Printing and stationery	43.17	41.17
Travelling and conveyance	233.20	310.22
Operation and maintenance expenses	5,367.87	4,403.17
Insurance expenses	1,088.25	1,597.91
Running and maintenance - vehicles	37.02	60.17
Repairs and maintenance		
Office	100.51	189.94
Others	347.72	147.30
Security expenses	724.70	631.66
Payments to statutory auditors		
for audit	79.04	110.14
reimbursement of expenses	-	1.00
Payments to cost auditors	0.25	0.25
Loss on sale of assets	92.47	81.91
Provision for compensation payable	1,228.11	2,421.02
Net loss on foreign currency transactions and translation (net)	-	451.10
Advances write off	3,131.51	-
Miscellaneous expenses	429.60	253.41
	<b>18,265.55</b>	<b>17,940.68</b>

### 32 Details of contingent liabilities, pending litigations and other matters:

#### A. Contingent Liabilities of pending litigations not provided for in respect of:

##### For Holding Company

- The Water Resource Department ('WRD' or "Respondent") vide their letter dated 29 January 2013 raised a demand of ₹ 23,218 lakhs on Company for payment of irrigation restoration charges @ ₹ 1 lakh per hectare as per Government Resolution (GR) dated 6 March 2009 instead of ₹ 0.50 lakh per hectare as provided in circular from Water Resources

Department, Government of Maharashtra dated 21 February 2004. The Company had paid ₹ 11,657 lakhs (@ ₹ 0.50 lakh per hectare) and filed a Writ Petition with the Hon'ble Bombay High Court on 13 February 2013 challenging the validity of demand so raised by WRD. The Mumbai bench of Hon'ble Bombay High Court vide its Order dated 3 August 2015 transferred the matter to the Nagpur Bench. The Nagpur bench vide its order dated 5 May 2016 has partly allowed the petition and declared that demand at revised rate i.e. as per GR dated 6 March 2009 from the petitioner is illegal and unsustainable. As per Nagpur Bench order, the rate prescribed in the GR dated 6 March 2009 is applicable prospectively from 1 April 2009 and is not applicable in case of the Company to whom water allocation was finalized on 12 December 2007.

Pursuant to this, Maharashtra State Government filed a Special Leave Petition ("SPL") before the Hon'ble Supreme Court of India. The Hon'ble Court after hearing parties granted time to the Company to file its Counter Affidavit. The Company is ready with its reply which will be filed on or before next date of hearing. The Pecuniary risk in the matter cannot be quantified. Company is confident that the matter will be disposed off in their favour.

- 2 During the year ended 2010-11, the Company entered into a contract with Bharat Heavy Electrical Limited ('BHEL') for erection and supply of certain material for phase II of its power project at Amravati. Subsequent to this contract, BHEL supplied certain materials which were not warranted at that time and there were various communication made by the Company with BHEL to take off these materials from the site. Against this, BHEL initiated arbitration proceeding against the Company, alleging the payment outstanding against the Company in respect of the materials so supplied by them. The Hon'ble High Court also disposed off the petition upon the instruction to the 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. Subsequent to this, BHEL filed the following applications on 14 April 2016 with Arbitral Tribunal:

1. Application under Section 17 of the Arbitration and Conciliation Act, 1996 seeking an interim prayer of release of bank guarantees.
2. Application seeking amendment of the Claim petition.
3. Application under Section 31(6) of the Arbitration and Conciliation Act, 1996 seeking an interim award on the basis of admissions.

On BHEL's application for seeking interim award based on admissions, the tribunal has heard the arguments of both BHEL and the Company and the tribunal has passed an interim award of Rs 11,500 lakh against the Company vide its order dated 27 July 2017.

A Petition has also been filed by BHEL praying the Hon'ble High Court to issue warrants of attachment/ or auction sale of immovable and movable assets of the Company for realizing the amount payable/due as per the Interim award dated 27 July 2017. The matter is listed for hearing post the decision on the validity of the interim award which is slated on 17 July 2018.

The Company filed an appeal against the said interim award on 16 October 2017 before the Hon'ble High Court. The Matter is now listed for proceedings and the next day of hearing in the matter is 26 September 2019. The pecuniary risk involved in the present case cannot be quantified. Company is confident that the matter will be disposed off in their favour.

- 3 The Company had developed a railway line track and constructed a boundary wall around the railway yard and power plant at Amravati on the land allotted to the Company by MIDC. In this respect, Mr. Keshav Puranlal Bunde and others ('Plaintiffs') alleged that the approach road to their land has been obstructed and they are unable to access their land for cultivation. A suit for seeking declaration/ injunction for right of way was been filed before the Civil Judge, Senior Division, Amravati by the Plaintiffs against the Company during the year 2015-16. The Company denied the allegations in its written statement and is contesting the suit and the Hon'ble Court also declined the prayer of the Plaintiffs for grant of temporary injunction.

The Plaintiffs then filed a civil appeal with regard to this matter against the Court's order of declining the prayer of the Plaintiffs for grant of temporary injunction. The matter is now listed for steps on 20 June 2019. The pecuniary risk involved in the present case cannot be quantified. Further, based on legal appraisal, the management believes that no liability will devolve on the Company.

- 4 The Company is using various Microsoft programs/ softwares. During the year ended 31 March 2015, Microsoft Corporation alleged that there is shortfall in the entitled software licenses being used by the Company in its offices and thus the Company has infringed copyright in the Microsoft program/software titles. A suit has been filed by Microsoft

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

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

Corporation before Hon'ble High Court of Delhi on 18 December 2015 against the Company praying for permanent injunction against the Company and further prayed for rendition of accounts of profits and for damages. The matter is currently listed for evidence of the parties before the Ld. Joint Registrar. The next date of hearing in the matter is 23 July 2019. The pecuniary risk involved in the present case cannot be quantified. Further, based on legal appraisal, the management believes that no liability will devolve on the Company.

- 5 A vendor had done work for supply, plantation and maintenance of 100,000 trees at the Company's power plant pursuant to work order dated 25 May 2012. The Company terminated the contract vide letter dated 6 February 2014 due to unsatisfactory performance and also claimed liquidated damages from the vendor. On termination of contract by the Company, vendor alleged that the contract was wrongly terminated by the Company, only to avoid outstanding payment. The vendor has filed an Civil Suit on 03 December 2015 before Civil Judge Senior Division, Amravati claiming ₹ 116.25 Lakhs and court fees of ₹ 1.54 Lakhs against the work done. The Company has filed an application under section 8 of the Arbitration and conciliation Act for the dismissal of the suit. The matter is now listed for framing of issues, and the next date of hearing in the matter is 11 June 2019. The pecuniary risk involved in the present case cannot be quantified. Based on the legal appraisal of the case, Company is confident that the matter will be disposed off in their favour.
- 6 During the year ended 2015-16, Tahsildar of Amravati vide its order dated 24 February 2016 directed the Company to deposit the amount of ₹ 400 Lakhs towards the payment of royalty for using the minor minerals excavated during the construction of the power plant of the Company and utilized in the embankment work of railway line on the plot of MIDC allotted to the Company. The Company has filed a writ petition before the Nagpur bench of Hon'ble Bombay High Court against the order passed by Tahsildar. The Hon'ble Court vide its Order dated 15 December 2016 has issued a stay in the matter. The pecuniary risk involved in the present case cannot be quantified. Further, based on legal appraisal, the management believes that no liability will devolve on the Company.
- 7 Becquerel Industries Private Limited has filed a suit for recovery of ₹ 20.73 Lakhs against M/s Preeti Engineering before Civil Court at Nagpur on 15 April 2015 alleging that their dues are pending against M/s Preeti Engineering to whom the Non-Distractive Testing work had been sublet by M/s Brothers Engineering. The work to M/s Brothers Engineering was been sublet by BHEL to whom contract was awarded by the Company. The summon were serviced to M/s Preeti Engineering, M/s Bothers Engineering, BHEL and the Company. The Company has filed its reply and the matter is now listed for summons. The next date of hearing in the matter is 21 June 2019. The pecuniary risk involved in the present case cannot be quantified. Further, based on legal appraisal, the management believes that no liability will devolve on the Company.
- 8 A Suo Moto Public Interest Litigation ('PIL') has been registered before Hon'ble Bombay High Court on 27 August 2014 with regard to the occupation hazards of the employees working in various thermal power plants stations in the country. The Company (due to its plant at Amravati) 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 hearing in respect to the Application for Intervention along with the PIL. The pecuniary risk involved in the present case cannot be quantified. Company is confident that the matter will be disposed off in their favour.
- 9 A petition has been filed under the Insolvency and Bankruptcy Code, 2016 before National Company Law Tribunal by a'XYKno Capital Services Private Limited (being the Operational Creditor) against RattanIndia Power Limited (being Corporate Debtor) to initiate a corporate insolvency resolution process, in view of pending/outstanding payments along with interest. The matter is now listed for further consideration. The next date of hearing in the matter is 06 June 2019 The pecuniary risk in the matter cannot be quantified.

### For Sinnar Thermal Power Limited (formerly known as RattanIndia Nasik Power Limited) (STPL)

- 10 During the year 2010-2011, the Company entered into a contract with Bharat Heavy Electrical Limited ('BHEL') for erection and supply of certain material for phase II of its power project at Nashik. Subsequent to this contract, BHEL supplied certain materials which were not warranted at that time and there were various communication made by the Company with BHEL to take off these materials from the site. Against this, BHEL initiated arbitration proceeding against the company, alleging the payment outstanding against the company in respect of the materials so supplied by them. The Hon'ble High Court also disposed off the petition upon the instruction to the 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. Subsequent to this, BHEL filed the following applications on 14 April 2016 with Arbitral Tribunal:
  1. Application under Section 17 of the Arbitration and Conciliation Act, 1996 seeking an interim prayer of release of bank guarantees.

2. Application seeking amendment of the claim petition.
3. Application under Section 31(6) of the Arbitration and Conciliation Act, 1996 seeking an interim award on the basis of admissions.

On BHEL's application for seeking interim award based on admissions, the tribunal has heard the arguments of both BHEL and the Company and the tribunal has passed an interim award of ₹ 6,300 lakh against the company vide its order dated 27 July 2017.

A Petition has also been filed by BHEL praying the Hon'ble High Court to issue warrants of attachment/ or auction sale of immovable and movable assets of the company for realizing the amount payable/due as per the Interim award dated 27 July 2017. The matter is listed for hearing post the decision on the validity of the interim award which is slated on 26 September 2019.

The Company filed an appeal against the said interim award on 16 October 2017 with the Hon'ble High Court and based on the legal appraisal of the case, Company is confident that the matter will be disposed off in their favour.

- 11 The Company has entered into a contract with BHEL for supply of Boiler, Turbine, Generators (BTG) items for Nashik project. The material was supplied by BHEL from its unit in Tamil Nadu during the period 2010-2011. BHEL availed input tax credit against this sale which is rejected by the assessing officer of BHEL and consequently BHEL demanded the said tax amount of ₹ 1,100 lakhs from the Company. The Company rejected the claim by BHEL as the same was for input tax and not on the tax on invoice. Meanwhile during the year 2011-12 Company filed writ petition before the Hon'ble High Court of Madras during the year 2012 against the recovery of the VAT by BHEL. The matter was listed for hearing and the Hon'ble High Court has issued a notice and had ordered for status quo. 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 cannot be quantified. Further, based on legal appraisal, the management believes that no liability will not devolve on the company.

## For Poena Power Development Limited (PPDL)

- 12 A civil suit is filed against the inadequacy of compensation given in terms of the award under Land Acquisition Act 1894. The pecuniary amount involved in the present case is not quantifiable. Restoration application filed by the petitioner and notice has been issued by Civil Sub Divisional Court, Budblada, Mansa.

## 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

- (i) The Holding company received a demand of ₹ 77.38 Lakhs under section 143(3) of the Income Tax Act, 1961 ("IT Act") in respect of the FY 2009-10 for disallowance u/s 14A of the IT Act, against which appeal had been filed by the Holding Company during the FY 2015-16 which is pending before ITAT Delhi. The aforesaid demand of ₹ 77.38 Lakhs had been adjusted against refund for the AY 2013-14 by the Income Tax department against which Holding Company filed another appeal during the FY 2015-16 which is also pending before ITAT Delhi as at 31 March 2019.
- (ii) Sentia Power Limited received demand pending as on 31 March 2019 under section 143(3) of Income tax act, 1961 for ₹ 289.89 Lakhs (Previous Year: 289.89 Lakhs) with respect to the FY 2010-11 against disallowance U/s 37 of the Income tax act, 1961, against which appeal is pending before ITAT (Appeals). The Sentia Power Limited has during the year 2015-16 paid 30.00 lakh towards the same under protest.

- II The Holding Company and its subsidiary STPL received a demand of ₹ 2,358.14 Lakhs and ₹ 216.08 Lakhs respectively under section 153 of the Income Tax Act, 1961 ("IT Act") in respect of the AY 2012-13 to AY 2017-18, against which appeal had been filed by the Company which is pending before CIT(A), Mumbai.

### III Others

- 1 Holding company has provided Guarantee on behalf of Sinnar Thermal Power Limited (formerly known as RattanIndia Nasik Power Limited) (STPL), a wholly owned subsidiary, towards Commitment Bank Guarantees of ₹ 5,903.79 Lakhs (31 March 2018: ₹ 5,903.79 Lakhs) issued to subsidiaries of Coal India Limited for issuance of Letter of Assurance for supply of coal for STPL's Nashik Thermal Power Project, partly secured by way of bank lien on fixed deposits of ₹ 442.95 Lakhs (31 March 2018: ₹ 442.95 Lakhs) of the Holding Company and partly by way of bank lien on fixed deposits of ₹ 152.44 Lakhs (31 March 2018: ₹ 152.44 Lakhs) of STPL.

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

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

- 2 Holding company has provided Guarantee on behalf of STPL, jointly with RattanIndia Infrastructure Limited (RIL) favoring Axis bank towards credit facility of ₹ 39,783.00 Lakhs. In the event of any default on the part of STPL in payment/repayment or any of the monies, guarantors shall ensure that the borrower shall duly and punctually repay the credit facility together with all interest, liquidated damages, premium on prepayment or on redemption, costs, expenses and other monies in accordance with the facility documentation, or in the event of any default on the part of the STPL to comply with or perform any of the terms, conditions and covenants contained in the facility documentation, the guarantors unconditionally and irrevocably undertakes to pay the bank forthwith on demand without protest or demur and without proof or condition shall, upon demand, forthwith pay to bank all the amounts payable by STPL under the facility documentation together with interest at 2% above the rate as per Axis Bank sanction terms on the amounts so demanded from them in the event of any delay in making the payment to the bank.
- 3 For the purpose of further disbursement against Cost Over Run -1 facility and Cost Over Run-2 sanctioned by Power Finance Corporation (PFC) to STPL, the Holding Company, RIL, RR Infralands Private Limited (RIPL) and Mr. Rajiv Rattan (Individual promoter) has irrevocably and unconditionally acknowledge, represent, accept, certify undertake declare, confirm and assure :
  - a. to bear cost, if any, arising out of non-supply of power to MSEDCL under PPA signed by STPL in April, 2012 for supply of 650 MW power from the project from their own sources without any recourse to the project assets and lenders.
  - b. to bear cost/penalties payable, if any, to SPTCL or any other entity, arising due to delay in completion of generation project beyond commissioning of its transmission system, from their own sources without any recourse to project assets and lenders.
- 4 Undertaking provided by the Holding Company on behalf of STPL, jointly with RIL and RIPL, in favour of Rural Electrification Corporation Limited (REC). Parties to the undertaking irrevocably and unconditionally declare and assure that they shall (jointly and severally), in the event there is shortfall in servicing of the facility including applicable interest, arrange for additional funds from their own resources without any recourse to the project assets/lenders. Parties to the undertaking irrevocably and unconditionally declare and assure that in the event they fail to fulfill their obligations listed in undertaking document, in the manner and time stipulated therein in the underwritten and consolidated facility agreement, there would be recourse against the borrower, and it shall be an event of default under the underwritten and consolidated facility agreement and Secured Parties/Lenders may take such other action as may be contemplated there under.

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 Group 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 these consolidated financial statements.

### C. Other pending litigations as on 31 March 2019 are:

#### For Holding Company

- 1 The Company is supplying power to Maharashtra State Electricity Distribution Company Limited (MSDCL) based on two power purchase agreements (PPAs) for supply of 1200 MW (450 MW + 750 MW respectively) of power for the period of 25 years. The PPAs were executed based on the fuel supply agreement (FSA) which provided that domestic coal linkages would be available to meet the fuel requirements. However, adequate coal supply was not made available which adversely impacted cost as Company had to source fuel from alternate sources to meet the shortfall of coal supplied under FSA with coal supplier. The Cabinet Committee of Economic Affairs (CCEA) approved mechanism where after Ministry of Coal amended the National Coal Distribution Policy (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.

The Company filed a petition before Maharashtra Electricity Regulatory Commission ('MERC' or 'the Commission') in year 2013 for realizing the shortfall in supply under NCDP. MERC vide its Order on 15 July 2014 laid down methodology to recover compensatory fuel charges and vide Order dated 20 August 2014.

On 28 August 2014, the Company filed a review petition before MERC against the Orders dated 15 July 2014 as well as



Order dated 20 August 2014 and MSEDCL further filed review petition against the Orders of MERC dated 20 August 2014. The review petition filed by MSEDCL got dismissed vide Order dated 16 July 2015 and the review petition filed by the Company also got dismissed vide Order 30 October 2015. As at the balance sheet date, the Company has accounted such claim in the books of accounts aggregating to ₹ 28,658.80 lakh and related late payment surcharge thereon.

The Company then filed appeals before Appellate Tribunal for Electricity (APTEL) against Orders dated 15 July 2014, 20 August 2014 and 30 October 2015. The said appeals were disposed off by the Hon'ble Tribunal on 4 May 2017, remanding the matters to the Maharashtra Electricity Regulation Commission ('MERC') for fresh adjudication in the light of the direction of the Hon'ble Supreme Court in case of Energy Watchdog and Ors. v/s CERC and Ors. Dated 11 April 2017. MERC heard the matter on 15 November 2017 and reserved its Order. Subsequent to the balance sheet date, on 3 April 2018, MERC has passed the said Order, whereby MERC principally held that the Company is entitled to compensation and a methodology to recover compensatory fuel charges has been laid down. The Company filed an appeal before the Hon'ble APTEL vide appeal no. 264 of 2018 against the Ld. MERC order dated 03 April 2018, as in its view, the order passed by MERC is not fully on the principle of "restoration of the affected party to the same economic position as if the change in law event didn't occur". The appeal is admitted by APTEL. Pleadings are completed in the said appeal and listed for final arguments on 08 August 2019.

- 2 There has been an increase in cost of power generation owing to increase in various statutory taxes, duties, levies, cess, surcharge etc. Based on various judgements from CERC involving similar situations, management has concluded that these charges are recoverable from MSEDCL under "Change in Law" clause of PPA and during the year the company has recorded revenue of ₹ 189.39 lakhs (31 March 2018: ₹ 1,439.42 lakhs). The Company filed a petition with MERC on 15 June 2016 claiming approval of additional components of costs under change in law. MERC had issued order dated 5 April 2018 in this respect. Company has filed an appeal vide Appeal No. 263 of 2018 against the order dated 05 April 2018 before the Hon'ble Appellate Tribunal for Electricity ("APTEL") on 06 June 2018. Appeal is admitted by the Hon'ble APTEL. Pleadings are completed in the said appeal and listed for final arguments on 11 July 2019.
- 3 The Company has taken large risk insurance policy no 500300/11/406/00000170 was for the period 01 June 2014 to 31 May 2015 for business interruption. The generator of unit -2 was damaged on 30 October 2014 and complaint informed to Office of Public Insurance (OPI) of the damaged on 31 October 2014. During the period November 2014 to December 2017 surveyor kept delaying the claim by asking for irrelevant document and information, despite complete cooperation by the company. On date 15/02/2018 OPI repudiated the company claim, through a detail letter dated 11 June 2018, the complainant strongly protested to OPI against the wrongful repudiation of its claim but no avail.

A complaint has been filed dated 04 October 2018 by Rattan India Power Limited against United India Insurance Company Limited & another before National Consumer Disputes Redressal Commission praying that-

1. The OPI be held deficient in providing services to the Rattan India Power Limited and the repudiation of the claim under Large Risk Insurance Policy No. 500300/11/1406/00000170 is without any basis and is invalid.
2. The claim amount of along with Interest from 30 October 2014 to be paid to Rattan India Power Limited, and Rattan India Power Limited should also be compensated for harassment and mental agony by the OPI as well as for the litigation costs.

The matter is listed for filling of reply by Bharat Heavy Electricals Limited. The next date of hearing in the matter is 04 July 2019.

- 4 The Company operates a 1350 MW (5x270 MW) coal based power plant located at Nandgaonpeth, Amravati district in the state of Maharashtra, at the time of commissioning the performance guarantee test conducted by BHEL noted that the maximum generation at rated capacity was upto 277.8MW (in non VVO mode), which corresponds to ex-bus capacity upto 252 MW. This was further corroborated by the CPRI report. In view of above company requested MSLDC to increase the ex-bus export capacity for all five unit from 252MW to 258 MW, However MSLDC rejected company's request, Accordingly the Company has filed petition vide Case No. 59 of 2018 before the Ld. Maharashtra Electricity Regulatory Commission ("Ld. MERC") under Sections 32, 33 And 86 Of The Electricity Act, 2003 read with the Maharashtra Electricity Regulatory Commission (State Grid Code) Regulations, 2006. The matter was heard by MERC on 3 October 2018 and has reserved its order. The Ld. MERC has dismissed the Case No. 59 of 2018 vide Order dated 23 October 2018. RPL has preferred an appeal against the impugned order of the Ld. MERC before the Hon'ble Appellate Tribunal of Electricity vide Appeal No. 35 of 2019. Appeal has been admitted by the Hon'ble APTEL and pleadings have to be completed. The matter is listed on 29 April 2019, and next date of hearing is to be 06 August 2019.
- 5 Due to low despatch of power schedule by MSEDCL, SECL has imposed penalty on account of non-procurement of minimum quantity of fuel by Company under the FSA. The Company has filed a petition vide Case No. 146 of 2018 the



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

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

Ld. Maharashtra Electricity Regulatory Commission ("Ld. MERC") under Section 86 of the Electricity Act, 2003 seeking compensation from MSEDCL for penalty of Rs. 3976.79 lakhs in accordance with Clause 4.5 of Schedule 4 of the PPA between the Company and MSEDCL. The Ld. MERC heard the matter on 3 October 2018 and has reserved its order. The Ld. MERC disposed off the matter vide order dated 23 October 2018. RPL has filed an appeal before the Appellate Tribunal of Electricity vide Appeal No. 41 of 2019. Notice has been issued in the said Appeal and it is listed next on 29 May 2019.

- 6 On 15 February 2011, IDBI Bank Limited (hereinafter called as "Lendor"), in the capacity of Facility Agent/Underwriter/Issuing Bank executed an Underwriting and Facility Agreement with Rattan India Power Limited (hereinafter called as "Borrower"), whereby it was agreed that the Lendor shall grant a term loan upto Maximum of ₹ 100,000 Lakh to the Borrower to Part Finance Phase II of a 1350MW coal based Power Project being developed by the Borrower at Amravati, Maharashtra. On the same date, IndiaBulls Real Estate Limited and Lendor & Borrower entered into a Sponser Support Agreement (SSA), whereby IndiaBulls Real Estate Limited guaranted the payment obligation of Borrower to the Lendor when IndiaBulls Real Estate Limited hold majority shares (55.58%) of the Borrower.

Thereafter, IndiaBulls Real Estate Power Limited along with the Borrower and 3 other group companies proposed a scheme of demerger of the Power Business and specifically includes all debts, borrowings, obligations and liabilitied both present and future whether secured or unsecured appertaining or relating to the power business which is sanctioned by the Hon'ble Court vide its order dated 17 October 2011.

In the month of July' 2014, there was restructuring of the companies under the Indiabulls group. Under the restructuring, Indiabulls Real Estate Limited and the Borrower were started to manage by the differenet promoters and it was also agreed that Indiabulls Real Estate Limited will no longer be liable to any kind of liabiliy related to Borrower that may be arise in future to any party.

On 21 July 2017, the Lendor issued a letter having reference number IDBI/ND/LCG/17-18/132 to IndiaBulls Real Estate Limited and also called upon the Borrower to pay the entire dues of ₹ 14322 Lakh outstanding within a period of 7 days failing which the Lendor threatened to invoke the SSA.

A Petition has been filed by IndiaBulls Real Estate Limited praying before the Hon'ble Court to issue a Writ of Certiorari or any other Writ, Order or Direction of like nature for setting aside the letters having Nos. IDBI/ND/LCG/2017-18/132 dated 21 July 2017, IDBI/ND/LCG/2017-18/139 dated 10 October 2017 and IDBI/ND/NMG/RPL/2018-19/200 dated 17 May 2018 issued by Lendor and consequently restrain Lendor from initiating any action or taking any steps qua IndiaBulls Real Estate Limited in respect to any liabilities of Borrower including but not limited to the Sponsor Support Agreement dated 15 February 2011 and Non- Disposal and Safety Net Arrangement dated 24 November 2011. The matter is now listed for further proceedings. The next date of hearing in the matter is 25 July 2019. The pecuniary risk in the matter cannot be quantified.

- 7 The Holding Company has filed claim with Joint DGFT, Mumbai amounting to ₹ 3,979 lakhs during the year 2010-11 and onwards on account of deemed drawback for the material supplies for the construction of power plant at Amravati. Out of this, an amount of ₹ 637 lakhs was processed and order for refund was issued during the financial year 2010-11. The said order was later withdrawn by the Joint DGFT vide its order dated 07 April 2011 due to clarification given by policy interpretation committee in its meeting no -10 on 15 March 2011. The Company has filed a writ petition on 01 September 2017 before Hon'ble Bombay High Court for recovery of deemed drawback of ₹ 370 lakhs which is under process. Also, an appeal had been filed on 12 July 2016 before Hon'ble Supreme Court for ₹ 3,609 lakhs which is also under process for final hearing. An amount of ₹ 794.69 lakhs is recorded as recoverable under these cosolidated financial statements.

### For Sinnar Thermal Power Limited (formerly known as RattanIndia Nasik Power Limited) (STPL)

- 8 Subsequent to the earlier bidding by Maharashtra State Electricity Distribution Company Limited (MSEDCL) for 2000 MW (+30% / -20%) wherein EMCO Energy Limited was L1, RattanIndia Power Limited was L2, Adani Power Maharashtra Limited (APML) was L3, the company was L4 and Wardha Power Company Limited (WPCL) was L5. MSEDCL required 1090 MW additional power and Government of Maharashtra vide letter dated 1 December 2011 gave approval to MSEDCL for procurement of such additional power and directed MSEDCL to obtain Maharashtra Electricity Regulatory Commission (MERC) approval for the same. MERC vide its order dated 27 December 2012 approved the levelised tariff of ₹ 3.42 per kwh for procurement of additional 1090 MW power by MSEDCL from the company and APML. WPCL filed an appeal before APTEL on 7 March 2013 against the aforesaid order of MERC on the ground that WPCL was not given an opportunity to participate in the process. APTEL vide its order dated 10 February 2015 partly allowed the appeal by WPCL and directed MSEDCL to approach WPCL and Company to seek new offer with respect to quantum to be offered

while matching the tariff of Adani. the company filed a review petition against the order of APTEL dated 10 February 2015 for allowing the appeal by WPCL against the order of MERC which approved the procurement of additional quantum of 650 MW power from the Company. The review petition was dismissed by APTEL vide order dated 18 May 2015. The Company 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. Subsequent to the balance sheet date, Hon'ble Supreme Court of India vide order dated 10 May 2018, dismissed the company's appeals. Pursuant to this order, APTEL's order dated 10 February 2015 comes into force and hence, the Company and WPCL will be making offers for power supply to MSEDCL in terms of the said order of APTEL.

Further, MREC order dated 19 January 2019 in Case No. 53 of 2012 whereby the Ld. MERC has allocated the quantum of 1090 MW of power on pro rata basis between Adani Power Maharashtra Limited, Sinnar Thermal Power Limited and Sai Wardha Power Company Limited. MSEDCL issued the LOI (Letter of Indent) for purchases the 507 MW power from the Company. The Company arranging the Bank Guarantee for excution of PPA (Power Purchases Agreement). Adani Power Maharashtra Limited has preferred an appeal before the Appellate Tribunal for Electricity against the Ld. The Hon'ble APTEL has admitted the appeal and pleadings yet to be completed. The matter is listed next on 15 July 2019.

- 9 The Company has developed railway line for the transportation of coal to its Nashik Power Plant of the company. For the development of railway line, Maharashtra Industrial Development Corporation ('MIDC') has acquired land for the Company in various villages of Nashik District. During the year 2012-13, Mr. Ratan Ranja Matala and Others ("petitioners") filed a Petition before the Hon'ble Bombay High Court against MIDC in which the Company is also a party. Hon'ble Bombay High Court vide its order dated 17 February 2015 dismissed the Writ Petition filed by the petitioners whose land was acquired for Railway Line development. Against the said order of High Court, the petitioners have filed a SLP in Hon'ble Supreme Court on 22 February 2016. The matter is currently listed for final disposal. The pecuniary risk involved in the present case cannot be quantified. Further, based on legal appraisal, the management believes that no liability will devolve on the company.

- 33 Estimated amount of contracts remaining to be executed on account of capital and other commitments towards the Project not provided for: ₹ 2423.12 lakhs (31 March 2018: ₹ 50,342.19 lakhs) – advances made there against ₹ 112.76 lakhs (31 March 2018: ₹ 1,290.16 lakhs)

- 34 The Holding 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 Holding Company did not have average net profits based on the immediately preceding three financial years, the Holding Company is not required to spend amounts towards Corporate Social Responsibility in terms of the Companies Act, 2013.

## 35. Employee Stock Options Schemes

The Holding 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 holding 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 Holding Company:

#### 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 Rs. 10 each for every one equity share of IPSL of face value Rs. 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

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

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

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 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 o 4 July 2009	Grant o 7 October 2011
1	Exercise price (₹ Per option)	Rs. 10.00	Rs. 14.00	Rs 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:

Particulars	31 March 2019		31 March 2018	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	10	895,800	10	994,800
Options surrendered/lapsed during the year	10	-	10	99,000
Closing balance	10	895,800	10	895,800
Vested and exercisable options		895,800		895,800

Particulars	31 March 2019	31 March 2018
Weighted average reamaining contractual life of options outstanding at the end of period	25 months	37 months

**Summary of options granted in respect of the RPL ESOS 2009 are as under:**

Particulars	31 March 2019		31 March 2018	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	14	391,600	14	694,400
Options surrendered/lapsed during the year	14	98,800	14	302,800
Closing balance	14	292,800	14	391,600
Vested and exercisable options		244,000		294,000

Particulars	31 March 2019	31 March 2018
Weighted average reamaining contractual life of options outstanding at the end of period	26 months	38 months

**Summary of options granted in respect of the RPL ESOS 2011 are as under:**

Particulars	31 March 2019		31 March 2018	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	12	369,000	12	432,500
Options surrendered/lapsed during the year	12	169,000	12	63,500
Closing balance	12	200,000	12	369,000
Vested and exercisable options		125,000		205,000

Particulars	31 March 2019	31 March 2018
Weighted average reamaining contractual life of options outstanding at the end of period	21 months	33 months

## 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.

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 ₹ 37.52 lakhs (31 March 2018: ₹ 38.11 lakhs) and in expenditure during construction ₹ Nil (31 March 2018: ₹ 1.13 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 2019. Major drivers in actuarial assumptions, typically,

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

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

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.

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 2019. 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 2019. 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.

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 2019. 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 2019:

(Amount in ₹ Lakhs)

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)		Superannuation (Unfunded)	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
<b>Liability recognised in the Balance sheet:</b>						
Present value of obligation as at the beginning of the year	723.33	672.33	704.14	718.98	15,078.99	14,045.63
Current service cost	81.26	137.43	59.67	69.53	918.39	942.60
Interest cost	57.27	48.42	54.79	52.66	1,187.47	1,068.87
Benefits paid	(86.15)	(111.21)	(31.52)	(46.44)	-	-
Actuarial (gains) / losses	(34.53)	(11.62)	(103.76)	(85.11)	(711.67)	(978.11)
Adjustment	-	(12.02)	-	(5.47)	-	-
<b>Present Value of obligation at the end of the year (as per Actuarial valuation)</b>	<b>741.17</b>	<b>723.33</b>	<b>683.33</b>	<b>704.14</b>	<b>16,473.18</b>	<b>15,078.99</b>
<b>Expenses during the year</b>						
Current service cost	81.26	138.93	59.67	69.81	918.39	942.60
Interest Cost	57.27	48.42	54.79	52.66	1,187.47	1,068.87
Actuarial (gains) / losses	-	-	(103.76)	(85.39)	-	-
<b>Component of defined benefit cost charged to statement of profit and loss/Capital work-in-progress</b>	<b>138.52</b>	<b>187.35</b>	<b>10.70</b>	<b>37.07</b>	<b>2,105.86</b>	<b>2,011.47</b>
Remeasurement of post-employment benefit obligations:						

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)		Superannuation (Unfunded)	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Actuarial (gains) / losses	(34.53)	(12.35)	-	-	(711.67)	(978.11)
<b>Component of defined benefit cost recognised in other comprehensive income</b>	<b>(34.53)</b>	<b>(12.35)</b>	<b>-</b>	<b>-</b>	<b>(711.67)</b>	<b>(978.11)</b>

## Actuarial (gains)/losses on obligation

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)		Superannuation (Unfunded)	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Actuarial (gain)/loss on arising from change in demographic assumptions	-	-	-	-	-	-
Actuarial (gain)/loss on arising from change in financial assumptions	3.51	(6.80)	2.33	(3.36)	(664.41)	(190.42)
Actuarial (gain)/loss on arising from change in experience adjustments	(35.65)	(4.81)	(105.08)	(54.72)	(47.26)	(799.59)

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

Particulars	31 March 2019	31 March 2018
Discount rate	7.71%	7.71%
Expected return on plan assets	NA	NA
Expected rate of salary increase	5.00%	5.00%

### (b) Demographic assumptions

Particulars	31 March 2019	31 March 2018
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)

Particulars	31 March 2019	31 March 2018
<b>a) Impact of the change in discount rate</b>		
i) Impact due to increase of 0.50% (31 March 2018: 0.50%)	(1,152.89)	(1,116.88)
ii) Impact due to decrease of 0.50% (31 March 2018: 0.50%)	1,144.08	1,171.80
<b>b) Impact of the change in salary increase</b>		
i) Impact due to increase of 0.50% (31 March 2018: 0.50%)	58.18	178.28
ii) Impact due to decrease of 0.50% (31 March 2018: 0.50%)	(52.98)	(140.07)



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

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

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 profile of defined benefit obligation

(Amount in ₹ Lakhs)

Particulars	31 March 2019	31 March 2018
Less than 1 year	171.82	167.00
Year 1 to 5	118.14	126.63
More than 5 years	17,607.71	16,191.88

### 37 Earnings Per Equity Share (EPS):

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

Amount in ₹ Lakhs (except number of shares)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Loss for the year attributable to owners of the company	(332,051.60)	(166,318.74)
Weighted average number of shares used in computing basic earnings per equity share (number of shares)	2,948,166,230	2,945,433,353
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)*	2,948,166,230	2,945,433,353
Face value per equity share – (₹)	10.00	10.00
Basic earnings per equity share – (₹)	(11.27)	(5.65)
Diluted earnings per equity share – (₹)	(11.27)	(5.65)

\*ESOs 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 ₹ 277.66 lakhs and ₹ NIL respectively for the year ended 31 March 2019 (31 March 2018: ₹ 524.03 lakhs for statement of profit and loss and ₹ 7.77 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 Holding 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)

Particulars	31 March 2019	31 March 2018
<b>Minimum lease rentals payables</b>		
Within one year	53.10	540.92
One to Five years	217.98	Nil
Above Five Years	Nil	Nil

The Holding Company has entered into a Power Purchase Agreement with MSEDCCL (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)

Particulars	31 March 2019	31 March 2018
<b>Minimum lease rentals receivables</b>		
Within one year	98,556.48	98,287.20
One to Five years	277,180.92	306,299.88
Above Five Years	968,804.34	1,038,241.86

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)

Partilcuars	Minimum lease rentals payables			
	Less than 1 year	1-5 year	More than 5 years	Total
<b>As at 31 March 2019</b>				
Lease payment	198.28	793.10	15,975.59	<b>16,966.97</b>
Finance charge	198.27	793.06	14,323.41	<b>15,314.74</b>
Net present value	0.01	0.04	1,652.18	<b>1,652.23</b>
<b>As at 31 March 2018</b>				
Lease payment	198.28	793.10	16,173.87	<b>17,165.25</b>
Finance charge	198.27	793.06	14,521.67	<b>15,513.00</b>
Net present value	0.01	0.04	1,652.20	<b>1,652.25</b>



# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## 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 (Formerly known as Indiabulls Infrastructure Company Limited) Sepset Constructions Limited Citra Real Estate Limited RattanIndia Solar Private Limited (Formerly known as RattanIndia Solar Limited) RattanIndia Energy Resources Limited Eurotas Infrastructure Limited Nettle Construction Private Limited Asopus Infrastructure Limited Gragerious Construction Materials Limited (Formerly known as Indiabulls Construction Materials Limited) Thaumas Infrastructure Limited Crocus Infra Reality Limited Notus Infrastructure Limited RR Infralands Private Limited RattanIndia Finance Private Limited (formerly known as Vikhyat Finlease And Trading Private Limited) Tupelo Builders Private Limited Priapus Infrastructure Limited IINFC Ltd Priapus Developers Private Limited
<b>III. Key Management Personnel</b>	
<b>Name</b>	<b>Designation</b>
Rajiv Rattan	Chairman and Director
Jayant Shriniwas Kawale	Managing Director (upto 20 May 2019)
Himanshu Mathur	Whole Time Director
Aman Singh	Chief Executive Officer (w.e.f. 20 May 2019)
Venugopal Kesanakurthy	Chief Financial Officer (upto 20 January 2017)
Samir Taneja	Chief Financial Officer (w.e.f. 8 February 2017 and upto 16 October 2018)
Sameer Darji	Chief Financial Officer (w.e.f. 15 April 2019)

**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 March 2019 31 March 2018	- -	- 9,922.00	- -	- 9,922.00
Loan/ Inter corporate deposit taken	31 March 2019 31 March 2018	- -	1,070.76 35,140.43	- -	1,075.76 35,140.43
Loan/ Inter corporate deposit repaid	31 March 2019 31 March 2018	- -	245.00 42,041.43	- -	245.00 42,041.43
<b>Expenses</b>					
Interest on loan/ Inter corporate deposit taken	31 March 2019 31 March 2018	- -	- 2,874.39	- -	- 2,874.39
Construction contracts expenses	31 March 2019 31 March 2018	- -	17.74 5,257.31	- -	17.74 5,257.31
Consultancy income (excluding taxes)	31 March 2019 31 March 2018	- -	1,435.40 65.10	- -	1,435.40 65.10
Reimbursement received/ (made) for bank guarantee financing charges including general expenses	31 March 2019 31 March 2018	0.02 1.61	248.33 8.44	- -	248.35 10.05
Short-term employee benefits	31 March 2019 31 March 2018	- -	- -	5,201.35 5,327.60	5,201.35 5,327.60
Post employment benefits	31 March 2019 31 March 2018	- -	- -	1,422.05 1,066.79	1,422.05 1,066.79
<b>Income</b>					
Interest on loans/ Inter corporate deposits given	31 March 2019 31 March 2018	- -	- 85.71	- -	- 85.71
Scrap sale	31 March 2019 31 March 2018	- -	- 0.30	- -	- 0.30
<b>Others</b>					
Capital Work-in-Progress (excluding taxes)	31 March 2019 31 March 2018	- -	5.00 25,713.19	- -	5.00 25,713.19
Short term advances received	31 March 2019 31 March 2018	- -	740.00 -	- -	740.00 -
Transfer of shares of RPL held by IPL- PPSL scheme trust	31 March 2019 31 March 2018	- -	200.65 7,789.54	- -	200.65 7,789.54
Pledge of shares	31 March 2019 31 March 2018	- -	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 2019

(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	
Loan Given/ Inter corporate deposit given	31 March 2019 31 March 2018	- -	- 2,850.77	- -	- 2,850.77	
Loan / Inter corporate deposit taken	31 March 2019 31 March 2018	- -	67,649.84 66,623.43	- -	67,649.84 66,623.43	
Trade receivable	31 March 2019 31 March 2018	- -	1,671.83 456.68	- -	1,671.83 456.68	
Trade payable	31 March 2019 31 March 2018	- -	6,946.60 8,294.63	- -	6,946.60 8,294.63	
Short term advance	31 March 2019 31 March 2018	- -	1,398.46 768.62	- -	1,398.46 768.62	
Capital advances	31 March 2019 31 March 2018	- -	3,135.00 65,951.44	- -	3,135.00 65,951.44	
Retention money payable/ Payables on purchase of property, plant and equipments	31 March 2019 31 March 2018	- -	2,580.11 11,657.31	- -	2,580.11 11,657.31	
Employee benefit liability	31 March 2019 31 March 2018	- -	- -	16,808.79 15,395.01	16,808.79 15,395.01	
Remuneration payable	31 March 2019 31 March 2018	- -	- -	7,328.15 2,442.35	7,328.15 2,442.35	
Pledge of shares	31 March 2019 31 March 2018	Refer note 18		- -	- -	

### V. Summary of outstanding balances:

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

VI. Detail of outstanding balance:										(Amount in ₹ Lakhs)	
Name of related Party	As at ended	Loan/inter Corporate deposit given	Loan/inter Corporate deposit taken	Trade receivable	Trade payable	Short term advances	Capital advances	Retention money payable/ on purchase of fixed assets	Employee benefit liability	Remuneration Payable	
Enterprise over which Key Management Personnel have significant influence											
IIC Limited**	31 March 2019 31 March 2018	- 1,314.87	- -	- -	6,942.44 8,290.47	1,398.46 768.63	- 62,821.44	2,580.11 11,657.31	- -	- -	
Nettle Constructions Private Limited	31 March 2019 31 March 2018	- -	245.00 -	- -	- -	- -	- -	- -	- -	- -	
Priapus Developers Private Limited	31 March 2019 31 March 2018	- -	35,535.76 35,439.00	- -	- -	- -	- -	- -	- -	- -	
RR Infralands Pvt. Ltd.	31 March 2019 31 March 2018	- -	28,592.08 28,391.43	- -	- -	- -	- -	- -	- -	- -	
Eurotas Infrastructure Limited	31 March 2019 31 March 2018	- -	- -	- -	4.16 4.16	- -	- -	- -	- -	- -	
RattanIndia Energy Resources Limited	31 March 2019 31 March 2018	- -	- -	22.00 42.00	- -	- -	- -	- -	- -	- -	
Crocus Infra Reality Limited	31 March 2019 31 March 2018	- -	- -	59.40 -	- -	- -	- -	- -	- -	- -	
Gragerious Construction Materials Limited (Formerly known as Indiabulls Construction Materials Limited)	31 March 2019 31 March 2018	- -	- -	56.80 62.80	- -	- -	- -	- -	- -	- -	
Thaumas Infrastructure Limited	31 March 2019 31 March 2018	- -	- -	1,312.63 -	- -	- -	- -	- -	- -	- -	
Notus Infrastructure Limited	31 March 2019 31 March 2018	- -	- -	110.16 -	- -	- -	- -	- -	- -	- -	
Asopus Infrastructure Limited	31 March 2019 31 March 2018	- -	- -	110.84 64.80	- -	- -	3,135.00 3,130.00	- -	- -	- -	
Citra Real Estate Limited	31 March 2019 31 March 2018	- -	- -	261.88 -	- -	- -	- -	- -	- -	- -	
Sepset Constructions Limited	31 March 2019 31 March 2018	- -	- -	25.20 -	- -	- -	- -	- -	- -	- -	
Tupelo Builders Private Limited	31 March 2019 31 March 2018	- -	3,277.00 2,793.00	- -	- -	- -	- -	- -	- -	- -	
IINFC Limited	31 March 2019 31 March 2018	- 1,535.90	- -	- -	- -	- -	- -	- -	- -	- -	
Key Management Personnel											
Rajiv Rattan	31 March 2019 31 March 2018	- -	- -	- -	- -	- -	- -	- -	16,808.79 15,395.01	7,328.15 2,442.35	

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

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 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 good	Reimbursement received of BG financing charges including general expenses	Transfer of shares of RPL held by IPL- PPSL scheme trust	
Company having Substantial Interest											
RattanIndia Infrastructure Limited (formerly known as Indiabulls Infrastructure and Power Limited)	31 March 2019	-	-	-	-	-	-	-	0.02	-	
	31 March 2018	-	-	-	-	-	-	-	1.61	-	
Enterprises over which Key Management Personnel have significant influence											
Nettle Constructions Private Limited	31 March 2019	-	490.00	245.00	-	-	-	-	-	-	
	31 March 2018	-	-	-	-	-	-	-	-	-	
Sepset Constructions Limited	31 March 2019	-	-	-	-	-	-	-	0.43	-	
	31 March 2018	-	-	-	-	-	-	0.30	0.66	-	
IIC Limited	31 March 2019	-	-	-	-	-	17.74	-	26.83	-	
	31 March 2018	-	-	-	-	85.71	5,257.31	-	2.43	-	
RattanIndia Solar Private Limited (formerly known as RattanIndia Solar Limited)	31 March 2019	-	-	-	-	-	-	-	-	-	
	31 March 2018	9,922.00	-	-	-	-	-	-	0.19	-	
Priapus Developers Private Limited	31 March 2019	-	96.76	-	-	-	-	-	-	-	
	31 March 2018	-	1,729.00	3,673.00	1,119.10	-	-	-	-	-	
Notus Infrastructure Limited	31 March 2019	-	-	-	-	-	-	102.00	-	-	
	31 March 2018	-	-	-	-	-	-	-	-	-	
Thaumas Infrastructure Limited	31 March 2019	-	-	-	-	-	-	1,215.40	-	-	
	31 March 2018	-	-	-	-	-	-	-	-	-	
Crocus Infra Reality Limited	31 March 2019	-	-	-	-	-	-	55.00	-	-	
	31 March 2018	-	-	-	-	-	-	-	-	-	
Asopus Infrastructure Limited	31 March 2019	-	-	-	-	-	-	63.00	-	-	
	31 March 2018	-	-	-	-	-	-	64.80	-	-	
Gragerious Construction Materials Limited	31 March 2019	-	-	-	-	-	-	-	-	-	
	31 March 2018	-	-	-	-	-	-	-	-	-	
Citra Real Estate Limited	31 March 2019	-	-	-	-	-	-	-	-	-	
	31 March 2018	-	-	-	-	-	-	-	-	-	
RattanIndia Energy Resources Limited	31 March 2019	-	-	-	-	-	-	-	-	-	
	31 March 2018	-	-	-	-	-	-	-	-	-	
RR Infralands Pvt. Ltd.	31 March 2019	-	28,391.43	-	-	-	-	-	-	200.65	
	31 March 2018	-	-	-	-	-	-	-	-	7,789.54	
RattanIndia Finance Private Limited (formerly known as Vikhyat Finlease and Trading Private Limited)	31 March 2019	-	-	-	1,400.00	-	-	-	221.07	-	
	31 March 2018	-	-	27,956.43	-	-	-	-	4.68	-	
Tupelo Builders Private Limited	31 March 2019	-	484.00	-	-	-	-	-	-	-	
	31 March 2018	-	5,020.00	10,412.00	355.29	-	-	-	0.03	-	
Priapus Infrastructure Limited	31 March 2019	-	-	-	-	-	-	-	-	-	
	31 March 2018	-	-	-	-	-	-	-	0.45	-	

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

VII. Statement of material transactions (Contd.)		(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 March 2019	-	-	-	(740.00)	-	-
	31 March 2018	25,713.19	-	-	-	-	-
Asopus Infrastructure Limited	31 March 2019	-	5.00	-	-	-	-
	31 March 2018	-	-	-	-	-	-
<b>Key Management Personnel</b>							
Jayant Shriniwas Kawale	31 March 2019	-	-	-	-	159.96	(1.87)
	31 March 2018	-	-	-	-	258.49	9.59
Himanshu Mathur	31 March 2019	-	-	-	-	109.97	2.53
	31 March 2018	-	-	-	-	103.00	9.61
Samir Taneja	31 March 2019	-	-	-	-	45.62	7.62
	31 March 2018	-	-	-	-	80.30	1.57
Rajiv Rattan	31 March 2019	-	-	-	-	4,885.81	1,413.77
	31 March 2018	-	-	-	-	4,885.81	1,046.02

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## 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)

Particulars	Level	31 March 2019	31 March 2018
<b>Financial assets</b>			
<b>Investments at FVTPL</b>			
Investments in mutual funds	Level 1	19,308.83	1,007.02
<b>Total financial assets</b>		<b>19,308.83</b>	<b>1,007.02</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.

## 41 Financial risk management

### i) Financial instruments by category

(Amount in ₹ Lakhs)

Financial year	31 March 2019			31 March 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Investments in:						
mutual funds	19,308.83	-	-	1,007.02	-	-
Loans:						
Security deposits	-	-	1,347.66	-	-	1,973.09
Loans	-	-	7.09	-	-	6.86
Inter corporate deposits	-	-	23.51	-	-	1,314.87
Trade receivables	-	-	124,936.45	-	-	132,714.59
Cash and cash equivalents	-	-	2,249.01	-	-	14,914.39
Other bank balances	-	-	2,021.02	-	-	3,651.45
Other financial asset	-	-	20,642.30	-	-	25,898.24
<b>Total</b>	<b>19,308.83</b>	<b>-</b>	<b>151,227.04</b>	<b>1,007.02</b>	<b>-</b>	<b>180,473.49</b>

(Amount in ₹ Lakhs)

Financial year	31 March 2019			31 March 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial liabilities</b>						
Borrowings	-	-	1,387,071.99	-	-	1,463,316.07
Trade payable	-	-	1,352.55	-	-	4,500.85
Other financial liabilities	-	-	506,089.88	-	-	319,120.40
<b>Total</b>	-	-	<b>1,894,514.42</b>	-	-	<b>1,786,937.32</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 2019	31 March 2018
Loans (i)	1,378.26	3,294.82
Trade receivables (ii)	124,936.45	132,714.59
Cash and cash equivalents (iii)	2,249.01	14,914.39
Other bank balances (iii)	2,021.02	3,651.45
Other financial assets (i)	20,642.30	25,898.24

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.



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

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

- (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.

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 2019	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings*	939,904.22	790,621.75	1,012,582.70	2,743,108.66
Trade payable	1,352.55	-	-	1,352.55
Other financial liabilities	83,108.58	16,440.43	10,081.84	109,630.84
<b>Total</b>	<b>1,024,365.34</b>	<b>807,062.18</b>	<b>1,022,664.54</b>	<b>2,854,092.05</b>

(Amount in ₹ Lakhs)

31 March 2018	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings*	495,688.99	894,944.19	1,208,251.82	2,598,885.01
Trade payable	4,500.85	-	-	4,500.85
Other financial liabilities	113,687.07	18,311.29	10,081.84	142,080.19
<b>Total</b>	<b>613,876.91</b>	<b>913,255.48</b>	<b>1,218,333.66</b>	<b>2,745,466.05</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 is Nil.

## 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 2019, 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 2019	31 March 2018
<b>Variable rate:</b>		
Borrowing	1,385,321.34	1,461,541.68
Loan assets	-	-
<b>Total variable rate exposure</b>	<b>1,385,321.34</b>	<b>1,461,541.68</b>
<b>Fixed rate:</b>		
Borrowing	1,750.65	1,774.39
Loans and deposits	6,513.70	11,172.45
<b>Total fixed rate exposure</b>	<b>4,763.05</b>	<b>9,398.06</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 2019	31 March 2018
<b>Interest sensitivity</b>		
Interest rates – increase by 100 basis points (31 March 2018: 100 basis points)	(13,853.21)	(14,615.42)
Interest rates – decrease by 100 basis points (31 March 2018: 100 basis points)	13,853.21	14,615.42

## 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 2019	31 March 2018
<b>Price sensitivity</b>		
Price increase by 1000 basis points (31 March 2018: 1000 basis points)	1,930.88	100.70
Price decrease by 1000 basis points (31 March 2018: 1000 basis points)	(1,930.88)	(100.70)

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

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

### 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 2019	31 March 2018
Long-term borrowings including finance lease obligations	991,727.32	1,108,201.10
Current maturities of long-term borrowings including finance lease obligations	269,844.19	197,304.10
Short-term borrowings	125,500.48	157,810.87
Interest accrued on borrowings	405,996.50	181,693.20
<b>Total borrowings</b>	<b>1,793,068.49</b>	<b>1,645,009.27</b>
Less:		
Cash and cash equivalents	2,249.01	14,914.39
Other bank balances	5,135.44	7,877.63
Investment of excess fund in mutual funds	19,308.83	1,007.02
<b>Net debts</b>	<b>1,766,375.21</b>	<b>1,621,210.23</b>
<b>Total equity</b>	<b>(75,840.15)</b>	<b>249,840.07</b>
<b>Net debt to equity ratio</b>	<b>(2329.08%)</b>	<b>648.90%</b>

(i) Net debts includes long term borrowing, their current maturities and net of cash and cash equivalents.

(ii) 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	31 March 2019	31 March 2018
<b>Current</b>		
Inventories and trade receivables (to the extent pledged)	169,122.37	148,014.11
<b>Non Current</b>		
Property, plant and equipment	1,459,064.40	1,501,401.43
Capital work-in-progress	233,041.76	225,381.97
Other intangibles assets	30.12	46.48
Shares of subsidiaries (net of impairment provision)	155,943.03	267,656.33

# Notes to the Consolidated Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## 44 Effective tax reconciliation

(Amount in ₹ Lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Loss before tax	(332,796.75)	(164,971.64)
Domestic tax rate	34.94%	34.61%
<b>Expected tax expense [A]</b>	<b>(116,279.18)</b>	<b>(57,096.68)</b>
Adjustment for non-deductible expenses	2,871.17	55.70
Adjustment for exempt income	(316.12)	(158.91)
Deferred tax assets not recognised	113,723.91	57,313.16
Minimum alternate tax	-	1,262.98
<b>Actual tax expense [C=A+B]</b>	<b>(0.22)</b>	<b>1,376.24</b>
<b>Tax expense comprises:</b>		
Current tax expense	(0.22)	113.25
Deferred tax expense	-	1,262.99
<b>Tax expense recognized in Statement of profit and loss [D]</b>	<b>(0.22)</b>	<b>1,376.24</b>

## 45 Interests in other entities

The Group's subsidiaries at 31 March 2019 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 2019	31 March 2018	31 March 2019	31 March 2018	
Airmid Power Limited**	India	-	100%	-	-	No principal activities
Angina Power Limited	India	100%	100%	-	-	Currently no principal activities
Aravali Properties Limited	India	100%	100%	-	-	Currently no principal activities
Bracond Limited	Cyprus	100%	100%	-	-	Currently no principal activities
Citra Thermal Power And Infrastructure Limited**	India	-	100%	-	-	No principal activities
Devona Thermal Power And Infrastructure Limited**	India	-	100%	-	-	No principal activities
Diana Energy Limited	India	74%	74%	26%	26%	Currently no principal activities
Diana Power Limited**	India	-	100%	-	-	No principal activities
Elena Power And Infrastructure Limited	India	100%	100%	-	-	Engineering Procurement Contractor
Genoformus Limited*	Cyprus	100%	100%	-	-	Currently no principal activities
Hecate Electric Limited**	India	-	100%	-	-	No principal activities
Hecate Energy Private Limited**	India	-	100%	-	-	No principal activities
Hecate Energy Trading Limited**	India	-	100%	-	-	No principal activities
Hecate Power And Energy Resources Limited**	India	-	100%	-	-	No principal activities
Hecate Power Development Limited**	India	-	100%	-	-	No principal activities
Hecate Power Projects Limited**	India	-	100%	-	-	No principal activities
Hecate Power Systems Limited**	India	-	100%	-	-	No principal activities
Hecate Power Transmission Limited	India	80.03%	80.03%	20%	20%	Currently no principal activities
Hecate Power Utility Limited**	India	-	100%	-	-	No principal activities
Sentia Power Limited	India	100%	100%	-	-	Currently no principal activities
Sentia Electric Limited**	India	-	100%	-	-	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 2019

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 2019	31 March 2018	31 March 2019	31 March 2018	
Sentia Electricity Limited**	India	-	100%	-	-	No principal activities
Sentia Electricity Generation Limited**	India	-	100%	-	-	No principal activities
Sentia Hydro Electric Power Limited**	India	-	100%	-	-	No principal activities
Sentia Hydro Energy Limited**	India	-	100%	-	-	No principal activities
Sentia Hydro Power Limited**	India	-	100%	-	-	No principal activities
Sentia Hydro Power Projects Limited**	India	-	100%	-	-	No principal activities
Devona Power Development Limited**	India	-	100%	-	-	No principal activities
Devona Power Distribution Limited**	India	-	100%	-	-	No principal activities
Devona Power Generation Limited**	India	-	100%	-	-	No principal activities
Devona Power Limited	India	74%	74%	26%	26%	Currently no principal activities
Devona Power Infrastructure Limited**	India	-	100%	-	-	No principal activities
Devona Power Projects Limited**	India	-	100%	-	-	No principal activities
Albina Power Trading Limited	India	100%	100%	-	-	Currently no principal activities
Albina Power Transmission Limited**	India	-	100%	-	-	No principal activities
Sinnar Thermal Power Limited	India	100%	100%	-	-	Thermal Power Generation
Albina Thermal Energy Limited **	India	-	100%	-	-	No principal activities
Albina Thermal Power Limited**	India	-	100%	-	-	No principal activities
Albina Thermal Power Management Limited**	India	-	100%	-	-	No principal activities
Devona Thermal Power Projects Limited**	India	-	100%	-	-	No principal activities
Albina Thermal Projects Limited**	India	-	100%	-	-	No principal activities
Albina Water Supply and Waste Management Services Limited(*&**)	India	-	100%	-	-	No principal activities
Kaya Hydropower Projects Limited**	India	-	100%	-	-	No principal activities
Lucina Power And Infrastructure Limited	India	100%	100%	-	-	Currently no principal activities
Poana Power Systems Limited**	India	-	100%	-	-	No principal activities
Poena Power Solutions Limited**	India	-	100%	-	-	No principal activities
Poena Hydro Power Projects Limited**	India	-	100%	-	-	No principal activities
Poena Power Development Limited	India	100%	100%	-	-	Power Generation
Poena Power Distributors Limited**	India	-	100%	-	-	No principal activities
Poena Power Generation Limited**	India	-	100%	-	-	No principal activities
Poena Power Limited**	India	-	100%	-	-	No principal activities
Poena Power Management Limited**	India	-	100%	-	-	No principal activities
Poena Power Services Limited**	India	-	100%	-	-	No principal activities
Poena Power Trading Limited**	India	-	100%	-	-	No principal activities
Poena Power Utility Limited**	India	-	100%	-	-	No principal activities
Poena Thermal Power Limited	India	100%	100%	-	-	Currently no principal activities
Renemark Limited*	Cyprus	100%	100%	-	-	Currently no principal activities
Selene Power Company Limited**	India	-	100%	-	-	No principal activities
Sentia Thermal Power And Infrastructure Limited**	India	-	100%	-	-	No principal activities
Sepla Hydropower Projects Limited**	India	-	100%	-	-	No principal activities
Sepset Thermal Power And Infrastructure Limited**	India	-	100%	-	-	No principal activities
Sinnar Power Transmission Company Limited*	India	100%	100%	-	-	Transmission of Power
Tharang Warang Hydropower Projects Limited**	India	-	100%	-	-	No principal activities
Triton Energy Limited**	India	-	100%	-	-	No principal activities

\* These companies are step down subsidiaries of the Company.

\*\* These companies have been filed for strike off with MCA and same are under process.

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

(Amount in ₹ Lakhs)

## 46. Additional Information required by schedule III

Name of entity	31 March 2019					31 March 2018						
	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	Consolidated profit or loss	As % of Consolidated comprehensive income	Total Comprehensive income
Albina Water Supply and Waste Management Services Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.56)	0.00%	(0.18)	0.00%	(0.18)
Lucina Power And Infrastructure Limited	0.00%	(0.72)	0.00%	(0.22)	0.00%	(0.22)	0.00%	(0.50)	0.00%	(0.33)	0.00%	(0.33)
Aravali Properties Limited	0.00%	(2.84)	0.00%	(0.16)	0.00%	(0.16)	0.00%	(2.68)	0.00%	(0.15)	0.00%	(0.15)
Devona Power Limited	1.77%	(1,347.70)	0.87%	(2,894.26)	0.88%	(2,865.80)	1.12%	2,806.50	0.07%	(112.60)	0.07%	(112.60)
Sentia Hydro Electric Power Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.52)	0.00%	(0.15)	0.00%	(0.15)
Sentia Hydro Energy Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.58)	0.00%	(0.15)	0.00%	(0.15)
Sentia Hydro Power Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	3.64	0.00%	(0.01)	0.00%	(0.01)
Sentia Hydro Power Projects Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	3.74	0.00%	-	0.00%	-
Devona Power Projects Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	3.19	0.00%	(0.02)	0.00%	(0.02)
Devona Power Infrastructure Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	(1.87)	0.00%	(0.14)	0.00%	(0.14)
Albina Thermal Energy Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	3.26	0.00%	(0.03)	0.00%	(0.03)
Albina Thermal Power Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	3.32	0.00%	(0.02)	0.00%	(0.02)
Sentia Electricity Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.60)	0.00%	(0.12)	0.00%	(0.12)
Diana Power Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	2.70	0.00%	(0.04)	0.00%	(0.04)
Diana Energy Limited	-0.03%	19.69	0.00%	0.80	0.00%	0.80	0.01%	18.88	0.00%	0.62	0.00%	0.62
Devona Thermal Power and Infrastructure Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	(10.89)	0.00%	(0.16)	0.00%	(0.16)
Citra Thermal Power and Infrastructure Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	(1.06)	0.00%	(0.15)	0.00%	(0.15)
Selene Power Company Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	7.51	0.00%	0.53	0.00%	0.53
Sentia Thermal Power and Infrastructure Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	(1.91)	0.00%	(0.13)	0.00%	(0.13)
Sepset Thermal Power and Infrastructure Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	(1.81)	0.00%	(0.13)	0.00%	(0.13)
Triton Energy Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	(2.20)	0.00%	(0.15)	0.00%	(0.15)
Sepia Hydropower Projects Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	(1.18)	0.00%	(0.15)	0.00%	(0.15)
Kaya Hydropower Projects Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	2.09	0.00%	(0.07)	0.00%	(0.07)
Tharang Warang Hydropower Projects Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.78)	0.00%	(0.16)	0.00%	(0.16)
Airmid Power Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	(3.47)	0.00%	(0.17)	0.00%	(0.17)
Angina Power Limited	0.08%	(63.76)	0.02%	(64.65)	0.02%	(64.65)	0.00%	0.90	0.00%	(0.15)	0.00%	(0.15)
Hecate Power Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	0.95	0.00%	0.00%	0.00%	-
Hecate Power Services Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	0.79	0.00%	-	0.00%	-
Hecate Thermal Power And Infrastructure Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	1.08	0.00%	-	0.00%	-
Hecate Power Generation Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	0.93	0.00%	-	0.00%	-
Hecate Power Distributors Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	0.92	0.00%	-	0.00%	-
Hecate Power & Energy Resources Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	6.05	0.00%	0.10	0.00%	0.10
Poena Power Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	0.51	0.00%	0.06	0.00%	0.06
Hecate Energy Trading Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	6.03	0.00%	0.10	0.00%	0.10
Hecate Energy Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	6.08	0.00%	0.10	0.00%	0.10
Hecate Power Projects Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.51)	0.00%	(0.15)	0.00%	(0.15)
Poena Thermal Power Limited	-0.01%	6.17	0.00%	0.14	0.00%	0.14	0.00%	6.02	0.00%	0.10	0.00%	0.10
Poena Power Services Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	6.01	0.00%	0.10	0.00%	0.10
Poena Power Generation Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	6.03	0.00%	0.10	0.00%	0.10
Poena Power Distributors Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	6.05	0.00%	0.10	0.00%	0.10

# Notes to the Consolidated Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## 46. Additional Information required by schedule III

Name of entity	31 March 2019						31 March 2018						(Amount in ₹ Lakhs)
	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	Consolidated profit or loss	As % of Consolidated comprehensive income	Total Comprehensive income	
Poena Hydro Power Projects Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	5.93	0.00%	0.00%	0.10	0.00%	0.10
Poena Power Trading Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	6.04	0.00%	0.00%	0.10	0.00%	0.10
Devona Power Development Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	3.40	0.00%	0.00%	(0.02)	0.00%	(0.02)
Albina Power Transmission Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	11.72	0.00%	0.00%	0.33	0.00%	0.33
Devona Power Generation Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	0.37	0.00%	0.00%	(0.12)	0.00%	(0.12)
Hecate Power Development Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	6.01	0.00%	0.00%	0.10	0.00%	0.10
Hecate Power Systems Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	3.85	0.00%	0.00%	(0.15)	0.00%	(0.15)
Hecate Power Management Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	0.89	0.00%	0.00%	-	0.00%	-
Hecate Power Supply Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	0.86	0.00%	0.00%	-	0.00%	-
Hecate Power Utility Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	5.57	0.00%	0.00%	0.08	0.00%	0.08
Hecate Power Transmission Limited	0.00%	(0.92)	0.00%	(0.16)	0.00%	(0.16)	0.00%	(0.76)	0.00%	0.00%	(0.15)	0.00%	(0.15)
Hecate Powergen Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	0.91	0.00%	0.00%	-	0.00%	-
Hecate Electric Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	4.56	0.00%	0.00%	0.03	0.00%	0.03
Poena Power Systems Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	0.36	0.00%	0.00%	0.10	0.00%	0.10
Poena Power Management Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.44)	0.00%	0.00%	(0.15)	0.00%	(0.15)
Poena Power Utility Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	6.07	0.00%	0.00%	0.14	0.00%	0.14
Poena Power Solutions Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	6.09	0.00%	0.00%	0.14	0.00%	0.14
Sentia Electric Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.63)	0.00%	0.00%	(0.13)	0.00%	(0.13)
Sentia Electricity Generation Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	3.32	0.00%	0.00%	0.01	0.00%	0.01
Albina Thermal Power Management Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	3.37	0.00%	0.00%	0.01	0.00%	0.01
Devona Thermal Power Projects Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	3.39	0.00%	0.00%	0.02	0.00%	0.02
Albina Thermal Projects Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	3.32	0.00%	0.00%	0.02	0.00%	0.02
Albina Power Trading Limited	-0.31%	234.02	0.00%	(0.05)	0.00%	(0.05)	0.09%	234.07	0.00%	0.00%	1.30	0.00%	1.30
Devona Power Distribution Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	0.72	0.00%	0.00%	(0.09)	0.00%	(0.09)
Bracond Limited	16.31%	(12,424.86)	22.91%	(76,234.62)	23.34%	(76,234.62)	25.82%	64,546.06	0.12%	(202.98)	0.12%	(202.98)	
Genoform Limited*	0.03%	(21.44)	18.69%	(62,202.89)	19.05%	(62,202.89)	23.15%	57,870.75	0.00%	(4.02)	0.00%	(4.02)	
Renemark Limited*	0.03%	(20.98)	5.25%	(17,474.00)	5.35%	(17,474.00)	6.50%	16,242.96	0.00%	(4.02)	0.00%	(4.02)	
Sentia Power Limited	0.00%	3.06	0.00%	(0.83)	0.00%	(0.83)	0.00%	3.89	0.00%	(1.20)	0.00%	(1.20)	
Poena Power Development Limited	0.03%	(22.20)	0.00%	(6.25)	0.00%	(6.25)	-0.01%	(15.95)	0.00%	(6.53)	0.00%	(6.53)	
Sinnar Power Transmission Company Limited	-6.61%	5,033.94	0.00%	(1.08)	0.00%	(1.08)	2.01%	5,035.02	0.00%	(4.99)	0.00%	(4.99)	
Amravati Power Transmission Company Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00	-0.32%	526.43	-0.32%	526.43	
Elena Power And Infrastructure Limited	19.04%	(14,509.09)	1.68%	(5,591.07)	1.49%	(4,869.85)	-3.86%	(9,639.24)	2.68%	(4,459.86)	2.11%	(3,480.74)	
Sinnar Thermal Power Limited (formerly known as RattanIndia Nasik Power Limited)	98.70%	(75,198.52)	54.48%	(181,302.89)	55.52%	(181,281.54)	42.43%	106,082.93	70.00%	(116,443.93)	70.66%	(116,456.27)	
IPL-PPSL Scheme Trust	0.00%	-	0.00%	-	0.00%	-	0.03%	75.00	0.00%	-	0.00%	-	
RattanIndia Power Limited	-238.67%	181,831.48	83.88%	(279,153.89)	85.49%	(279,152.62)	184.27%	460,737.68	25.15%	(41,837.68)	25.37%	(41,814.00)	
Total Eliminations/ Consolidation Adjustment	209.62%	(159,700.93)	-87.78%	292,129.56	-69.82%	297,618.40	-182.53%	(454,091.62)	2.28%	(3,797.17)	1.98%	(3,257.38)	
Total	100.00%	(76,185.60)	100.00%	(332,796.53)	100.00%	(326,535.39)	100.00%	250,028.53	100.00%	(166,347.88)	100.00%	(164,817.63)	

## 47 Disclosure under The Micro, Small and Medium Enterprises Development Act, 2006:

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-19	As at 31-Mar-18
(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.

- 48** The Group 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 ₹ 190,926.97, lakhs (31 March 2018- ₹ 201,538.21 lakhs) are derived from a single external customer and the Company operates in one geography.
- 49** 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 2019. There were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2019.
- 50** In previous year, Holding Company has retrospectively amended the Inter Company Deposits (ICD) agreements with certain entities in which KMP has significant influence in respect of ICD interest of earlier periods to the extent not paid upto the date of agreement and thereafter. As per the revised terms unpaid interest, amounting to ₹ 15,016.48 Lakhs up to 31 March 2019, on such loans will accrue and become due only on future uncertain event. Accordingly, during the year ended 31 March 2019, interest amounting of ₹ 8,843.80 lakhs on such ICDs has not been charged to the statement of profit and loss of the group.
- 51** During the current year, one of the lender of the Company adjusted ₹ 394.03 lakhs (31 March 2018: ₹ 7,789.54 lakhs) of its dues on the Company, by selling of 92.28 lakhs shares (31 March 2018: 1,000 lakhs shares) out of total invoked 300 lakhs pledged equity shares (31 March 2018: 1,000 lakhs pledged equity shares) of the Company issued to RR Infralands Limited (RRIL), a Company having significant influence. To replenish it, 'IPL-PPSL scheme trust' transferred 75 lakhs equity shares (31 March 2018: 1,000 lakhs equity shares) to RRIL, and similarly for remaining 225 lakh shares (31 March 2018: Nil), liability towards RRIL has also been recognized by the Company. Pursuant to this transaction, corpus of the 'IPL-PPSL trust' in the books of the Company is reduced by ₹ 75 lakhs (31 March 2018: ₹ 1,000 lakhs) being value of 75 lakhs equity shares (31 March 2018: 1,000 lakhs equity shares) and balance ₹ 245.24 lakhs (31 March 2018: ₹ 6,789.54 lakhs) has been credited to Capital Reserve.
- 52** The Group has incurred a loss of ₹ 326,535.39 lakh during the year ended 31 March 2019 (year ended 31 March 2018 ₹ 164,817.63 lakh), and as of that date, Group's accumulated losses from operations amounts to ₹ 682,068.22 lakh (as of 31 March 2018 ₹ 350,549.44 lakh) and its current liabilities exceed current assets by ₹ 671,282.00 lakh (year ended 31 March 2018 ₹ 397,585.41 lakh). The Holding Company continued to operate at sub-optimal levels due to lower demand form



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

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

MSEDCL and also short availability of coal during the year resulting in adverse impact on cash flow from operations and STPL is yet to commence operations.

Subsequent to defaults in payment of debt by the Holding Company as well as STPL, the lenders of the Holding Company as well as STPL invoked S4A and SDR respectively. However, subsequent to RBI's notification dated 12 February 2018, all debt restructuring schemes (including S4A and SDR) were repealed with immediate effect which impacted progress made by the Holding Company and STPL under S4A and SDR respectively. The Hon'ble Supreme Court vide its order dated 02 April 2019 has quashed RBI's notification dated 12 February 2018. The Holding Company and STPL are in active discussion with lenders for successful resolution of debt.

These conditions indicate the existence of material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. However, on expectation of resolution of debt of Company and STPL with Lenders, restoration of full operations of Holding Company on higher demand from MSEDCL and availability of coal, implementation of PPA in STPL soon and other mitigating factors mentioned in the aforesaid notes, these consolidated financial statements have been prepared on a going concern basis.

- 53** The consolidated financial statements include capital work in progress (CWIP) balance of ₹ 98,430.35 lakh as at 31 March 2019 in respect of 1350 MW power plant (Phase II) of the Holding Company as well as one its subsidiary company STPL. The construction activities at both these projects are currently suspended. The management believes that the suspension is temporary and is not likely to lead to impairment of the aforementioned CWIP. For both the Projects, the Group has all necessary environmental clearances and infrastructure like land, railway, water connection and FSA (only in case of Holding Company) which are difficult to secure in the current environment. Further the cost of setting up these plants is significantly lower than setting up a new plant due to common facilities available with the Group.

In view of the aforementioned factors along with external factors such as increasing power consumption and related demand in market, management is confident that the Projects are fully viable and hopeful of reviving these Projects at appropriate time. Considering these factors and the ongoing discussion with suppliers, the management believes, no impairment is required to the aforementioned carrying amount of CWIP in these consolidated financial statements.

- 54** The exceptional items include, as per the re-assessment done by the management, an amount of ₹ 132,921.31 lakh provided for/written off during the current year on account of other receivable which are uncertain on their recoverability. Such provision/ write off are not in ordinary course of business of the group and hence considered as exceptional items in nature.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

For and on behalf of the Board of Directors

**Rohit Arora**  
Partner  
Membership No. : 504774

**Rajiv Rattan**  
Chairman  
DIN: 00010849

**Sanjiv Chhikara**  
Director  
DIN: 06966429

**Aman Singh**  
Chief Executive Officer

Place : New Delhi  
Date : 20 May 2019

**Sameer Darji**  
Chief Financial Officer

**Lalit Narayan Mathpati**  
Company Secretary

# Form AOC 1

of (Statement 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 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 (₹ in Lakhs)	Other Equity (₹ in Lakhs)	Total Assets (₹ in Lakhs)	Total Liability (₹ in Lakhs)	Revenue from operations (₹ in Lakhs)	Profit/ (loss) before tax (₹ in Lakhs)	Tax Expense (₹ in Lakhs)	Profit/ (loss) after Tax (₹ in Lakhs)	Total Comprehensive Income (₹ in Lakhs)	Proposed Dividend	% Shareholding
1	Lucha Power And Infrastructure Limited	3 December 2008	31 March 2019	INR	1	12.00	(12.72)	0.60	1.32	-	(0.22)	-	(0.22)	(0.22)	-	100%
2	Aravali Properties Limited	3 December 2008	31 March 2019	INR	1	41.00	(43.84)	0.61	3.45	-	(0.16)	-	(0.16)	(0.16)	-	100%
3	Devona Power Limited (formally known as Indiabulls Power Generation Limited)	3 December 2008	31 March 2019	INR	1	50.00	(1,397.70)	42.38	1,390.07	-	(2,894.26)	(28.46)	(2,865.80)	(2,865.80)	-	74%
4	Diana Energy Limited	3 December 2008	31 March 2019	INR	1	50.00	(30.31)	19.81	0.12	-	0.80	-	0.80	0.80	-	74%
5	Angina Power Limited	3 December 2008	31 March 2019	INR	1	5.00	(68.76)	0.09	63.85	-	(64.65)	-	(64.65)	(64.65)	-	100%
6	Poena Thermal Power Limited	3 December 2008	31 March 2019	INR	1	5.00	1.17	6.29	0.12	-	0.14	-	0.14	0.14	-	100%
7	Hecate Power Transmission Limited	3 December 2008	31 March 2019	INR	1	12.27	(13.19)	0.06	0.98	-	(0.16)	-	(0.16)	(0.16)	-	80.03%
8	Albina Power Trading Limited (formally known as Indiabulls Power Trading Limited)	3 December 2008	31 March 2019	INR	1	175.00	59.01	234.55	0.54	-	(0.05)	-	(0.05)	0.05	-	100%
9	Bracond Limited	12 August 2008	31 March 2019	USD	69.17	43,277.11	20,459.88	-	12,424.87	-	(72.77)	-	(72.77)	(72.77)	-	100%
10	Genoformus Limited*	26 August 2008	31 March 2019	USD	69.17	0.64	(58,843.62)	-	21.44	-	(62,202.89)	-	(62,202.89)	(62,202.89)	-	100%
11	Renemark Limited*	23 August 2008	31 March 2019	USD	69.17	0.64	(17,360.64)	-	20.97	-	(17,474.00)	-	(17,474.00)	(17,474.00)	-	100%
12	Sentia Power Limited (formally known as Indiabulls CSEB Bhaliyathan Power Limited )	3 December 2008	31 March 2019	INR	1	207.40	(204.33)	34.92	31.85	-	(0.83)	-	(0.83)	(0.83)	-	100%
13	Poena Power Development Limited	3 December 2008	31 March 2019	INR	1	5.00	(27.20)	24,034.58	24,056.78	-	(6.25)	-	(6.25)	6.25	-	100%
14	Sinnar Power Transmission Company Limited*	3 December 2008	31 March 2019	INR	1	92.00	4,941.94	22,944.60	17,910.66	-	(1.08)	-	(1.08)	(1.08)	-	100%
15	Elena Power And Infrastructure Limited	3 December 2008	31 March 2019	INR	1	500.00	(15,009.09)	46,455.71	60,964.80	-	(5,591.07)	-	(5,591.07)	(4,869.85)	-	100%
16	Sinnar Thermal Power Limited (formally known as RattanIndia Nask Power Limited)	3 December 2008	31 March 2019	INR	1	3,197.72	(78,396.24)	899,977.18	975,175.70	-	(181,302.91)	-	(181,302.89)	(181,281.56)	-	100%

\* These companies are step down subsidiaries of the Company.

#### Names of subsidiaries which are yet to commence operations

Angina Power Limited	Sentia Power Limited	Lucina Power And Infrastructure Limited
Aravali Properties Limited	Devona Power Limited	Poena Thermal Power Limited
Bracond Limited	Albina Power Trading Limited	Renemark Limited*
	Hecate Power Transmission Limited	

## Form AOC 1 (Contd.)

of (Statement to first proviso to sub-section(3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

### 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	NA
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	
	No.	
	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 **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

**Rohit Arora**  
Partner  
Membership No. : 504774

Place : New Delhi  
Date : 20 May 2019

#### For and on behalf of the Board of Directors

**Rajiv Rattan**  
Chairman  
DIN: 00010849

**Sameer Darji**  
Chief Financial Officer

**Sanjiv Chhikara**  
Director  
DIN: 06966429

**Lalit Narayan Mathpati**  
Company Secretary

**Aman Singh**  
Chief Executive Officer

**To the members of RattanIndia Power Limited (formerly Indiabulls Power Limited.)**

## **Report on the Audit of the Standalone Financial Statements**

### **Qualified Opinion**

1. We have audited the accompanying standalone financial statements of RattanIndia Power Limited (formerly Indiabulls Power Limited.) ('the Company'), which comprise the Balance Sheet as at 31 March 2019, 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.
2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### **Basis for Qualified Opinion**

3. As explained in Note 55 to the accompanying standalone financial statements, the Company has a non-current investment of ₹ 302,621.55 lakhs in, inter corporate deposits (classified as loans under current financial assets) of ₹ 5,098.36 lakhs and trade receivable of ₹ 532.65 lakhs recoverable from Sinnar Thermal Power Limited (formerly RattanIndia Nasik Power Limited) (STPL), a wholly-owned subsidiary of the Company, as at 31 March 2019. The subsidiary company has incurred losses since its inception and is yet to commence operations. The accumulated losses in the subsidiary company amount to ₹ 377,824.45 lakhs as at 31 March 2019 and the management of the subsidiary company has determined that a material uncertainty exists, as at 31 March 2019, that may cast significant doubt about the subsidiary company's ability to continue as a going concern. The management of the Company, based on an internal estimate, has recorded an impairment against carrying value of investment in STPL amounting to ₹ 151,310.77 lakhs and has also written off aforementioned balances of inter corporate deposits amounting to ₹ 4,848.36 lakhs and trade receivables of ₹ 532.65 lakhs. In the absence of evidence for such impairment assessment performed by the management, we are unable to obtain sufficient appropriate evidence to comment on any adjustment that may further be required to be made to the balance carrying value of the above mentioned non-current investment as at 31 March 2019, and the consequential impact thereof on the accompanying standalone financial statements.
4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### **Material Uncertainty Related to Going Concern**

5. We draw attention to Note 53 to the standalone financial statements which indicates that the Company has incurred a net loss of ₹ 279,152.62 lakhs during the year ended 31 March 2019 and, as of that date, the Company's accumulated losses amounts to ₹ 411,673.83 lakhs and the Company's current liabilities exceed its current assets by ₹ 285,867.93 lakhs. The Company has also made defaults in repayment of borrowings from banks, including interest, by an amount aggregating ₹ 237,051.14 crores till 31 March 2019. These conditions along with other matters as set forth in such note, indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, in view of withdrawal of the petition before the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016 by the lender banks on 14 May 2019, the ongoing discussions relating to restructuring of its borrowings and other debts with the lenders which includes a binding One Time Settlement (OTS) offer made by the Company based on identification of new investors and infusion of funds by the promoters, better financial performance as a result of favourable business conditions expected in future and other mitigating factors mentioned in the aforesaid note, the management is of the view that going concern basis of accounting is appropriate for preparation of the accompanying standalone financial statements. Our opinion is not modified in respect of this matter.

The above assessment of the Company's ability to continue as going concern is by its nature considered as key audit matter

## Independent Auditors' Report (contd.)

in accordance with SA 701 In relation to the above key audit matter, our audit work included, but was not limited to, the following procedures:

- a) Obtained understanding of the management's process for identifying all events or conditions that could impact the Company's ability to continue as a going concern, and the process to assess the corresponding mitigating factors existing against each such event or condition.
- b) Evaluated the design and tested the operating effectiveness of key controls around aforesaid identification of events or conditions and mitigating factors, and controls around cash flow projections prepared by the management.
- c) Tested the appropriateness of the key assumptions in the cash flow projections for next 12 months by considering our understanding of the business, past performance of the Company, external data and market conditions apart from discussing these assumptions with the management and the Audit Committee.
- d) Evaluated the sensitivity analysis performed by the management in respect of the key assumptions discussed above to ensure that there was sufficient headroom with respect to the estimation uncertainty impact of such assumptions on the calculation.
- e) Tested the arithmetical accuracy of the calculations including those related to sensitivity analysis performed by the management.
- f) Evaluated the historical accuracy of the cash flow projections made by the management in prior periods.
- g) Reviewed the minutes of meetings of lenders, binding offer, correspondence with proposed investors, etc. with respect to the status of OTS offer.
- h) Evaluated the appropriateness of the disclosures made in the financial statements in respect of going concern basis of accounting in accordance with the applicable accounting standards.

### Emphasis of Matter

6. We draw attention to Note 54 to the accompanying standalone financial statements with respect to capital work-in-progress (CWIP) aggregating to ₹ 54,657.35 lakhs outstanding as at 31 March 2019, pertaining to construction of second 1350 MW power plant (Phase II) of the Company which is currently suspended. Based on expected revival of the project and other factors described in the aforesaid note, the management believes that no adjustment is required to the carrying value of the aforesaid balances. Our audit opinion is not modified in respect of this matter.

### Key Audit Matter

7. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
8. In addition to the matter described in the Basis for Qualified Opinion and Material Uncertainty Related to Going Concern sections we have determined the matters described below to be the key audit matters to be communicated in our report.

<p><b>Recoverability of amounts due from Maharashtra State Electricity Distribution Company Limited (MSEDCL)</b></p> <p>The Company has dues from MSEDCL amounting to Rs. 123,297.03 lakhs as at 31 March 2019.</p> <p>As detailed in Note no 32(C) to the standalone financial statements, there are certain claims by the Company which are disputed by MSEDCL including claim on account of Compensatory Claim (CCEA) amounting to Rs. 28,658.80 lakhs and Late Payment Surcharge (LPS) thereon and Change-in-law (CIL) Claims. These are under litigation at various levels of regulatory authorities.</p> <p>The Company has obtained a legal opinion from an independent counsel with respect to recoverability of Rs. 28,658.80 lakhs on account of CCEA claims and LPS thereon.</p>	<p><b>Our audit work in relation to assessment of recoverability of amounts due from MSEDCL included, but was not limited to, the following:</b></p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the nature of litigations and key developments during the year from the management.</li> <li>• Tested the design, implementation and operating effectiveness of the controls that the Company has established in relation to recoverability of such dues.</li> <li>• Evaluated the reasonableness of the key assumptions used by the management in determination of recoverable amount based on our knowledge of the business and industry.</li> <li>• Obtained legal opinion from the Company's external legal counsel and analysed the same in light of the current industry practice.</li> </ul>
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<p>Further, in respect of claim related to CIL, the Maharashtra Electricity Regulatory Commission, vide order dated 3 April 2018, has decided a methodology for computing the quantum of claim which is disputed by the Company and the matter is pending for resolution under Appellate Tribunal for Electricity.</p> <p>Considering the materiality of the balances to the Company's standalone financial statements and the judgements involved in the estimation of recoverability, this matter is considered to be a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> <li>• Obtained and reviewed the necessary evidence which includes correspondence with the internal legal counsels and where necessary, inspected minutes of case proceedings available in public domain, to support the decisions and rationale for creation of provisions and / or disclosure of receivables in respect of each such litigation selected for testing.</li> <li>• Ensured appropriateness of disclosures made in the financial statements with respect to the receivables are in accordance with the applicable accounting standards.</li> </ul>
<p><b>Impairment of power plant at Amravati</b></p> <p>Refer Note 3 for the accounting policies for impairment of assets. The Company has a power generating plant and allied facilities valuing ₹ 639,000.41 lakhs and ₹ 64,591.69 lakhs respectively.</p> <p>In accordance with Ind AS 36, Impairment of assets, the management identified that impairment indicators existed for the power plant owing to the fact that there has been less than full capacity utilisation of the plant since the commencement of operations, and currently, the plant is operating at around 34% capacity.</p> <p>The aforesaid assessment of the impairment involves exercising a significant judgement with regard to assumptions and estimates involved in forecasting future cash flows. These assumptions include plant operating level, discount rates, estimation of terminal value.</p> <p>Changes in the management forecasts or assumptions can impact the assessment of the discounted cash flows and consequently the valuation of such power plant.</p> <p>A significant amount of audit effort was required particularly as some of these assumptions are dependent on the economic factors and trading conditions in the markets in which the Company operates. Considering the significance of the amounts involved, degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, we have determined impairment of power generating plant as a key audit matter.</p>	<p>Our audit procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management process, and performed a walkthrough to evaluate design effectiveness and tested the operating effectiveness of key controls for identifying impairment indicators as well as determining the appropriate methodology to carry out impairment testing for plant, property and equipment.</li> <li>• Evaluated the appropriateness of applying relevant accounting standards in recognising the impairment loss.</li> <li>• Challenged the management on the underlying assumptions used for the cash flow projections including the implied growth rates, discount rate, estimation of terminal value etc. considering the evidence available to support these assumptions and our understanding of the business and industry.</li> <li>• Tested the discount rate and plant operating level used in the forecasts, including comparison to economic and industry forecasts where appropriate.</li> <li>• Evaluated the sensitivity analysis performed by the management in respect of the key assumptions discussed above to ensure that there was sufficient headroom with respect to the estimation uncertainty impact of such assumptions on the calculation.</li> <li>• Ensured that disclosures for the aforesaid balances and transactions are adequately disclosed in accordance with the applicable accounting standards.</li> </ul>
<p><b>Litigation and contingent liabilities</b></p> <p>We refer to the Note 32 of the standalone financial statements of the Company for the year ended 31 March 2019. The Company operates in an industry which is heavily regulated which increases inherent risk of litigations. There are a number of legal and regulatory cases, of which the most significant ones are claims by the Company on MSEDCL as explained in the KAM on recoverability from MSEDCL, and claims by the vendors / suppliers on the Company.</p>	<p>Our audit procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management process for: <ul style="list-style-type: none"> <li>- identification of legal and tax matters initiated against the Company;</li> <li>- assessment of accounting treatment for each such litigation identified under Ind AS 37 accounting principles; and</li> <li>- for measurement of amounts involved.</li> </ul> </li> </ul>

## Independent Auditors' Report (contd.)

<p>The eventual outcome of these legal proceedings is dependent on the outcome of future events and unexpected adverse outcomes could significantly impact the Company's reported profits and balance sheet position.</p> <p>The amounts involved are material and the application of accounting principles as given under Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, in order to determine the amount to be recorded as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management.</p> <p>Key judgments are also made by the management in estimating the amount of liabilities, provisions and/or contingent liabilities related to aforementioned litigations.</p> <p>Considering the degree of judgment, significance of the amounts involved, inherent high estimation uncertainty and reliance on external legal and tax experts, this matter has been identified as a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> <li>• Evaluated the design and tested the operating effectiveness of key controls around above process.</li> <li>• Obtained an understanding of the nature of litigations pending against the Company and discussed the key developments during the year for key litigations with the management and respective legal counsels handling such cases on behalf of the Company.</li> <li>• Obtained and reviewed the necessary evidence which includes correspondence with the external and internal legal counsels, wherever applicable and inspected minutes of case proceedings available in public domain, to support the decisions and rationale for creation of provisions and / or disclosure of contingent liabilities in respect of each such litigation selected for testing. We focused on the developments in the existing litigations and new litigations, which could have materially impacted the amounts recorded as provisions or disclosed as contingent liability in the standalone financial statements.</li> <li>• Assessed management's conclusions through discussions held with the in-house legal counsel and understanding precedents set in similar cases.</li> <li>• Obtained and read the correspondence with the regulatory authorities, including past judgements on the subject matter of specific significant litigations.</li> <li>• Assessed the appropriateness of methods used, and the reliability of underlying data for the underlying calculations made for quantifying the amounts involved. Tested the arithmetical accuracy of such calculations.</li> <li>• Evaluated the adequacy of disclosures made by the Company in the financial statements in view of the requirements as specified in the Indian Accounting Standards.</li> </ul>
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### Information other than the Financial Statements and Auditor's Report thereon

9. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

10. The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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), loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in



accordance with the accounting principles generally accepted in India, including the 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

11. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
12. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

13. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
14. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
15. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
16. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or



## Independent Auditors' Report (contd.)

when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

18. As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
19. 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.
20. Further to our comments in Annexure A, as required by section 143(3) of the Act, we report that:
  - a) we have sought and except for the possible effect of the matter described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, 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) except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
  - e) the matters described in paragraph 3 under the Basis for Qualified Opinion paragraph and paragraph 5 under Material Uncertainty Related to Going Concern and paragraph 6 under the Emphasis of Matters paragraph, in our opinion, may have an adverse effect on the functioning of the Company;
  - f) 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 2019 from being appointed as a director in terms of section 164(2) of the Act;
  - g) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph;
  - h) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 20 May 2019 as per Annexure B expressed modified opinion; and
  - i) 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 32(A) and 32(B) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2019;
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;
    - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019; and
    - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rohit Arora**

Partner

Membership No.: 504774

Place : New Delhi  
Date : 20 May 2019

## 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 2019

### 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 property, plant and equipment.
- (b) The Company has a regular program of physical verification of its property, plant and equipment 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 except for the following properties:

(Amount in ₹ Lakhs)

Nature of property	Total number of cases	Whether leasehold/ freehold	Gross block as on 31 March 2019	Net block on 31 March 2019
Land	1	Freehold	337.35	337.35

- (ii) In our opinion, the management has conducted a physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stock lying with the third parties at the year-end, written confirmations have been obtained by the management. No material discrepancies were noticed on the aforesaid verification.
- (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) The Company is regular in depositing 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, to the appropriate authorities. 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 become 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 loans or borrowings payable to government and no dues payable to debenture-holders. The Company has defaulted in repayment of loans/borrowings to the following banks and financial institutions:

## Annexure A to the Independent Auditors' Report (contd.)

Statement of defaults in repayment of borrowings from banks and financial institutions that are not paid as at Balance Sheet date:

(Amount in ₹ Lakhs)

Name of bank/financial institution	0-3 months	3-6 months	6-12 months	More than 12 months
<b>Banks</b>				
Axis Bank	470.76	-	-	-
Bank of India	901.00	901.22	1,702.30	1,966.11
Canara Bank	538.36	538.36	1,076.72	1,794.53
Central Bank of India	518.00	239.00	-	-
IDBI Bank	-	3,750.00	4,605.97	5,000.00
ICICI Bank	-	-	-	1,795.82
Punjab National Bank	901.00	901.22	1,802.43	3,003.89
State Bank of Bikaner & Jaipur	189.61	189.61	379.22	632.03
State Bank of India	1,949.00	1,948.50	3,897.00	6,495.00
State Bank of Travancore	269.19	269.19	538.38	897.30
Syndicate Bank	362.84	362.84	168.12	-
UCO Bank	608.00	275.48	-	-
United Bank of India	422.42	422.42	844.83	803.34
<b>Financial institutions</b>				
Life Insurance Corporation	598.18	598.18	682.35	-
Power Finance Corporation	5,355.98	5,355.98	4,162.95	-
Rural Electrification Corporation	1,778.94	1,571.98	-	-

- (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 purposes for which the loans were obtained, though idle funds which were not required for immediate utilisation 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.
- (xi) Managerial remuneration has been paid and provided 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's Registration No.: 001076N/N500013

**Rohit Arora**

Partner

Membership No.: 504774

Place : New Delhi  
Date : 20 May 2019

## **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 2019**

### **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 2019, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of 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.

#### **Auditors' 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.

#### **Qualified Opinion**

8. We have not been provided sufficient and appropriate audit evidence with respect to assessment of the carrying value of

## Annexure B to the Independent Auditors' Report (contd.)

investment in a wholly owned subsidiary. In the absence of sufficient audit evidence, we are unable to comment on adequacy and operating effectiveness of controls over the impairment assessment process and it's the potential impact on carrying value of investment and the consequential impact on the accompanying standalone financial statements.

9. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting as at 31 March 2019, 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 except for the possible effect of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as at 31 March 2019.
10. We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2019, and the material weakness has affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rohit Arora**

Partner

Membership No.: 504774

Place : New Delhi

Date : 20 May 2019

# Balance Sheet

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) as at 31 March 2019

		(Amount in ₹ Lakhs)	
	Note	As at 31 March 2019	As at 31 March 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	4	719,308.75	742,401.26
(b) Capital work-in-progress		64,622.56	64,997.01
(c) Intangible assets	5	24.51	36.98
(d) Financial assets			
(i) Investments	6A	156,764.85	352,385.16
(ii) Loans	7	16,931.59	32,310.92
(iii) Other financial assets	8	2,946.85	4,001.55
(e) Non-current tax assets (net)	9	1,383.91	1,330.06
(f) Other non-current assets	10	1,076.23	43,790.56
		<b>963,059.25</b>	<b>1,241,253.50</b>
<b>Current assets</b>			
(a) Inventories	11	43,247.46	14,175.41
(b) Financial assets			
(i) Investments	6B	19,207.66	500.75
(ii) Trade receivables	12	123,307.42	132,854.90
(iii) Cash and cash equivalents	13	2,115.59	12,795.16
(iv) Other bank balances	14	1,413.32	2,995.71
(v) Loans	7	427.66	5,047.50
(vi) Other financial assets	8	17,527.88	21,672.06
(c) Other current assets	10	21,271.41	13,562.65
		<b>228,518.40</b>	<b>203,604.14</b>
<b>TOTAL ASSETS</b>		<b>1,191,577.65</b>	<b>1,444,857.64</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	15	295,293.34	295,293.34
(b) Other equity	16	(113,461.86)	165,444.34
		<b>181,831.48</b>	<b>460,737.68</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17	399,566.29	463,004.85
(ii) Other financial liabilities	18	9,887.49	8,308.23
(b) Provisions	19A	690.57	656.88
(c) Other non-current liabilities	20	85,215.49	64,715.57
		<b>495,359.84</b>	<b>536,685.53</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	160,290.94	193,304.83
(ii) Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,352.55	4,501.14
(iii) Other financial liabilities	23	341,723.58	244,183.70
(b) Other current liabilities	24	7,004.43	158.66
(c) Provisions	19B	4,014.83	5,286.10
		<b>514,386.33</b>	<b>447,434.43</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,191,577.65</b>	<b>1,444,857.64</b>
<b>Summary of significant accounting policies</b>			
The accompanying notes are integral part of the financial statements.		3	1 - 60

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

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013

For and on behalf of the Board of Directors

**Rohit Arora**

Partner

Membership No. : 504774

**Rajiv Rattan**

Chairman

DIN: 00010849

**Sanjiv Chhikara**

Director

DIN: 06966429

**Aman Singh**

Chief Executive Officer

Place : New Delhi

Date : 20 May 2019

**Sameer Darji**

Chief Financial Officer

**Lalit Narayan Mathpati**

Company Secretary

# Statement of Profit and Loss

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

		(Amount in ₹ Lakhs)	
	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Revenue</b>			
Revenue from operations	25	190,926.97	201,538.21
Other income	26	18,012.43	22,411.10
		<b>208,939.40</b>	<b>223,949.31</b>
<b>Expenses</b>			
Cost of fuel, water and power consumed	27	102,884.50	118,084.19
Employee benefits expense	28	4,616.99	4,647.72
Finance costs	29	107,450.64	99,663.27
Depreciation and amortisation expense	30	23,331.83	23,912.22
Other expenses	31	16,078.47	18,788.53
		<b>254,362.43</b>	<b>265,095.93</b>
<b>Loss before exceptional items and tax</b>		<b>(45,423.03)</b>	<b>(41,146.62)</b>
Exceptional items (refer note 45)		233,730.86	-
<b>Loss before tax</b>		<b>(279,153.89)</b>	<b>(41,146.62)</b>
Tax expense		-	691.06
<b>Loss for the year</b>		<b>(279,153.89)</b>	<b>(41,837.68)</b>
<b>Other comprehensive income</b>			
(a) Items that will not be reclassified to profit and loss			
Re-measurement of post-employment benefit obligations		1.27	23.68
<b>Other comprehensive income for the year</b>		<b>1.27</b>	<b>23.68</b>
<b>Total comprehensive loss for the year</b>		<b>(279,152.62)</b>	<b>(41,814.00)</b>
<b>Loss per equity share (Face value Rs.10)</b>	37		
Basic (₹)		(9.45)	(1.42)
Diluted (₹)		(9.45)	(1.42)
<b>Summary of significant accounting policies</b>	3		
<b>The accompanying notes are integral part of the financial statements. 1 - 60</b>			

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

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

For and on behalf of the Board of Directors

**Rohit Arora**  
Partner  
Membership No. : 504774

**Rajiv Rattan**  
Chairman  
DIN: 00010849

**Sanjiv Chhikara**  
Director  
DIN: 06966429

**Aman Singh**  
Chief Executive Officer

Place : New Delhi  
Date : 20 May 2019

**Sameer Darji**  
Chief Financial Officer

**Lalit Narayan Mathpati**  
Company Secretary

# Statement of Changes in equity

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## A Equity share capital (refer note 15)

(Amount in ₹ Lakhs)

Particulars	Balance as at 1 April 2017	Movement during the year	Balance as at 31 March 2018	Movement during the year	Balance as at 31 March 2019
Equity share capital	295,293.34	-	295,293.34	-	295,293.34

## B Other equity (refer note 16)

(Amount in ₹ Lakhs)

Particulars	Reserves and surplus				Total
	Capital reserve	Securities premium	Employee's stock options outstanding	Retained earnings	
<b>Balance as at 1 April 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>
Loss for the year	-	-	-	(41,837.68)	(41,837.68)
Other comprehensive income	-	-	-	23.68	23.68
Addition during the year	6,789.54	-	-	-	6,789.54
Employee's stock options vested	-	-	4.85	-	4.85
Employee's stock options lapsed	-	-	(25.75)	25.75	-
Other adjustments	-	-	(38.68)	-	(38.68)
<b>Balance as at 31 March 2018</b>	<b>42,165.97</b>	<b>255,767.87</b>	<b>31.71</b>	<b>(132,521.21)</b>	<b>165,444.34</b>
Loss for the year	-	-	-	(279,153.89)	(279,153.89)
Other comprehensive income	-	-	-	1.27	1.27
Addition during the year (refer note 44)	245.24	-	-	-	245.24
Employee's stock options vested	-	-	1.18	-	1.18
<b>Balance as at 31 March 2019</b>	<b>42,411.21</b>	<b>255,767.87</b>	<b>32.89</b>	<b>(411,673.83)</b>	<b>(113,461.86)</b>

The accompanying notes are integral part of the financial statements (refer note 1-60).

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

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013

For and on behalf of the Board of Directors

**Rohit Arora**

Partner

Membership No. : 504774

**Rajiv Rattan**

Chairman

DIN: 00010849

**Sanjiv Chhikara**

Director

DIN: 06966429

**Aman Singh**

Chief Executive Officer

Place : New Delhi

Date : 20 May 2019

**Sameer Darji**

Chief Financial Officer

**Lalit Narayan Mathpati**

Company Secretary



# Cash flow statement

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

	(Amount in ₹ Lakhs)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before tax	(279,153.89)	(41,146.62)
<b>Adjustments for:</b>		
Depreciation/ amortisation expense	23,331.83	23,912.22
Advances and payable written off	195.86	-
Provision for impairment of investments	200,029.98	-
Provision for impairment of loans & receivables	38,912.68	-
Gain on disposal of fixed assets (net)	(3.58)	(2.20)
Provision for compensation payable	1,228.11	2,421.02
Liability/excess provisions written back	(1,780.89)	(4,253.14)
Investment written off	529.22	4,629.48
Interest income	(2,337.63)	(2,793.90)
Dividend income	(886.83)	(277.99)
Gain on foreign currency transactions (net)	(437.52)	(37.54)
Finance costs	107,450.64	99,663.27
Profit on sale of investments	(133.41)	(1,772.87)
Employee stock options vested	1.05	(33.40)
<b>Operating profit before working capital changes</b>	<b>86,945.62</b>	<b>80,308.33</b>
<b>Movement in working capital</b>		
Increase in inventories	(29,072.06)	(7,040.59)
Decrease/ (Increase) in other financial assets	4,144.17	(7,078.57)
Increase in other assets	(7,083.92)	(3,676.23)
Decrease/ (Increase) in trade and other receivables	9,014.83	(53,981.25)
(Decrease)/ Increase in other financial liabilities	(8.30)	1,423.10
Increase in other liabilities	24,881.29	18,644.40
(Decrease)/ Increase in trade and other payables	(3,415.60)	3,349.94
<b>Cash flow generated from operating activities post working capital changes</b>	<b>85,406.03</b>	<b>31,949.13</b>
Income tax refund/ (paid) (net)	(53.85)	60.07
<b>Net cash flow generated from operating activities (A)</b>	<b>85,352.18</b>	<b>32,009.20</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work-in-progress)	(43.85)	4,835.40
Proceeds from sale/disposal of property, plant and equipment	81.88	7.45
Purchase of intangible assets	(15.83)	(7.45)
Loans given	(237.43)	23,156.13
Purchase of investment in subsidiaries	-	(20,261.32)
Proceeds from sale of investment in subsidiaries	0.53	9,962.00
Movement in current investments	(18,446.64)	6,499.25
Movement in fixed deposits	2,637.09	(518.74)
Interest received	352.88	428.00
Dividend received	886.83	277.99
<b>Net cash flows generated/(used) in investing activities (B)</b>	<b>(14,784.54)</b>	<b>24,378.71</b>

# Cash flow statement *(Contd.)*

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

	(Amount in ₹ Lakhs)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long-term borrowings	(44,264.53)	(11,032.66)
Proceeds/(repayment) from/(of) short-term borrowings (net)	(35,967.75)	(8,508.72)
Finance cost paid	(1,014.94)	(30,663.85)
<b>Net cash used in financing activities (C)</b>	<b>(81,247.22)</b>	<b>(50,205.23)</b>
<b>Increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(10,679.57)</b>	<b>6,182.68</b>
Cash and cash equivalents at the beginning of the year	12,795.16	6,612.48
<b>Cash and cash equivalents at the end of the year (refer note 13)</b>	<b>2,115.59</b>	<b>12,795.16</b>

## Reconciliation of liabilities arising from financing activities

	(Amount in ₹ Lakhs)		
	Long-term borrowings	Short-term borrowings	Total
<b>As at 01 April 2018</b>	<b>581,143.30</b>	<b>193,304.83</b>	<b>774,448.13</b>
Cash flows:			
Repayment of borrowings	(44,264.53)	(36,045.01)	(80,309.54)
Receipt of borrowings	-	77.26	77.26
Non-cash:			
Reduction of borrowings pursuant to shares invoked by IDBI Bank Limited	(394.03)	-	(394.03)
Invocation of pledge	-	200.65	200.65
Impact of borrowings measured at amortised cost	342.50	-	342.50
Interest conversion to dues	-	1,866.62	1,866.62
Reclassification among nature of borrowing	(841.59)	841.59	-
Others	-	45.00	45.00
<b>As at 31 March 2019</b>	<b>535,985.65</b>	<b>160,290.94</b>	<b>696,276.59</b>

The accompanying notes are integral part of the financial statements (refer note 1-60).

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

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

For and on behalf of the Board of Directors

**Rohit Arora**  
Partner  
Membership No. : 504774

**Rajiv Rattan**  
Chairman  
DIN: 00010849

**Sanjiv Chhikara**  
Director  
DIN: 06966429

**Aman Singh**  
Chief Executive Officer

Place : New Delhi  
Date : 20 May 2019

**Sameer Darji**  
Chief Financial Officer

**Lalit Narayan Mathpati**  
Company Secretary

# Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## 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.

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

The standalone 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.

The standalone financial statements for the year ended 31 March 2019 were approved by the Board of Directors on 20 May 2019.

## 2. Recent accounting pronouncements

### Application of new and revised Indian Accounting Standard (Ind AS)

Accounting standards or amendments in the accounting standards adopted on/from 1 April 2018 Ind-AS 115, "Revenue from Contracts with Customers" issued on March 28, 2018, which provides a unified five step model for determining the timing, measurement and recognition of revenue. The focus of the new standard is to recognize revenue as performance obligations are met rather than based on the transfer of risks and rewards. Ind-AS 115 includes a comprehensive set of disclosure requirements including qualitative and quantitative information about contracts with customers to understand the nature, amount, timing and uncertainty of revenue.

The standard supersedes the erstwhile standard, viz., Ind-AS 18 "Revenue" and Ind-AS 11 "Construction Contracts". Ind-AS 115 clarifies how to identify a performance obligation, determine whether a company is a principal or an agent. The Company's revenue is predominantly derived from the single performance obligation i.e. sale of electricity in which the transfer of risks and rewards of ownership and the fulfilment of the Company's performance obligation occur at the same time. Henceforth, the adoption of this standard did not have a material impact on the financial statements of the Company.

### Insertion of Appendix B to Ind AS 21:

This Appendix applies to a foreign currency transaction (or part of it) when an entity recognizes a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income (or part of it). The amendment to Ind AS 21 requires the entities to consider exchange rate on the date of initial recognition of advance consideration (asset/liability), for recognising related expense/income on the settlement of said asset/liability.

This Appendix does not apply when an entity measures the related asset, expense or income on initial recognition:

- At fair value; or
- At the fair value of the consideration paid or received at a date other than the date of initial recognition of the non-monetary asset or non-monetary liability arising from advance consideration.

An entity is not required to apply this Appendix to:

- income taxes; or
- insurance contracts (including reinsurance contracts) that it issues or reinsurance contracts that it holds.

The Company does not have its impact on the financial statements.

### Amendment to Ind AS 12

The amendment to Ind AS 12 requires the entities to consider restriction in tax laws in sources of taxable profit against which entity may make deductions on reversal of deductible temporary difference (may or may not have arisen from same source) and also consider probable future taxable profit.

The Company does not have its impact on the financial statements.

**Standards issued but not yet effective****IND AS 116 – Leases**

On March 30 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, “Leases” as part of the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2019. Ind AS 116 replaces existing standard on leases i.e. Ind AS 17, with effect from accounting periods starting on or after April 1, 2019. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize a right-of-use asset over the underlying leased asset and a lease liability representing its obligation to make lease payments for all leases with a term of more than 12 months, unless the underlying asset is of low value.

**Other Amendments on the existing standard not yet effective:**

A number of other accounting standards have been modified on miscellaneous issues with effect from April 1, 2019. Such changes include clarification/guidance on:

- a) Income tax consequences in case of dividends (Ind AS 12 – Income Taxes (amendments relating to Income tax consequences of dividend));
- b) Accounting for Income tax when there is uncertainty over income tax treatment of an item by tax authorities (Ind AS 12 - Income Taxes (amendments relating to uncertainty over Income tax treatments));
- c) Accounting treatment for specific borrowings post capitalization of corresponding qualifying asset (Ind AS 23 – Borrowing Costs);
- d) Accounting for plan amendment, curtailment or settlement occurring in-between the reporting periods in case of long term employee benefit plans (Ind AS 19 – Plan Amendments, Curtailment of Settlement).

The above amendments will come into force from April 1, 2019. Basis the preliminary evaluation, the company does not expect the effect of this on the financial statements to be material.

**3. Summary of significant accounting policies****a) Overall consideration**

The standalone 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.

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

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.

## e) 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.

## 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.

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

### 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.

**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



## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

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 standalone 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.

### 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.

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 standalone 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 standalone 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.

## Standalone Notes Part of the Financial Statements *(Contd.)*

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

**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.

# Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## 4. Property, plant and equipment

Particulars	Freehold land <sup>(i)</sup>	Leasehold land	Buildings- Plant	Buildings- Other	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Tools & tackles	Ships	Leasehold improvement	Railways	Total
<b>Gross carrying amount</b>														
Balance as on 1 April 2017	19.58	16,374.24	24,975.51	11.73	705,083.81	401.87	1,158.14	370.69	347.75	32.42	41.04	859.73	51,688.28	801,364.79
Additions	-	-	1,544.05	-	18,230.50	89.40	-	17.93	60.69	18.05	-	-	4,851.51	24,812.13
Disposals/ adjustments	-	-	-	-	-	-	154.78	-	0.43	-	-	-	-	155.21
<b>Balance as on 31 March 2018</b>	<b>19.58</b>	<b>16,374.24</b>	<b>26,519.56</b>	<b>11.73</b>	<b>723,314.31</b>	<b>491.27</b>	<b>1,003.36</b>	<b>388.62</b>	<b>408.01</b>	<b>50.47</b>	<b>41.04</b>	<b>859.73</b>	<b>56,539.79</b>	<b>826,021.71</b>
Additions	337.35	-	-	-	77.20	10.67	-	18.94	4.07	-	-	-	-	448.23
Disposals/ adjustments	-	-	-	-	-	85.36	252.14	2.17	-	-	-	859.73	-	1,199.40
<b>Balance as on 31 March 2019</b>	<b>356.93</b>	<b>16,374.24</b>	<b>26,519.56</b>	<b>11.73</b>	<b>723,391.51</b>	<b>416.58</b>	<b>751.22</b>	<b>405.39</b>	<b>412.08</b>	<b>50.47</b>	<b>41.04</b>	<b>-</b>	<b>56,539.79</b>	<b>825,270.54</b>
<b>Accumulated depreciation</b>														
Balance as on 1 April 2017	-	986.50	1,822.55	2.14	49,750.87	181.38	872.31	254.11	254.65	12.71	25.61	111.19	5,660.57	59,934.59
Additions	-	172.36	1,431.80	0.19	17,643.16	46.64	133.33	43.23	34.49	15.35	5.33	95.53	4,214.41	23,835.82
Disposals/ adjustments	-	-	-	-	-	-	149.62	-	0.34	-	-	-	-	149.96
<b>Balance as on 31 March 2018</b>	<b>-</b>	<b>1,158.86</b>	<b>3,254.35</b>	<b>2.33</b>	<b>67,394.03</b>	<b>228.02</b>	<b>856.02</b>	<b>297.34</b>	<b>288.80</b>	<b>28.06</b>	<b>30.94</b>	<b>206.72</b>	<b>9,874.98</b>	<b>83,620.45</b>
Additions	-	172.36	1,348.51	0.19	16,997.07	178.81	71.87	40.62	48.28	11.80	10.10	434.10	3,989.82	23,303.53
Disposals/ adjustments	-	-	-	-	-	85.36	233.84	2.17	-	-	-	640.82	-	962.19
<b>Balance as on 31 March 2019</b>	<b>-</b>	<b>1,331.22</b>	<b>4,602.86</b>	<b>2.52</b>	<b>84,391.10</b>	<b>321.47</b>	<b>694.05</b>	<b>335.79</b>	<b>337.08</b>	<b>39.86</b>	<b>41.04</b>	<b>-</b>	<b>13,864.80</b>	<b>105,961.79</b>
<b>Net carrying amount</b>														
Balance as on 31 March 2018	19.58	15,215.38	23,265.21	9.40	655,920.28	263.25	147.34	91.28	119.21	22.41	10.10	653.01	46,664.81	742,401.26
Balance as on 31 March 2019	356.93	15,043.02	21,916.70	9.21	639,000.41	95.11	57.17	69.60	75.00	10.61	-	-	42,674.99	719,308.75

(i) Non current and current secured borrowings are secured by first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project. (refer note 17, note 21 and note 42).

(ii) Amount included of ₹ 337.35 lakhs, registration for which is in process with the Registration Authority.

(iii) Upon project assets being ready for their intended use, the Company has capitalised ₹ Nil (31 March 2018: ₹ 1,544.05 lakhs) of Buildings - Plant, ₹ Nil (31 March 2018: ₹ 18,230.50 lakhs) of Plant and Equipment and ₹ Nil (31 March 2018: ₹ 4,851.51 lakhs) of Railways and accordingly ₹ Nil (31 March 2018: ₹ 24,626.06 lakhs) is reduced from Capital work-in-progress (including borrowing cost of ₹ Nil (31 March 2018: ₹ 1,498.28 lakhs).

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

### 5. Intangible assets

(Amount in ₹ Lakhs)

Particulars	Software	Total
<b>Gross carrying amount</b>		
Balance as on 1 April 2017	505.59	505.59
Additions	7.45	7.45
<b>Balance as on 31 March 2018</b>	<b>513.04</b>	<b>513.04</b>
Additions	15.83	15.83
<b>Balance as on 31 March 2019</b>	<b>528.87</b>	<b>528.87</b>
<b>Accumulated depreciation</b>		
Balance as on 1 April 2017	399.66	399.66
Additions	76.40	76.40
<b>Balance as on 31 March 2018</b>	<b>476.06</b>	<b>476.06</b>
Additions	28.30	28.30
<b>Balance as on 31 March 2019</b>	<b>504.36</b>	<b>504.36</b>
<b>Net carrying amount</b>		
Balance as on 31 March 2018	36.98	36.98
Balance as on 31 March 2019	24.51	24.51

- (i) Non current and current secured borrowings are secured by first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project. (refer note 17, note 21 and note 42).

# Standalone Notes Part of the Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

6A. Non-current investments	31 March 2019		(Amount in ₹ Lakhs)	
	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	1,750,000	175.00	1,750,000	175.00
Devona Power Limited	370,000	37.00	370,000	1,301.75
Diana Energy Limited	370,000	37.00	370,000	37.00
Sentia Power Limited**	-	-	2,074,000	219.74
Aravali Properties Limited	410,000	41.00	410,000	41.67
Lucina Power And Infrastructure Limited	120,000	12.00	120,000	12.29
Sinnar Thermal Power Limited (formerly known as RattanIndia Nasik Power Limited) (refer note (i) below)**	31,977,246	151,310.78	31,977,246	302,621.55
Devona Power Distribution Limited*	-	-	50,000	5.00
Sentia Hydro Electric Power Limited*	-	-	126,150	12.69
Sentia Hydro Energy Limited*	-	-	225,500	22.64
Sentia Hydro Power Limited*	-	-	50,000	5.00
Sentia Hydro Power Projects Limited*	-	-	50,000	5.00
Devona Power Projects Limited*	-	-	50,000	5.00
Devona Power Infrastructure Limited*	-	-	450,000	45.47
Albina Thermal Energy Limited*	-	-	50,000	5.00
Albina Thermal Power Limited*	-	-	50,000	5.00
Sentia Electricity Limited*	-	-	160,000	16.11
Diana Power Limited*	-	-	50,000	5.00
Selene Power Company Limited*	-	-	50,000	7.41
Sentia Thermal Power And Infrastructure Limited*	-	-	68,900	7.20
Sepset Thermal Power And Infrastructure Limited*	-	-	56,000	5.89
Triton Energy Limited*	-	-	50,000	5.41
Kaya Hydropower Projects Limited*	-	-	50,000	33.15
Sepla Hydropower Projects Limited*	-	-	60,000	37.45
Tharang Warang Hydropower Projects Limited*	-	-	250,000	52.88
Airmid Power Limited*	-	-	330,000	33.74
Angina Power Limited	50,000	5.00	50,000	23.13
Elena Power And Infrastructure Limited	500,000	500.00	500,000	500.00
Hecate Power And Energy Resources Limited*	-	-	50,000	5.00
Poena Power Limited*	-	-	70,000	7.76
Hecate Energy Trading Limited*	-	-	50,000	5.00
Hecate Energy Private Limited*	-	-	50,000	5.00
Hecate Power Projects Limited*	-	-	59,200	6.02

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

6A. Non-current investments	31 March 2019		(Amount in ₹ Lakhs)	
	No. of shares	Amounts	No. of shares	Amounts
<b>(a) Investments in equity instruments (Contd.)</b>				
<b>Unquoted, In fully paid equity instruments of subsidiary companies (at cost)</b>				
Poena Thermal Power Limited	50,000	5.00	50,000	5.00
Poena Power Services Limited*	-	-	50,000	5.00
Poena Power Distributors Limited*	-	-	50,000	5.00
Poena Power Generation Limited*	-	-	50,000	5.00
Poena Hydro Power Projects Limited*	-	-	50,000	5.00
Bracond Limited (Face Value of US Dollar 1 each)**	100,000,000	-	100,000,000	43,277.11
Poena Power Trading Limited*	-	-	50,000	5.00
Devona Power Generation Limited*	-	-	50,000	5.00
Albina Power Transmission Limited*	-	-	100,000	10.00
Hecate Power Development Limited*	-	-	50,000	5.00
Hecate Power Systems Limited*	-	-	50,000	8.05
Hecate Power Utility Limited*	-	-	50,000	5.00
Hecate Power Transmission Limited	98,200	9.82	98,200	9.91
Hecate Electric Limited*	-	-	50,000	5.00
Poena Power Development Limited (refer note (ii) below)	50,000	4,632.25	50,000	1,385.68
Poana Power Systems Limited*	-	-	95,000	11.12
Poena Power Management Limited*	-	-	50,000	5.05
Poena Power Utility Limited*	-	-	50,000	5.00
Poena Power Solutions Limited*	-	-	50,000	5.00
Devona Power Development Limited*	-	-	50,000	5.00
Sentia Electric Limited*	-	-	50,000	5.01
Sentia Electricity Generation Limited*	-	-	50,000	5.00
Albina Thermal Power Management Limited*	-	-	50,000	5.00
Devona Thermal Power Projects Limited*	-	-	50,000	5.00
Albina Thermal Projects Limited*	-	-	50,000	5.00
Devona Thermal Power And Infrastructure Limited*	-	-	1,150,000	117.04
Citra Thermal Power And Infrastructure Limited*	-	-	200,000	20.24
<b>Total investment in equity instruments of subsidiary companies</b>		<b>156,764.85</b>		<b>350,210.16</b>
<b>(b) Investment in trust (a subsidiary entity) (at cost)</b>				
IPL-PPSL Scheme Trust		-		75.00
		-		<b>75.00</b>
<b>(c) Investments in preference shares, unquoted</b>				
<b>In fully paid up preference shares of a subsidiary company (at amortised cost)</b>				
0.0001% Cumulative Non-Convertible Redeemable Preference Shares of Face Value of Rs. 10 each in Devona Power Limited**	21,000,000	-	21,000,000	2,100.00
		-		<b>2,100.00</b>
		<b>156,764.85</b>		<b>352,385.16</b>

# Standalone Notes Part of the Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

6A. Non-current investments	31 March 2019		(Amount in ₹ Lakhs)	
	No. of shares	Amounts	31 March 2018	No. of shares
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		156,764.85		352,385.16
Aggregate amount of impairment in the value of investments		200,604.88		4,629.48

\* These Companies have been filed for strike off with MCA and same are under process.

\*\* Necessary provision on account of impairment of investement taken during the current financial year.

- (i) 31,977,246 (31 March 2018: 27,097,246) equity shares of Sinnar Thermal Power Limited (formerly known as RattanIndia Nasik Power Limited) (STPL) has been pledged in favour of the Project Lenders of STPL.
- (ii) During the previous year, for the purpose of securing repayment of inter company loan, the Company has pledged 50,000 share of Poena Power Development Limited in favour of lenders of inter company loan.

6B. Current investments	31 March 2019		(Amount in ₹ Lakhs)	
	31 March 2019		31 March 2018	
<b>Unquoted, non trade (at FVTPL)</b>				
Investments in mutual funds		19,207.66		500.75
		<b>19,207.66</b>		<b>500.75</b>
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		19,207.66		500.75
Aggregate amount of impairment in the value of investments		-		-

7. Loans (unsecured, considered good)	(Amount in ₹ Lakhs)			
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	Non-current		Current	
Security deposits				
Premises	7.92	177.75	67.23	69.58
Others	641.51	641.51	105.13	105.93
Loans to				
Employees	-	-	5.30	6.62
	649.43	819.26	177.66	182.13
Inter corporate deposits	16,282.16	31,491.66	250.00	4,865.37
Credit impaired	12,258.05	-	4,848.37	-
	28,540.21	31,491.66	5,098.37	4,865.37
Less :- Provision for doubtful	(12,258.05)	-	(4,848.37)	-
	16,282.16	31,491.66	250.00	4,865.37
	<b>16,931.59</b>	<b>32,310.92</b>	<b>427.66</b>	<b>5,047.50</b>



## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

		(Amount in ₹ Lakhs)	
8. Other financial assets		31 March 2019	31 March 2018
		31 March 2019	31 March 2018
		Non-current	Current
Unbilled revenue	-	-	17,466.21
Accrued incomes	-	-	21,395.90
Bank deposits for maturity more than 12 months (i)	2,946.85	4,001.55	51.43
Advances recoverable			267.80
Employees	-	-	-
		10.24	8.36
	<b>2,946.85</b>	<b>4,001.55</b>	<b>17,527.88</b>
			<b>21,672.06</b>

(i) Pledged against bank guarantees/letter of credit (refer note 32B)

		(Amount in ₹ Lakhs)	
9. Non-current tax assets (net)		31 March 2019	31 March 2018
Advance income tax (net of provision)		1,383.91	1,330.06
		<b>1,383.91</b>	<b>1,330.06</b>

		(Amount in ₹ Lakhs)	
10. Other assets (unsecured, considered good)		31 March 2019	31 March 2018
		31 March 2019	31 March 2018
		Non-current	Current
Capital advances	-	42,409.99	-
Other advances	-	-	20,070.51
Prepaid expenses	156.04	328.80	1,200.52
Balances with statutory authorities	920.19	1,051.77	-
Advance rent	-	-	0.38
		0.34	
	<b>1,076.23</b>	<b>43,790.56</b>	<b>21,271.41</b>
			<b>13,562.65</b>

		(Amount in ₹ Lakhs)	
11. Inventories (valued at cost, unless otherwise stated)		31 March 2019	31 March 2018
Coal - stores <sup>(i)</sup>		39,581.01	11,449.73
Light diesel oil - stores		462.60	319.66
Stores and spares <sup>(ii)</sup>		2,366.89	1,860.14
Other consumables		836.96	545.88
		<b>43,247.46</b>	<b>14,175.41</b>

(i) Coal - stores includes in transit ₹ Nil (31 March 2018: ₹ 2,831.44 lakhs).

(ii) Stores and spares - includes in transit ₹ 3.05 lakhs (31 March 2018: ₹ 11.66 lakhs).

# Standalone Notes Part of the Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>12. Trade receivables (Unsecured unless otherwise stated, at amortised cost)</b>		
Debtors for sale of power		
(i) Considered good - Secured	-	-
(ii) Considered good - Unsecured	123,297.03	132,322.25
(iii) Receivables having significant increase in credit risk	-	-
(iv) Credit impaired	-	-
	<b>123,297.03</b>	<b>132,322.25</b>
Others	10.39	532.65
Credit impaired	532.65	-
	543.04	532.65
Less :- Provision for doubtful	(532.65)	-
	10.39	532.65
	<b>123,307.42</b>	<b>132,854.90</b>

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>13. Cash and cash equivalents</b>		
Cash on hand	6.18	4.49
Balances with banks		
Current accounts	1,990.18	12,164.18
Deposits with original maturity of less than 3 months (i)	119.23	626.49
	<b>2,115.59</b>	<b>12,795.16</b>

(i) Deposits are pledged against bank guarantees and letter of credit, refer note 32 B (II)

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>14. Other bank balances</b>		
Fixed deposits original maturity for more than 3 months but less than 12 months (i)	1,413.32	2,995.71
	<b>1,413.32</b>	<b>2,995.71</b>

(i) Pledged against bank guarantees and letter of credit, refer note 32 B (II)

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>15. Equity share capital</b>		
<b>Authorised capital</b>		
5,000,000,000 (31 March 2018: 5,000,000,000) equity shares of ₹ 10 each	500,000.00	500,000.00
	<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 2018: 2,952,933,353) equity shares of ₹ 10 each fully paid up	295,293.34	295,293.34
	<b>295,293.34</b>	<b>295,293.34</b>

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

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

	As at 31 March 2019		As at 31 March 2018	
	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.

### c) Shares held by the Company having substantial interest

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>RattanIndia Infrastructure Limited</b> <b>(Formerly known as Indiabulls Infrastructure and Power Limited)</b>		
1,185,000,000 (31 March 2018: 1,185,000,000) equity shares of ₹ 10 each fully paid	118,500.00	118,500.00

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

	As at 31 March 2019		As at 31 March 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Equity shares of Rs. 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%
RR Infralands Private Limited	382,500,000	12.95%	405,000,000	13.72%
FIM Limited	393,273,458	13.32%	393,273,458	13.32%
Indiabulls Real Estate Limited	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 2019	31 March 2018
RPL ESOP- 2008 (Formerly known as SPCL – IPSL ESOP, 2008)	895,800	895,800
RPL ESOS 2009 (Formerly known as IPL ESOS 2009)	244,000	294,000
RPL ESOS 2011 (Formerly known as IPL ESOS - 2011)	125,000	205,000

### f) No bonus shares or shares issued for consideration other than cash or shares bought back over the last five years immediately preceding the reporting date.

# Standalone Notes Part of the Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

		(Amount in ₹ Lakhs)	
16	Other equity	31 March 2019	31 March 2018
	<b>Retained earnings</b>		
	Opening balance	(132,521.21)	(90,732.96)
	Add : Loss for the year	(279,153.89)	(41,837.68)
	Items of other comprehensive income recognised directly in retained earnings		
	Re-measurements of post-employment benefit obligation, net of tax	1.27	23.68
	Employee's stock options lapsed	-	25.75
	<b>Closing balance</b>	<b>(411,673.83)</b>	<b>(132,521.21)</b>
	<b>Capital reserve</b>		
	Opening balance	42,165.97	35,376.43
	Add: Addition during the year	245.24	6,789.54
	<b>Closing balance</b>	<b>42,411.21</b>	<b>42,165.97</b>
	<b>Securities premium</b>		
	Opening balance	255,767.87	255,767.87
	Add : Addition during the year	-	-
	<b>Closing balance</b>	<b>255,767.87</b>	<b>255,767.87</b>
	<b>Employee's stock options outstanding</b>		
	Opening balance	31.71	91.29
	Employee's stock options vested	1.18	4.85
	Employee's stock options lapsed	-	(25.75)
	Other adjustment	-	(38.68)
	<b>Closing balance</b>	<b>32.89</b>	<b>31.71</b>
		<b>(113,461.86)</b>	<b>165,444.34</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 44)

### Securities premium

Securities premium 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 Company Employee stock option plan.

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

17. Borrowings	(Amount in ₹ Lakhs)			
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	Non-current		Current	
<b>Secured</b>				
<b>Term loans (i to vii)</b>				
From consortium of banks (refer note (i), (iii), (v) , (vi) and (vii))	212,143.51	244,909.89	72,030.36	50,352.10
From consortium of financial institutions (refer note (i), (iii), (v), (vi) and (vii))	185,956.51	216,628.69	50,703.48	53,706.80
From other banks (refer note (ii), (iv) (v) and (vi))	-	-	13,355.97	13,750.00
<b>Unsecured</b>				
Long term maturities of finance lease obligations (refer note (viii))	1,466.27	1,466.27	185.97	185.97
From other banks (refer note (ii), (iv) (v) and (vi))	-	-	1,795.82	1,795.82
	<b>399,566.29</b>	<b>463,004.85</b>	<b>138,071.60</b>	<b>119,790.69</b>

- (i) Loans from Consortium of Banks aggregating to ₹ 284,173.87 lakhs (31 March 2018: ₹ 295,261.99 lakhs) and from Financial Institutions aggregating to ₹ 236,659.99 lakhs (31 March 2018: ₹ 270,335.49 lakhs) are secured by way of first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project. The aforesaid Phase I Loan Facility is further secured by the pledge of 1,181,173,342 (31 March 2018: 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), Company 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 in favour of Power Finance Corporation Limited (PFC) - the lead consortium lender. Also, disbursements against cost overrun underwritten portion is secured by a pledge of 219,050,000 (31 March 2018: 219,050,000) equity shares held by Indiabulls Real Estate Limited in the Company. Additionally, the Company is required for negative lien on 11% equity shares 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 ₹ 13,355.97 lakhs (31 March 2018: ₹ 13,750.00 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 20,771,780 (31 March 2018: 30,000,000) 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 ₹ 1,795.82 lakhs (31 March 2018: ₹ 1,795.82 lakhs) was secured by way of pledge of Nil (31 March 2018: Nil) equity shares of the Company held by RR Infralands Private Limited.
- (iii) Term loan from consortium of banks and financial institutions are repayable in quarterly installments as follows:

# Standalone Notes Part of the Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

Financial year	(Amount in ₹ Lakhs)					
	31 March 2019*			31 March 2018*		
	Financial institutions	Banks	Total	Financial institutions	Banks	Total
2018-19				30,734.00	28,402.00	59,136.00
2019-20	30,771.00	32,946.00	63,717.00	30,771.00	32,946.00	63,717.00
2020-21	23,479.00	18,444.00	41,923.00	23,479.00	18,444.00	41,923.00
2021-22	16,182.00	10,085.00	26,267.00	16,182.00	10,085.00	26,267.00
2022-23	15,547.00	13,869.00	29,416.00	15,547.00	13,869.00	29,416.00
2023-24	15,384.00	15,344.00	30,728.00	15,384.00	15,344.00	30,728.00
2024-25	14,002.00	9,769.00	23,771.00	14,002.00	9,769.00	23,771.00
2025-26	8,809.00	1,266.00	10,075.00	8,809.00	1,266.00	10,075.00
2026-27	9,048.00	2,367.00	11,415.00	9,048.00	2,367.00	11,415.00
2027-28	12,339.00	6,140.00	18,479.00	12,339.00	6,140.00	18,479.00
2028-29	15,510.00	9,318.00	24,828.00	15,510.00	9,318.00	24,828.00
2029-30	18,846.00	12,499.00	31,345.00	18,846.00	12,499.00	31,345.00
2030-31	11,104.00	12,724.00	23,828.00	11,104.00	12,724.00	23,828.00
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>216,990.00</b>	<b>246,928.00</b>	<b>463,918.00</b>	<b>247,724.00</b>	<b>275,330.00</b>	<b>523,054.00</b>

\*The above schedule is based on sanction letters without considering the impact of defaults made by the Company.

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

Financial year	(Amount in ₹ Lakhs)	
	31 March 2019*	31 March 2018*
2018-19		9,950.00
2019-20	1,600.00	1,600.00
2020-21	1,600.00	1,600.00
2021-22	1,800.00	1,800.00
2022-23	2,000.00	2,000.00
<b>Total</b>	<b>7,000.00</b>	<b>16,950.00</b>

\*The above schedule is based on sanction letters without considering the impact of defaults made by the Company.

(v) The above mentioned loans from consortium of banks and financial institutions carry floating rates of interest ranging from 12.65% p.a. to 14.00% p.a. (31 March 2018: from 12.65% p.a. to 14.00% p.a.) and the term loan from other banks carries a floating rate of interest of 11.45% p.a. to 16% p.a. (31 March 2018: floating rate of interest 11.45% p.a. to 16% p.a.).

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

- (vi) The Company has defaulted in repayment of principal and interest in respect of loans from bank and financial institutions as mentioned below:

	(Amount in ₹ Lakhs)			
Particulars	0-3 Months	3-6 Months	6-12 Months	> 12 Months
<b>Consortium Financial Institution</b>				
- Principal	7,733.09	7,526.13	4,845.30	-
- Interest	18,933.44	8,759.95	17,649.52	27,635.80
<b>Consortium Banks</b>				
- Principal	7,130.17	6,047.82	10,408.99	15,592.20
- Interest	20,894.76	9,529.01	19,157.39	34,351.39
<b>Other banks</b>				
- Principal	-	3,750.00	4,605.97	6,795.82
- Interest	1,399.51	592.72	1,209.40	2,502.78

- (vii) The Company has made payments of ₹ 57,500.00 lakhs out of its TRA account to the lenders in proportion to their outstanding loan as at 15 November 2017 and the same has been reduced from Term Loan by ₹ 32,838.00 lakhs and from Cash Credit facility by ₹ 24,662.00 lakhs. The amount paid of ₹ 57,500.00 lakhs will be adjusted as cash component against the amount payable as per undergoing resolution settlement. (refer note 53)

- (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 50).

	(Amount in ₹ Lakhs)	
18. Other financial liabilities	31 March 2019	31 March 2018
	<b>Non-current</b>	
Retention money	9,887.49	8,204.42
Lease equilisation reserve	-	103.81
	<b>9,887.49</b>	<b>8,308.23</b>

	(Amount in ₹ Lakhs)	
19A. Provisions	31 March 2019	31 March 2018
	<b>Non-current</b>	
<b>Provision for employee benefits (refer note 36)</b>		
Provision for compensated absences (unfunded)	211.80	216.25
Provision for gratuity (unfunded)	478.77	440.63
	<b>690.57</b>	<b>656.88</b>

	(Amount in ₹ Lakhs)	
19B. Provisions	31 March 2019	31 March 2018
	<b>Current</b>	
<b>Provision for employee benefits (refer note 36)</b>		
Provision for compensated absences (unfunded)	37.32	37.67
Provision for gratuity (unfunded)	93.53	75.91
<b>Provision for others</b>		
Provision for compensation payable (i)	3,883.98	5,172.52
	<b>4,014.83</b>	<b>5,286.10</b>

- (i) Provision for penalty due to non supply of upto 80% contract capacity under power purchase agreement.

# Standalone Notes Part of the Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## Movement in provision for others

(Amount in ₹ Lakhs)

Compensation Payable	31 March 2019	31 March 2018
Opening balance	5,172.52	2,751.50
Addition during the year	1,228.11	2,421.02
Adjusted during the year	(2,516.66)	-
Closing balance	3,883.98	5,172.52

## 20. Other non-current liabilities

(Amount in ₹ Lakhs)

Lease equalisation reserve	31 March 2019	31 March 2018
	85,215.49	64,715.57
	85,215.49	64,715.57

## 21. Borrowings (Short-term)

(Amount in ₹ Lakhs)

	31 March 2019	31 March 2018
<b>Secured</b>		
Cash credit facility from banks (refer note (i), (iv), (v) and note 17 (vii))	42,350.64	75,687.44
Short-term loans :		
From financial institution (refer note (ii), (iv) and (v))	15,500.00	15,500.00
Loans from related parties - inter corporate deposits (refer note (iii) and (vi))	66,946.34	66,623.43
<b>Unsecured</b>		
Loans from related parties - inter corporate deposits (refer note (vi))	35,493.96	35,493.96
	160,290.94	193,304.83

- (i) The facilities are secured by hypothecation charges on all movables and mortgage of immovable assets, present and future, of the project 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 immovable assets and 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) During the previous year, for the purpose of securing repayment of inter Company loan, the Company has pledged 50,000 share of Poena Power Development Limited in favour of lenders of inter Company loan.
- (iv) The above mentioned loans from consortium of banks and financial institutions carry floating rates of interest ranging from 10.65% p.a. to 15.35% p.a. (31 March 2018: from 10.65% p.a. to 12.75% p.a.).
- (v) The Company has defaulted in repayment of interest in respect of cash credit facility and short term loan as mentioned below:

(Amount in ₹ Lakhs)

Particulars	0-3 Months	3-6 Months	6-12 Months	>12 Months
Financial institution	854.46	492.71	996.25	1,560.75
Other banks	1,922.18	1,845.20	4,036.54	6,760.19



## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

- (vi) There were no continuing defaults in repayment of inter corporate deposits and interest thereon as at 31 March 2019 and 31 March 2018.

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>22. Trade payables</b>		
Total outstanding dues of micro enterprises and small enterprises (refer note 56)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,352.55	4,501.14
	<b>1,352.55</b>	<b>4,501.14</b>

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>23. Other financial liabilities</b>		
	<b>Current</b>	
Current maturities of (refer note 17)		
Term loan from consortium of banks	72,030.36	50,352.10
Term loan from consortium of financial institutions	50,703.48	53,706.80
Term loan from other banks	15,151.79	15,545.82
Finance lease obligations	185.97	185.97
Interest accrued on		
Term loans	168,624.16	75,453.94
Cash credit facility	18,560.32	8,827.99
Retention money	12,674.51	12,219.26
Payable for purchase of property, plant and equipment	-	22,304.36
Expenses payable	3,764.24	5,558.18
Security and earnest money deposits from customers	28.75	28.75
Bills of exchange payable	-	0.53
	<b>341,72.58</b>	<b>244,183.70</b>

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>24. Other current liabilities</b>		
Statutory dues	95.57	110.92
Advance from customers	62.39	47.74
Deferred revenue	6,846.47	-
	<b>7,004.43</b>	<b>158.66</b>

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>25. Revenue from operations</b>		
<b>Operating revenue</b>		
Revenue from operation of power plant	125,061.85	140,221.87
Income from embedded lease of power plant	65,865.12	61,316.34
	<b>190,926.97</b>	<b>201,538.21</b>

# Standalone Notes Part of the Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## Revenue from contract with customers

### Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(Amount in ₹ Lakhs)

Particulars	31 March 2019	31 March 2018
<b>(A) Revenue from contracts with customers</b>		
Based on nature of goods/services		
Sale of electricity	125,061.85	140,221.87
Sale of services	65,865.12	61,316.34

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

(Amount in ₹ Lakhs)

Particulars	31 March 2019	31 March 2018
<b>Receivables</b>		
Trade receivables (gross)	123,307.42	132,854.90
Unbilled revenue for passage of time	17,031.51	21,150.58
Less : Allowances for doubtful debts	-	-
<b>Net receivables (a)</b>	<b>140,338.93</b>	<b>154,005.48</b>
<b>Contract assets</b>		
Unbilled revenue other than passage of time	434.70	245.32
<b>Total contract assets (b)</b>	<b>434.70</b>	<b>245.32</b>
<b>Contract liabilities</b>		
Advance from customer	-	-
<b>Total contract liabilities (c)</b>	<b>-</b>	<b>-</b>
<b>Total (a+b-c)</b>	<b>140,773.63</b>	<b>154,250.80</b>

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

There are no contract assets and the contract liabilities during the year (31 March 2018: Nil), therefore disclosure regarding significant changes in contract assets and contract liabilities is not given.

### Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

(Amount in ₹ Lakhs)

Particulars	31 March 2019	31 March 2018
<b>Revenue as per contract</b>	<b>125,061.85</b>	<b>140,221.87</b>
Adjustments:		
Cash rebate	-	-
Other adjustments	-	-
<b>Revenue from contract with customers</b>	<b>125,061.85</b>	<b>140,221.87</b>

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

### Transaction price - remaining performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed till the reporting period.

		(Amount in ₹ Lakhs)	
		31 March 2019	31 March 2018
<b>26. Other income</b>			
<b>Income from current investments</b>			
Dividend received		886.83	277.99
		<b>886.83</b>	<b>277.99</b>
<b>Interest on</b>			
Bank deposits		304.70	527.81
Security deposits		208.78	70.24
Inter corporate deposits		1,824.15	2,001.08
Overdue trade receivables		12,381.80	13,121.03
VAT refund		6.20	20.64
Preference shares		-	182.20
		<b>14,725.63</b>	<b>15,923.00</b>
<b>Other income</b>			
Profit on sale of investments		133.41	1,772.87
Liabilities no longer required written back		596.13	4,253.14
Provisions written back		1,184.76	-
Gain on foreign currency transactions and translation (net)		437.52	37.54
Profit on sale of property, plant & equipment		3.58	2.20
Miscellaneous income		44.57	144.36
		<b>2,399.97</b>	<b>6,210.11</b>
		<b>18,012.43</b>	<b>22,411.10</b>

# Standalone Notes Part of the Financial Statements (Contd.)

**RattanIndia**

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>27. Cost of fuel, water and power consumed</b>		
Coal consumed	100,842.08	116,788.18
Electricity consumed	670.71	308.04
Water consumed	1,371.71	987.97
	<b>102,884.50</b>	<b>118,084.19</b>

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>28. Employee benefits expense</b>		
Salaries and wages	4,390.91	4,375.76
Contribution to provident and other funds	52.67	49.03
Provision for gratuity and compensated absences	131.41	170.10
Staff welfare expenses	42.00	52.83
	<b>4,616.99</b>	<b>4,647.72</b>

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>29. Finance costs</b>		
<b>Interest on</b>		
Term loans	94,836.76	84,035.36
Inter corporate deposits	-	2,874.40
Cash credit facility	9,255.54	9,779.00
Short-term loan facility	2,343.41	2,152.95
Others	0.18	0.14
<b>Other finance costs</b>		
Loan processing fees	239.10	231.47
Letter of credit charges	5.53	3.94
Bank guarantee charges	770.12	586.01
	<b>107,450.64</b>	<b>99,663.27</b>

	(Amount in ₹ Lakhs)	
	31 March 2019	31 March 2018
<b>30. Depreciation and amortisation expense</b>		
<b>Depreciation on</b>		
Property, plant and equipment	23,303.53	23,835.82
<b>Amortisation on</b>		
Intangible assets	28.30	76.40
	<b>23,331.83</b>	<b>23,912.22</b>

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

	(Amount in ₹ Lakhs)	
31. Other expenses	31 March 2019	31 March 2018
Rent	443.01	472.37
Rates and taxes	289.68	334.53
Legal and professional charges	1,392.37	4,245.32
Communication	29.05	51.61
Printing and stationery	41.56	35.76
Travelling and conveyance	200.08	227.35
Operation and maintenance expenses	4,692.09	3,976.91
Insurance expenses	993.33	1,480.95
Running and maintenance - vehicles	24.34	27.17
Repairs and maintenance		
Office	96.67	180.98
Others	90.27	142.02
Security expenses	317.97	305.44
Advances and investement written off	499.54	4,629.48
Provision for impairment of invesetment	5,437.34	-
Payments to statutory auditors	48.00	44.00
Payments to cost auditors	0.25	0.25
Provision for compensation payable	1,228.11	2,421.02
Miscellaneous expenses	254.81	213.37
	<b>16,078.47</b>	<b>18,788.53</b>

### 32 Details of contingent liabilities, pending litigations and other matters:

#### A. Contingent Liabilities of pending litigations not provided for in respect of:

- The Water Resource Department ('WRD' or "Respondent") vide their letter dated 29 January 2013 raised a demand of ₹ 23,218 lakhs on Company for payment of irrigation restoration charges @ ₹ 1 lakh per hectare as per Government Resolution (GR) dated 6 March 2009 instead of ₹ 0.50 lakh per hectare as provided in circular from Water Resources Department, Government of Maharashtra dated 21 February 2004. The Company had paid ₹ 11,657 lakhs (@ ₹ 0.50 lakh per hectare) and filed a Writ Petition with the Hon'ble Bombay High Court on 13 February 2013 challenging the validity of demand so raised by WRD. The Mumbai bench of Hon'ble Bombay High Court vide its Order dated 3 August 2015 transferred the matter to the Nagpur Bench. The Nagpur bench vide its order dated 5 May 2016 has partly allowed the petition and declared that demand at revised rate i.e. as per GR dated 6 March 2009 from the petitioner is illegal and unsustainable. As per Nagpur Bench order, the rate prescribed in the GR dated 6 March 2009 is applicable prospectively from 1 April 2009 and is not applicable in case of the Company to whom water allocation was finalized on 12 December 2007.

Pursuant to this, Maharashtra State Government filed a Special Leave Petition ("SPL") before the Hon'ble Supreme Court of India. The Hon'ble Court after hearing parties granted time to the Company to file its Counter Affidavit. The Company is ready with its reply which will be filed on or before next date of hearing. The Pecuniary risk in the matter cannot be quantified. Company is confident that the matter will be disposed off in their favour.

- During the year ended 2010-11, the Company entered into a contract with Bharat Heavy Electrical Limited ('BHEL') for erection and supply of certain material for phase II of its power project at Amravati. Subsequent to this contract, BHEL supplied certain materials which were not warranted at that time and there were various communication made by the Company with BHEL to take off these materials from the site. Against this, BHEL initiated arbitration proceeding against the Company, alleging the payment outstanding against the Company in respect of the materials so supplied by them. The Hon'ble High Court also disposed off the petition upon the instruction to the 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. Subsequent to this, BHEL filed the following applications on 14 April 2016 with Arbitral Tribunal:

1. Application under Section 17 of the Arbitration and Conciliation Act, 1996 seeking an interim prayer of release of bank guarantees.
2. Application seeking amendment of the Claim petition.
3. Application under Section 31(6) of the Arbitration and Conciliation Act, 1996 seeking an interim award on the basis of admissions.

On BHEL's application for seeking interim award based on admissions, the tribunal has heard the arguments of both BHEL and the Company and the tribunal has passed an interim award of ₹ 11,500 lakh against the Company vide its order dated 27 July 2017.

A Petition has also been filed by BHEL praying the Hon'ble High Court to issue warrants of attachment/ or auction sale of immovable and movable assets of the Company for realizing the amount payable/due as per the Interim award dated 27 July 2017. The matter is listed for hearing post the decision on the validity of the interim award which is slated on 17 July 2018.

The Company filed an appeal against the said interim award on 16 October 2017 before the Hon'ble High Court. The Matter is now listed for proceedings and the next day of hearing in the matter is 26 September 2019. The pecuniary risk involved in the present case cannot be quantified. Company is confident that the matter will be disposed off in their favour.

- 3 The Company had developed a railway line track and constructed a boundary wall around the railway yard and power plant at Amravati on the land allotted to the Company by MIDC. In this respect, Mr. Keshav Purnanlal Bunde and others ('Plaintiffs') alleged that the approach road to their land has been obstructed and they are unable to access their land for cultivation. A suit for seeking declaration/ injunction for right of way was been filed before the Civil Judge, Senior Division, Amravati by the Plaintiffs against the Company during the year 2015-16. The Company denied the allegations in its written statement and is contesting the suit and the Hon'ble Court also declined the prayer of the Plaintiffs for grant of temporary injunction. The Plaintiffs then filed a civil appeal with regard to this matter against the Court's order of declining the prayer of the Plaintiffs for grant of temporary injunction. The matter is now listed for steps on 20 June 2019.

The pecuniary risk involved in the present case cannot be quantified. Further, based on legal appraisal, the management believes that no liability will devolve on the Company.

- 4 The Company is using various Microsoft programs/ softwares. During the year ended 31 March 2015, Microsoft Corporation alleged that there is shortfall in the entitled software licenses being used by the Company in its offices and thus the Company has infringed copyright in the Microsoft program/software titles. A suit has been filed by Microsoft Corporation before Hon'ble High Court of Delhi on 18 December 2015 against the Company praying for permanent injunction against the Company and further prayed for rendition of accounts of profits and for damages. The matter is currently listed for evidence of the parties before the Ld. Joint Registrar. The next date of hearing in the matter is 23 July 2019. The pecuniary risk involved in the present case cannot be quantified. Further, based on legal appraisal, the management believes that no liability will devolve on the Company.
- 5 A vendor had done work for supply, plantation and maintenance of 100,000 trees at the Company's power plant pursuant to work order dated 25 May 2012. The Company terminated the contract vide letter dated 6 February 2014 due to unsatisfactory performance and also claimed liquidated damages from the vendor. On termination of contract by the Company, vendor alleged that the contract was wrongly terminated by the Company, only to avoid outstanding payment. The vendor has filed an Civil Suit on 03 December 2015 before Civil Judge Senior Division, Amravati claiming ₹ 116.25 lakhs and court fees of ₹ 1.54 lakhs against the work done. The Company has filed an application under section 8 of the Arbitration and conciliation Act for the dismissal of the suit. The matter is now listed for framing of issues, and the next date of hearing in the matter is 11 June 2019. The pecuniary risk involved in the present case cannot be quantified. Based on the legal appraisal of the case, Company is confident that the matter will be disposed off in their favour.
- 6 During the year ended 2015-16, Tahsildar of Amravati vide its order dated 24 February 2016 directed the Company to deposit the amount of ₹ 400 lakhs towards the payment of royalty for using the minor minerals excavated during the construction of the power plant of the Company and utilized in the embankment work of railway line on the plot of MIDC allotted to the Company. The Company has filed a writ petition before the Nagpur bench of Hon'ble Bombay High Court against the order passed by Tahsildar. The Hon'ble Court vide its Order dated 15 December 2016 has issued a stay in the matter. The pecuniary risk involved in the present case cannot be quantified. Further, based on legal appraisal,

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

the management believes that no liability will devolve on the Company.

- 7 Becquerel Industries Private Limited has filed a suit for recovery of ₹ 20.73 lakhs against M/s Preeti Engineering before Civil Court at Nagpur on 15 April 2015 alleging that their dues are pending against M/s Preeti Engineering to whom the Non-Distractive Testing work had been sublet by M/s Brothers Engineering. The work to M/s Brothers Engineering was been sublet by BHEL to whom contract was awarded by the Company. The summon were serviced to M/s Preeti Engineering, M/s Bothers Engineering, BHEL and the Company. The Company has filed its reply and the matter is now listed for summons. The next date of hearing in the matter is 21 June 2019. The pecuniary risk involved in the present case cannot be quantified. Further, based on legal appraisal, the management believes that no liability will devolve on the Company.
- 8 A Suo Moto Public Interest Litigation ('PIL') has been registered before Hon'ble Bombay High Court on 27 August 2014 with regard to the occupation hazards of the employees working in various thermal power plants stations in the country. The Company (due to it's plant at Amravati) 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 hearing in respect to the Application for Intervention along with the PIL. The pecuniary risk involved in the present case cannot be quantified. Company is confident that the matter will be disposed off in their favour.
- 9 A petition has been filed under the Insolvency and Bankruptcy Code, 2016 before National Company Law Tribunal by a'XYKno Capital Services Private Limited (being the Operational Creditor) against RattanIndia Power Limited (being Corporate Debtor) to initiate a corporate insolvency resolution process, in view of pending/outstanding payments along with interest. The matter is now listed for further consideration. The next date of hearing in the matter is 06 June 2019. The pecuniary risk in the matter 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**

- 1 The Company received a demand of ₹ 77.38 lakhs under section 143(3) of the Income Tax Act, 1961 ("IT Act") in respect of the FY 2009-10 for disallowance u/s 14A of the IT Act, against which appeal had been filed by the Company during the FY 2015-16 which is pending before ITAT Delhi. The aforesaid demand of ₹ 77.38 lakhs had been adjusted against refund for the AY 2013-14 by the Income Tax department against which Company filed another appeal during the FY 2015-16 which is also pending before ITAT Delhi as at 31 March 2019.
- 2 The Company received a demand of ₹ 2,358.14 lakhs under section 153 of the Income Tax Act, 1961 ("IT Act") in respect of the AY 2012-13 to AY 2017-18, against which appeal had been filed by the Company which is pending before CIT(A), Mumbai.

#### **II Others**

- 1 Company has provided a commitment bank guarantee of ₹ 5,903.79 lakhs (31 March 2018: ₹ 5,903.79 lakhs) on behalf of Sinnar Thermal Power Limited (formerly known as RattanIndia Nasik Power Limited) (STPL), a wholly owned subsidiary of the Company, to subsidiaries of Coal India Limited for issuance of Letter of Assurance for supply of coal for STPL's Nashik Thermal Power Project, partly secured by way of bank lien on fixed deposits of ₹ 442.95 lakhs (31 March 2018: ₹ 442.95 lakhs) of the Company and partly by way of bank lien on fixed deposits of ₹ 152.44 lakhs (31 March 2018: ₹ 152.44 lakhs) of STPL.
- 2 Guarantee provided on behalf of STPL, jointly with RattanIndia Infrastructure Limited (RIL) favoring Axis bank towards credit facility of ₹ 39,783.00 lakhs. In the event of any default on the part of STPL in payment/ repayment or any of the monies, guarantors shall ensure that the borrower shall duly and punctually repay the credit facility together with all interest, liquidated damages, premium on prepayment or on redemption, costs, expenses and other monies in accordance with the facility documentation, or in the event of any default on the part of the STPL to comply with or perform any of the terms, conditions and covenants contained in the facility documentation, the guarantors unconditionally and irrevocably undertakes to pay the bank forthwith on demand without protest or demur and without proof or condition shall, upon demand, forthwith pay to bank all the amounts payable by STPL under the facility documentation together with interest at 2% above the rate as per Axis Bank sanction terms on the amounts so demanded from them in the event of any delay in making the payment to the bank.
- 3 For the purpose of further disbursement against Cost Over Run -1 facility and Cost Over Run-2 sanctioned by Power Finance Corporation (PFC) to STPL, the Company, RIL, RR Infralands Private Limited (RIPL) and Mr. Rajiv Rattan (Individual



promoter) has irrevocably and unconditionally acknowledge, represent, accept, certify undertake declare, confirm and assure :

- a. to bear cost, if any, arising out of non-supply of power to MSEDCL under PPA signed by STPL in April, 2012 for supply of 650 MW power from the project from their own sources without any recourse to the project assets and lenders.
  - b. to bear cost/penalties payable, if any, to SPTCL or any other entity, arising due to delay in completion of generation project beyond commissioning of its transmission system, from their own sources without any recourse to project assets and lenders.
- 4 Undertaking provided by the Company on behalf of STPL, jointly with RIL and RIPL, in favour of Rural Electrification Corporation Limited (REC). Parties to the undertaking irrevocably and unconditionally declare and assure that they shall (jointly and severally), in the event there is shortfall in servicing of the facility including applicable interest, arrange for additional funds from their own resources without any recourse to the project assets/lenders.

Parties to the undertaking irrevocably and unconditionally declare and assure that in the event they fail to fulfill their obligations listed in undertaking document, in the manner and time stipulated therein in the underwritten and consolidated facility agreement, there would be recourse against the borrower, and it shall be an event of default under the underwritten and consolidated facility agreement and Secured Parties/Lenders may take such other action as may be contemplated there under.

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 these financial statements.

**C. Other pending litigations as on 31 March 2019 are:**

- 1 The Company is supplying power to Maharashtra State Electricity Distribution Company Limited (MSDCL) based on two power purchase agreements (PPAs) for supply of 1200 MW (450 MW + 750 MW respectively) of power for the period of 25 years. The PPAs were executed based on the fuel supply agreement (FSA) which provided that domestic coal linkages would be available to meet the fuel requirements. However, adequate coal supply was not made available which adversely impacted cost as Company had to source fuel from alternate sources to meet the shortfall of coal supplied under FSA with coal supplier. The Cabinet Committee of Economic Affairs (CCEA) approved mechanism where after Ministry of Coal amended the National Coal Distribution Policy (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.

The Company filed a petition before Maharashtra Electricity Regulatory Commission ('MERC' or 'the Commission') in year 2013 for realizing the shortfall in supply under NCDP. MERC vide its Order on 15 July 2014 laid down methodology to recover compensatory fuel charges and vide Order dated 20 August 2014.

On 28 August 2014, the Company filed a review petition before MERC against the Orders dated 15 July 2014 as well as Order dated 20 August 2014 and MSEDCL further filed review petition against the Orders of MERC dated 20 August 2014. The review petition filed by MSEDCL got dismissed vide Order dated 16 July 2015 and the review petition filed by the Company also got dismissed vide Order 30 October 2015. As at the balance sheet date, the Company has accounted such claim in the books of accounts aggregating to ₹ 28,658.80 lakh and related late payment surcharge thereon.

The Company then filed appeals before Appellate Tribunal for Electricity (APTEL) against Orders dated 15 July 2014, 20 August 2014 and 30 October 2015. The said appeals were disposed off by the Hon'ble Tribunal on 4 May 2017, remanding the matters to the Maharashtra Electricity Regulation Commission ('MERC') for fresh adjudication in the light of the direction of the Hon'ble Supreme Court in case of Energy Watchdog and Ors. v/s CERC and Ors. Dated 11 April 2017. MERC heard the matter on 15 November 2017 and reserved its Order. Subsequent to the balance sheet date, on 3 April 2018, MERC has passed the said Order, whereby MERC principally held that the Company is entitled to compensation and a methodology to recover compensatory fuel charges has been laid down. The Company filed an appeal before the Hon'ble APTEL vide appeal no. 264 of 2018 against the Ld. MERC order dated 03 April 2018, as in its view, the order



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of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

passed by MERC is not fully on the principle of “restoration of the affected party to the same economic position as if the change in law event didn’t occur”. The appeal is admitted by APTEL. Pleadings are completed in the said appeal and listed for final arguments on 08 August 2019.

- 2 There has been an increase in cost of power generation owing to increase in various statutory taxes, duties, levies, cess, surcharge etc. Based on various judgements from CERC involving similar situations, management has concluded that these charges are recoverable from MSEDCL under “Change in Law” clause of PPA and during the year the Company has recorded revenue of Rs. 189.39 lakhs (31 March 2018: Rs. 1,439.42 lakhs). The Company filed a petition with MERC on 15 June 2016 claiming approval of additional components of costs under change in law. MERC had issued order dated 5 April 2018 in this respect. Company has filed an appeal vide Appeal No. 263 of 2018 against the order dated 05 April 2018 before the Hon’ble Appellate Tribunal for Electricity (“APTEL”) on 06 June 2018. Appeal is admitted by the Hon’ble APTEL. Pleadings are completed in the said appeal and listed for final arguments on 11 July 2019.
- 3 The Company has taken large risk insurance policy no 500300/11/406/00000170 was for the period 01 June 2014 to 31 May 2015 for business interruption. The generator of unit -2 was damaged on 30 October 2014 and complaint informed to Office of Public Insurance (OPI) of the damaged on 31 October 2014. During the period November 2014 to December 2017 surveyor kept delaying the claim by asking for irrelevant document and information, despite complete cooperation by the company. On date 15/02/2018 OPI repudiated the company claim, through a detail letter dated 11 June 2018, the complainant strongly protested to OPI against the wrongful repudiation of its claim but no avail.

A complaint has been filed dated 04 October 2018 by Rattan India Power Limited against United India Insurance Company Limited & another before National Consumer Disputes Redressal Commission praying that-

1. The OPI be held deficient in providing services to the Rattan India Power Limited and the repudiation of the claim under Large Risk Insurance Policy No. 500300/11/1406/00000170 is without any basis and is invalid.
2. The claim amount of along with Interest from 30 October 2014 to be paid to Rattan India Power Limited, and Rattan India Power Limited should also be compensated for harassment and mental agony by the OPI as well as for the litigation costs. The matter is listed for filling of reply by Bharat Heavy Electricals Limited. The next date of hearing in the matter is 04 July 2019. The pecuniary risk involved in the present case cannot be quantified.
- 4 The Company operates a 1350 MW (5x270 MW) coal based power plant located at Nandgaonpeth, Amravati district in the state of Maharashtra, at the time of commissioning the performance guarantee test conducted by BHEL noted that the maximum generation at rated capacity was upto 277.8 MW (in non VWO mode), which corresponds to ex-bus capacity upto 252 MW. This was further corroborated by the CPRI report. In view of above company requested MSLDC to increase the ex-bus export capacity for all five unit from 252MW to 258 MW, However MSLDC rejected company’s request, Accordingly the Company has filed petition vide Case No. 59 of 2018 before the Ld. Maharashtra Electricity Regulatory Commission (“Ld. MERC”) under Sections 32, 33 And 86 Of The Electricity Act, 2003 read with the Maharashtra Electricity Regulatory Commission (State Grid Code) Regulations, 2006. The matter was heard by MERC on 3 October 2018 and has reserved its order. The Ld. MERC has dismissed the Case No. 59 of 2018 vide Order dated 23 October 2018. RPL has preferred an appeal against the impugned order of the Ld. MERC before the Hon’ble Appellate Tribunal of Electricity vide Appeal No. 35 of 2019. Appeal has been admitted by the Hon’ble APTEL and pleadings have to be completed. The matter is listed on 29 April 2019, and next date of hearing is to be 06 August 2019.
- 5 Due to low despatch of power schedule by MSEDCL, SECL has imposed penalty on account of non-procurement of minimum quantity of fuel by Company under the FSA. The Company has filed a petition vide Case No. 146 of 2018 the Ld. Maharashtra Electricity Regulatory Commission (“Ld. MERC”) under Section 86 of the Electricity Act, 2003 seeking compensation from MSEDCL for penalty of ₹ 3,976.79 lakhs in accordance with Clause 4.5 of Schedule 4 of the PPA between the Company and MSEDCL. The Ld. MERC heard the matter on 3 October 2018 and has reserved its order. The Ld. MERC disposed off the matter vide order dated 23 October 2018. RPL has filed an appeal before the Appellate Tribunal of Electricity vide Appeal No. 41 of 2019. Notice has been issued in the said Appeal and it is listed next on 29 May 2019.
- 6 On 15 February 2011, IDBI Bank Limited (hereinafter called as “Lendor”), in the capacity of Facility Agent/Underwriter/ Issuing Bank executed an Underwriting and Facility Agreement with Rattan India Power Limited (hereinafter called as “Borrower”), whereby it was agreed that the Lendor shall grant a term loan upto Maximum of ₹ 100,000 lakhs to the Borrower to Part Finance Phase II of a 1350MW coal based Power Project being developed by the Borrower at Amravati, Maharashtra. On the same date, IndiaBulls Real Estate Limited and Lendor & Borrower entered into a Sponser Support Agreement (SSA), whereby IndiaBulls Real Estate Limited guaranteed the payment obligation of Borrower to the Lendor

when IndiaBulls Real Estate Limited hold majority shares (55.58%) of the Borrower.

Thereafter, IndiaBulls Real Estate Power Limited along with the Borrower and 3 other group companies proposed a scheme of demerger of the Power Business and specifically includes all debts, borrowings, obligations and liabilities both present and future whether secured or unsecured appertaining or relating to the power business which is sanctioned by the Hon'ble Court vide its order dated 17 October 2011.

In the month of July' 2014, there was restructuring of the companies under the Indiabulls group. Under the restructuring, Indiabulls Real Estate Limited and the Borrower were started to manage by the different promoters and it was also agreed that Indiabulls Real Estate Limited will no longer be liable to any kind of liability related to Borrower that may be arise in future to any party.

On 21 July 2017, the Lendor issued a letter having reference number IDBI/ND/LCG/17-18/132 to IndiaBulls Real Estate Limited and also called upon the Borrower to pay the entire dues of ₹ 14,322 lakhs outstanding within a period of 7 days failing which the Lendor threatened to invoke the SSA.

A Petition has been filed by IndiaBulls Real Estate Limited praying before the Hon'ble Court to issue a Writ of Certiorari or any other Writ, Order or Direction of like nature for setting aside the letters having Nos. IDBI/ND/LCG/2017-18/132 dated 21 July 2017, IDBI/ND/LCG/2017-18/139 dated 10 October 2017 and IDBI/ND/NMG/RPL/2018-19/200 dated 17 May 2018 issued by Lendor and consequently restrain Lendor from initiating any action or taking any steps qua IndiaBulls Real Estate Limited in respect to any liabilities of Borrower including but not limited to the Sponsor Support Agreement dated 15 February 2011 and Non- Disposal and Safety Net Arrangement dated 24 November 2011. The matter is now listed for further proceedings. The next date of hearing in the matter is 25 July 2019. The pecuniary risk in the matter cannot be quantified.

7. The Company has filed claim with Joint DGFT, Mumbai amounting to ₹ 3,979 lakhs during the year 2010-11 and onwards on account of deemed drawback for the material supplies for the construction of power plant at Amravati. Out of this, an amount of ₹ 637 lakhs was processed and order for refund was issued during the financial year 2010-11. The said order was later withdrawn by the Joint DGFT vide its order dated 07 April 2011 due to clarification given by policy interpretation committee in its meeting no -10 on 15 March 2011. The Company has filed a writ petition on 01 September 2017 before Hon'ble Bombay High Court for recovery of deemed drawback of ₹ 370 lakhs which is under process. Also, an appeal had been filed on 12 July 2016 before Hon'ble Supreme Court for ₹ 3,609 lakhs which is also under process for final hearing. An amount of ₹ 794.69 lakhs is recorded as recoverable under these financial statements.
- 33 Estimated amount of contracts remaining to be executed on account of capital and other commitments towards the Project not provided for: ₹ 11,277.84 lakhs (31 March 2018: ₹ 13,078.57 lakhs) – advances made there against ₹ 112.76 lakhs (31 March 2018: ₹ 735.80 lakhs).
- 34 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.
- 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. 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 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.

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

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, IPL was amalgamated with Sophia Power Company Limited ("SPCL"). With effect from the Appointed Date the IPL ESOS Plan was terminated and in lieu, in terms of Clause 14 (c) of the Scheme of Amalgamation, SPCL – IPL Employees Stock Option Plan - 2008 ("SPCL – IPL ESOP - 2008") was established in SPCL for the outstanding, unvested options for the benefit of the erstwhile IPL option holders, on terms and conditions not less favorable than those provided in the erstwhile IPL ESOS Plan and taking into account the share exchange ratio i.e. one equity share of SPCL of face value Rs. 10 each for every one equity share of IPL of face value Rs. 10 each. All the option holders under the IPL ESOS Plan on the Effective Date were granted options under the SPCL – IPL ESOP - 2008 in lieu of their cancelled options under the IPL ESOS Plan. The SPCL – IPL ESOP - 2008 was treated as a continuation of the IPL ESOS Plan and all such options were treated outstanding from their respective date of grant under the IPL 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 - IPL Employees' Stock Option Plan 2008 ("SPCL-IPL 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 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 o 4 July 2009	Grant o 7 October 2011
1	Exercise price (Rs. per option)	Rs. 10.00	Rs. 14.00	Rs 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:**

Particulars	31 March 2019		31 March 2018	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	10	895,800	10	994,800
Options surrendered/ lapsed during the year	10	-	10	99,000
Closing balance	10	895,800	10	895,800
Vested and exercisable options		895,800		895,800

Particulars	31 March 2019	31 March 2018
Weighted average reamaining contractual life of options outstanding at the end of period	25 months	37 months

**Summary of options granted in respect of the RPL ESOS 2009 are as under:**

Particulars	31 March 2019		31 March 2018	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	14	391,600	14	694,400
Options surrendered/ lapsed during the year	14	98,800	14	302,800
Closing balance	14	292,800	14	391,600
Vested and exercisable options		244,000		294,000

Particulars	31 March 2019	31 March 2018
Weighted average reamaining contractual life of options outstanding at the end of period	26 months	38 months

**Summary of options granted in respect of the RPL ESOS 2011 are as under:**

Particulars	31 March 2019		31 March 2018	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	12	369,000	12	432,500
Options surrendered/ lapsed during the year	12	169,000	12	63,500
Closing balance	12	200,000	12	369,000
Vested and exercisable options		125,000		205,000

Particulars	31 March 2019	31 March 2018
Weighted average reamaining contractual life of options outstanding at the end of period	21 months	33 months

## 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

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

recognized in the statement of profit and loss an amount of ₹ 34.00 lakhs (31 March 2018: ₹ 34.26 lakhs) and in capital work-in-progress ₹ Nil (31 March 2018: ₹ 0.35 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 2019. 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 2019. 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 and compensated absences and the amounts recognised in the financial statements for the year ended 31 March 2019:

(Amount in ₹ Lakhs)

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
<b>Liability recognised in the balance sheet:</b>				
Present value of obligation as at the beginning of the year	516.54	437.23	253.92	249.39
Current service cost	69.50	111.44	37.81	41.89
Interest cost	42.28	32.94	20.18	18.34
Benefits paid	(54.75)	(41.39)	(24.43)	(22.33)
Actuarial (gains)/ losses	(1.27)	(23.68)	(38.36)	(33.37)
<b>Present value of obligation at the end of the year (as per actuarial valuation)</b>	<b>572.30</b>	<b>516.54</b>	<b>249.12</b>	<b>253.92</b>
<b>Expenses during the year</b>				
Current service cost	69.50	111.44	37.81	41.89
Interest cost	42.28	32.94	20.18	18.34
Actuarial (gains)/ losses	-	-	(38.36)	(33.37)
<b>Component of defined benefit cost charged to statement of profit and loss/ Capital work-in-progress</b>	<b>111.78</b>	<b>144.38</b>	<b>19.63</b>	<b>26.86</b>
Re-measurement of post-employment benefit obligations:				
Actuarial (gains)/ losses	(1.27)	(23.68)	-	-
<b>Component of defined benefit cost recognised in other comprehensive income/ (loss)</b>	<b>(1.27)</b>	<b>(23.68)</b>	<b>-</b>	<b>-</b>

## Actuarial (gains)/ losses on obligation

(Amount in ₹ Lakhs)

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Actuarial (gain)/ loss on arising from change in demographic assumptions	-	-	-	-
Actuarial (gain)/ loss on arising from change in financial assumptions	3.51	(4.96)	0.96	(2.45)
Actuarial (gain)/ loss on arising from change in experience adjustments	(4.78)	(18.72)	(39.32)	(30.92)

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

Particulars	31 March 2019	31 March 2018
Discount rate	7.65%	7.71%
Expected rate of salary increase	5.00%	5.00%

### (b) Demographic Assumptions

Particulars	31 March 2019	31 March 2018
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 ₹ 110.83 lakhs (31 March 2018: ₹ 109.47 lakhs) and ₹ 35.51 lakhs (31 March 2018: ₹ 43.45 lakhs) respectively.

### (c) Sensitivity analysis of defined benefit obligation

(Amount in ₹ Lakhs)

Particulars	31 March 2019	31 March 2018
<b>a) Impact of the change in discount rate</b>		
i) Impact due to increase of 0.50% (31 March 2018: 0.50%)	(27.88)	(34.61)
ii) Impact due to decrease of 0.50% (31 March 2018: 0.50%)	30.74	31.26
<b>b) Impact of the change in salary increase</b>		
i) Impact due to increase of 0.50% (31 March 2018: 0.50%)	32.41	32.55
ii) Impact due to decrease of 0.50% (31 March 2018: 0.50%)	(28.78)	(35.48)

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.



## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

### (d) Maturity profile of defined benefit obligation

(Amount in ₹ Lakhs)

Particulars	31 March 2019	31 March 2018
Less than 1 year	130.85	113.58
Year 1 to 5	86.95	90.62
More than 5 years	603.62	566.25

### 37 Earnings/ (loss) per equity share (EPS):

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

Amount in ₹ Lakhs (except number of shares)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Loss for the year	(279,153.89)	(41,837.68)
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/ (loss) per equity share – (₹)	(9.45)	(1.42)
Diluted earnings/ (loss) per equity share – (₹)	(9.45)	(1.42)

\*ESOs and ESOPs which are anti-dilutive have been ignored from earnings per equity share calculation.

### 38 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:

I. Company having substantial interest	RattanIndia Infrastructure Limited (formerly known as Indiabulls Infrastructure and Power Limited)
II. Subsidiary companies including step down subsidiaries	Airmid Power Limited*
	Albina Power Trading Limited
	Albina Power Transmission Limited*
	Albina Thermal Energy Limited*
	Albina Thermal Power Limited*
	Albina Thermal Power Management Limited*
	Albina Thermal Projects Limited*

# Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

	Albina Water Supply & Waste Management Services Limited*&*
	Angina Power Limited
	Aravali Properties Limited
	Bracond Limited
	Citra Thermal Power And Infrastructure Limited*
	Devona Power Development Limited*
	Devona Power Distribution Limited*
	Devona Power Generation Limited*
	Devona Power Infrastructure Limited*
	Devona Power Limited
	Devona Power Projects Limited*
	Devona Thermal Power And Infrastructure Limited*
	Devona Thermal Power Projects Limited*
	Diana Energy Limited
	Diana Power Limited*
	Elena Power And Infrastructure Limited
	Genoformus Limited**
	Hecate Electric Limited*
	Hecate Energy Private Limited*
	Hecate Energy Trading Limited*
	Hecate Power And Energy Resources Limited*
	Hecate Power Development Limited*
	Hecate Power Projects Limited*
	Hecate Power Systems Limited*
	Hecate Power Transmission Limited
	Hecate Power Utility Limited*
	Kaya Hydropower Projects Limited*
	Lucina Power And Infrastructure Limited
	Poana Power Systems Limited*
	Poena Hydro Power Projects Limited*
	Poena Power Development Limited
	Poena Power Distributors Limited*
	Poena Power Generation Limited*
	Poena Power Limited*
	Poena Power Management Limited*
	Poena Power Services Limited*
	Poena Power Solutions Limited*
	Poena Power Trading Limited*
	Poena Power Utility Limited*
	Poena Thermal Power Limited
	Renemark Limited**
	Selene Power Company Limited*
	Sentia Electric Limited*
	Sentia Electricity Generation Limited*
	Sentia Electricity Limited*



## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

<b>II. Subsidiary companies including step down subsidiaries</b>	Sentia Hydro Electric Power Limited*
	Sentia Hydro Energy Limited*
	Sentia Hydro Power Limited*
	Sentia Hydro Power Projects Limited*
	Sentia Power Limited
	Sentia Thermal Power And Infrastructure Limited*
	Sepla Hydropower Projects Limited*
	Sepset Thermal Power And Infrastructure Limited*
	Sinnar Thermal Power Limited (formerly known as RattanIndia Nasik Power Limited)
	Sinnar Power Transmission Company Limited**
	Tharang Warang Hydropower Projects Limited*
	Triton Energy Limited*

\* These Companies have been filed for strike off with MCA and same are under process.

\*\* These companies are step down subsidiaries of the Company.

### 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

RattanIndia Solar Private Limited (Formerly known as RattanIndia Solar Limited)

RR Infralands Private Limited

RattanIndia Finance Private Limited (Formerly known as Vikhyat Finlease And Trading Private Limited)

Tupelo Builders Private Limited

Priapus Infrastructure Limited

Priapus Developers Private Limited

#### IV. Key Management Personnel

Name	Designation
Rajiv Rattan	Chairman and Director of the Company
Jayant Shriniwas Kawale	Managing Director of the Company (upto 20 May 2019)
Himanshu Mathur	Whole Time Director of the Company
Aman Singh	CEO of the Company (w.e.f. 20 May 2019)
Venugopal Keshanakurthy	CFO of the Company (upto 20 January 2017)
Samir Taneja	CFO of the Company (w.e.f. 8 February 2017 and upto 16 October 2018)
Sameer Darji	CFO of the Company (w.e.f. 15 April 2019)

#### V. Interest in Trust -

IPL-PPSL Scheme Trust

# Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

(Amount in ₹ Lakhs)							
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
<b>Finance</b>							
Investment in equity shares	31 March 2019	-	29.15	-	-	-	29.15
	31 March 2018	-	36,355.58	-	-	-	36,355.58
Share application money	31 March 2019	-	-	-	-	-	-
	31 March 2018	-	499.00	-	-	-	499.00
Sale of investment in equity shares of subsidiary company	31 March 2019	-	-	-	-	-	-
	31 March 2018	-	-	9,922.00	-	-	9,922.00
Proceed from part settlement of corpus in IPL-PPSL Scheme trust	31 March 2019	-	-	-	320.24	-	320.24
	31 March 2018	-	-	-	7,789.54	-	7,789.54
Loan/ Inter corporate deposit taken	31 March 2019	-	-	322.91	-	-	322.91
	31 March 2018	-	3,288.00	35,140.43	-	-	38,428.43
Loan/ Inter corporate deposit repaid	31 March 2019	-	-	-	-	-	-
	31 March 2018	-	6,265.00	42,041.43	-	-	48,306.43
Loan/ Inter corporate deposit given*	31 March 2019	-	1,498.50	-	-	-	1,498.50
	31 March 2018	-	379.24	-	-	-	379.24
Loan/ Inter corporate deposit received back/adjustment*	31 March 2019	-	127.85	-	-	-	127.85
	31 March 2018	-	20,933.64	-	-	-	20,933.64
<b>Expenses</b>							
Interest on Loan/ Inter corporate deposit taken	31 March 2019	-	-	-	-	-	-
	31 March 2018	-	-	2,874.39	-	-	2,874.39
Liability written back	31 March 2019	-	-	-	-	-	-
	31 March 2018	-	4,113.74	-	-	-	4,113.74
Reimbursement received/(made) for bank guarantee financing charges including general expenses	31 March 2019	0.02	14.22	221.63	-	-	235.87
	31 March 2018	1.61	256.28	8.44	-	-	266.33
Short-term employee benefits	31 March 2019	-	-	-	-	315.55	315.55
	31 March 2018	-	-	-	-	433.12	433.12
Post employment benefits	31 March 2019	-	-	-	-	8.28	8.28
	31 March 2018	-	-	-	-	20.58	20.58

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

### VI. Summary of transactions with related parties:

(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>							
Purchase of goods	31 March 2019 31 March 2018	- -	227.74 -	- 0.30	- -	- -	227.74 0.30
Interest on ICD given	31 March 2019 31 March 2018	- -	1,824.15 2,001.08	- -	- -	- -	1,824.15 2,001.08
<b>Others</b>							
Capital Work-in-Progress (including Capital Advances)	31 March 2019 31 March 2018	- -	129.85 13,872.33	- 8,793.93	- -	- -	129.85 22,666.26
Bank guarantees	31 March 2019 31 March 2018	- -	Refer note 32 (B)(II) (1-4)	- -	- -	- -	- -
Pledge of shares	31 March 2019 31 March 2018	Refer note 6A(i), 6A(ii) and 17(i)			- -	- -	- -

\* Includes increase/ (decrease) on account of gain/ (loss) on foreign exchange fluctuation/ converted to investement recorded on ICD given.

# Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## 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 March 2019 31 March 2018	- -	35,493.96 35,493.96	66,946.34 66,623.43	- -	102,440.30 102,117.39
Loan/ Inter corporate deposit given	31 March 2019 31 March 2018	- -	16,532.16 36,357.03	- -	- -	16,532.16 36,357.03
General and personnel cost receivable/ (payable)	31 March 2019 31 March 2018	- -	(339.36) (446.84)	- -	- -	(339.36) (446.84)
Capital advances	31 March 2019 31 March 2018	- -	- 4,448.37	- 24,616.13	- -	- 29,064.50
Receivable for sale of goods	31 March 2019 31 March 2018	- -	- 532.65	- -	- -	- 532.65
Trade payable	31 March 2019 31 March 2018	- -	- -	- 832.78	- -	- 832.78
Retention money payable/ Payables on purchase of Property, plant and equipments	31 March 2019 31 March 2018	- -	5,134.63 9,649.17	- 2,344.78	- -	5,134.63 11,993.95
Bank guarantees	31 March 2019 31 March 2018	- -	Refer note 33 (B)(II) (1-4)	- -	- -	- -
Pledge of shares	31 March 2019 31 March 2018	Refer note 6A(i), 6A(ii) and 17(i)			- -	- -

# Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

## VIII. Detail of outstanding balance: (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	Trade payable	Loan/ Inter corporate deposit taken	Loan/ Inter corporate deposit given	Share application money pending allotment	Capital advances	Retention money payable/ payables on purchase of fixed assets
<b>Subsidiaries</b>										
Elena Power And Infrastructure Limited*	31 March 2019	-	-	-	-	35,493.96	-	-	-	5,134.63
	31 March 2018	-	-	-	-	35,493.96	-	-	4,448.37	9,649.17
Bracond Limited**	31 March 2019	-	-	-	-	-	11,560.76	-	-	-
	31 March 2018	-	-	-	-	-	-	-	-	-
Sinnar Thermal Power Limited (formerly known as RattanIndia Nasik Power Limited)**	31 March 2019	-	(339.36)	-	-	-	250.00	-	-	-
	31 March 2018	-	(446.84)	532.65	-	-	4,865.37	-	-	-
Poena Power Development Limited	31 March 2019	-	-	-	-	-	16,281.82	-	-	-
	31 March 2018	-	-	-	-	-	19,509.89	-	-	-
<b>Enterprise over which Key Management Personnel have significant influence</b>										
IIC Limited**	31 March 2019	-	-	-	832.78	-	-	-	-	-
	31 March 2018	-	-	-	-	-	-	-	24,616.13	2,344.78
Priapus Developers Private Limited	31 March 2019	-	-	-	-	35,516.26	-	-	-	-
	31 March 2018	-	-	-	-	35,439.00	-	-	-	-
RR Infralands Pvt. Ltd.	31 March 2019	-	-	-	-	28,592.08	-	-	-	-
	31 March 2018	-	-	-	-	28,391.43	-	-	-	-
Tupelo Builders Private Limited	31 March 2019	-	-	-	-	2,838.00	-	-	-	-
	31 March 2018	-	-	-	-	2,793.00	-	-	-	-

\* regrouping of balances in current financial year

\*\* Includes necessary provisions made in current financial year. (refer note 45)

# Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

IX. Statement of material transactions		(Amount in ₹ Lakhs)					
Name of related party	Year ended	Investment in equity shares	Share application money	Purchase of goods	Reimbursement received of BG Financing charges including General expenses	Loan/ Inter Corporate Deposit given*	Loan/ Inter Corporate Deposit received back/ adjustment*
<b>Company having Substantial Interest</b>							
RattanIndia Infrastructure Limited (formerly known as Indiabulls Infrastructure and Power Limited)	31 March 2019 31 March 2018	- -	- -	- -	0.02 1.61	- -	- -
<b>Subsidiaries</b>							
Airmid Power Limited	31 March 2019 31 March 2018	3.58 -	- -	- -	- 0.04	0.58 0.25	3.58 -
Amravati Power Transmission Company Limited	31 March 2019 31 March 2018	- -	- -	- -	- 59.93	- -	- 3,151.87
Angina Power Limited	31 March 2019 31 March 2018	- -	- -	- -	- 0.03	0.12 0.25	- -
Aravali Properties Limited	31 March 2019 31 March 2018	- -	- -	- -	- 0.04	0.63 0.20	- -
Bracond Limited	31 March 2019 31 March 2018	- -	- -	- -	- -	1,163.01 236.69	- -
Devona Thermal Power and Infrastructure Limited	31 March 2019 31 March 2018	10.94 -	- -	- -	- 0.05	0.53 0.20	11.06 -
Hecate Power Projects Limited	31 March 2019 31 March 2018	0.55 -	- -	- -	- 0.03	- 0.20	0.56 -
Hecate Power Systems Limited	31 March 2019 31 March 2018	- -	- -	- -	- 0.03	0.01 0.20	- -
Hecate Power Transmission Limited	31 March 2019 31 March 2018	- -	- -	- -	- 0.03	0.24 -	- -
Sentia Electricity Limited	31 March 2019 31 March 2018	0.65 -	- -	- -	- 0.04	0.16 0.05	0.65 -
Sentia Hydro Electric Power Limited	31 March 2019 31 March 2018	0.55 -	- -	- -	- 0.05	0.19 0.05	0.55 -
Sentia Hydro Energy Limited	31 March 2019 31 March 2018	0.59 -	- -	- -	- 0.05	0.19 0.05	0.59 -
Sentia Electric Limited	31 March 2019 31 March 2018	0.68 -	- -	- -	- 0.04	0.48 0.20	0.68 -
Sentia Thermal Power And Infrastructure Limited	31 March 2019 31 March 2018	1.94 -	- -	- -	- 0.03	0.53 0.20	1.97 -

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

Name of related party	Year ended	Investment in equity shares	Share application money	Purchase of goods	Reimbursement received of BG Financing charges including General expenses	(Amount in ₹ Lakhs)	
						Loan/ Inter Corporate Deposit given*	Loan/ Inter Corporate Deposit received back/ adjustment*
Devona Power Infrastructure Limited	31 March 2019 31 March 2018	1.90 -	- -	- -	- 0.04	0.19 -	1.90 -
Sinnar Thermal Power Limited (formerly known as RattanIndia Nasik Power Limited)	31 March 2019 31 March 2018	- 36,355.58	- 499.00	227.74 -	- 190.73	310.50 60.00	77.50 20,147.00
Kaya Hydropower Projects Limited	31 March 2019 31 March 2018	- -	- -	- -	- 0.03	- 0.05	2.24 -
Lucina Power and Infrastructure Limited	31 March 2019 31 March 2018	- -	- -	- -	- 0.03	0.20 -	- -
Poana Power Systems Limited	31 March 2019 31 March 2018	- -	- -	- -	- 0.03	- -	5.62 -
Poena Power Development Limited	31 March 2019 31 March 2018	- -	- -	- -	14.21 0.29	18.50 79.60	- -
Poena Power Management Limited	31 March 2019 31 March 2018	0.48 -	- -	- -	- 0.03	0.23 0.05	0.48 -
Poena Power Limited	31 March 2019 31 March 2018	- -	- -	- -	- 0.03	- 0.05	4.60 -
Sinnar Power Transmission Company Limited	31 March 2019 31 March 2018	- -	- -	- -	- 0.61	- -	- -
Selene Power Company Limited	31 March 2019 31 March 2018	- -	- -	- -	- 0.03	- -	8.35 -
Sepla Hydropower Projects Limited	31 March 2019 31 March 2018	1.22 -	- -	- -	- 0.03	0.55 0.25	1.35 -
Sepset Thermal Power And Infrastructure Limited	31 March 2019 31 March 2018	1.91 -	- -	- -	- 0.03	0.53 0.20	1.92 -
Tharang Warang Hydropower Projects Limited	31 March 2019 31 March 2018	0.82 -	- -	- -	- 0.04	0.45 0.20	0.82 -
Citra Thermal Power & infrastructure Limited	31 March 2019 31 March 2018	1.09 -	- -	- -	- 0.05	0.13 0.05	1.09 -
Triton Energy Limited	31 March 2019 31 March 2018	2.25 -	- -	- -	- 0.03	0.55 0.25	2.34 -
<b>Enterprises over which Key Management Personnel have significant influence</b>							
Sepset Constructions Limited	31 March 2019 31 March 2018	- -	- -	- 0.30	0.43 0.66	- -	- -

\* Includes increase/ (decrease) on account of gain/ (loss) on foreign exchange fluctuation recorded on ICD given.

# Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

IXA. Statement of material transactions		(Amount in ₹ Lakhs)						
Name of related party	Year ended	Capital Work-in-Progress (including Capital advances)	Sale of investment in equity shares of subsidiary company	Reimbursement received of BG financing charges including general expenses	Loan/Inter corporate deposit taken	Loan/Inter corporate deposit repaid	Interest expense	Liabilities written back
<b>Subsidiaries</b>								
Elena Power And Infrastructure Limited	31 March 2019	129.85	-	0.01	-	-	-	-
	31 March 2018	13,872.33	-	1.19	3,288.00	6,265.00	-	4,113.74
<b>Enterprises over which Key Management Personnel have significant influence</b>								
IIC Limited	31 March 2019	-	-	0.13	-	-	-	-
	31 March 2018	8,793.93	-	2.43	-	-	-	-
RattanIndia Solar Private Limited	31 March 2019	-	-	-	-	-	-	-
(formerly known as RattanIndia Solar Limited)	31 March 2018	-	9,922.00	0.19	-	-	-	-
Priapus Developers Private Limited	31 March 2019	-	-	-	77.26	-	-	-
	31 March 2018	-	-	-	1,729.00	3,673.00	1,119.10	-
RR Infralands Pvt. Ltd.	31 March 2019	-	-	-	200.65	-	-	-
	31 March 2018	-	-	-	28,391.43	-	-	-
RattanIndia Finance Private Limited	31 March 2019	-	-	221.07	-	-	-	-
(formerly known as Vikhyat Finlease and Trading Private Limited)	31 March 2018	-	-	4.68	-	27,956.43	1,400.00	-
Tupelo Builders Private Limited	31 March 2019	-	-	-	45.00	-	-	-
	31 March 2018	-	-	0.03	5,020.00	10,412.00	355.29	-
Priapus Infrastructure Limited	31 March 2019	-	-	-	-	-	-	-
	31 March 2018	-	-	0.45	-	-	-	-



## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

### IXB. 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.

Name of Related Party	Year ended	Proceed from part settlement of corpus in IPL-PPSL scheme trust	Reimbursement of general expense towards employment services	Short-term employee benefits	Post employment benefits
Interest in Trust					
IPL-PPSL Scheme Trust	31 March 2019	320.24	-	-	-
	31 March 2018	7,789.54	-	-	-
Key Management Personnel					
Jayant Shriniwas Kawale	31 March 2019	-	-	159.96	(1.87)
	31 March 2018	-	-	249.82	9.40
Himanshu Mathur	31 March 2019	-	-	109.97	2.53
	31 March 2018	-	-	103.00	9.61
Samir Taneja	31 March 2019	-	-	45.62	7.62
	31 March 2018	-	-	80.30	1.57

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.

## 39 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)

Particulars	Level	31 March 2019	31 March 2018
<b>Financial assets</b>			
<b>Investments at FVTPL</b>			
Investments in Mutual funds	Level 1	19,207.66	500.75
<b>Total financial assets</b>		<b>19,207.66</b>	<b>500.75</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 40(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.

## 40 Financial risk management

### i) Financial instruments by category

(Amount in ₹ Lakhs)

Financial year	31 March 2019			31 March 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial Assets</b>						
Investments in:						
Preference shares	-	-	-	-	-	2,100.00
Mutual funds	19,207.66	-	-	500.75	-	-
Loans:						
Security deposits	-	-	821.79	-	-	994.77
Loans	-	-	5.30	-	-	6.62
Inter corporate deposits	-	-	16,532.16	-	-	36,357.03
Trade receivables	-	-	123,307.42	-	-	132,854.90
Cash and cash equivalents	-	-	2,115.59	-	-	12,795.16
Other bank balances	-	-	1,413.32	-	-	2,995.71
Other financial asset	-	-	20,474.73	-	-	25,673.61
<b>Total</b>	<b>19,207.66</b>	<b>-</b>	<b>164,670.31</b>	<b>500.75</b>	<b>-</b>	<b>213,777.80</b>

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

(Amount in ₹ Lakhs)

Financial year	31 March 2019			31 March 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial liabilities</b>						
Borrowings	-	-	697,928.83	-	-	776,100.37
Trade payable	-	-	1,352.55	-	-	4,501.14
Other financial liabilities	-	-	213,539.47	-	-	132,701.24
<b>Total</b>	-	-	<b>912,820.85</b>	-	-	<b>913,302.75</b>

Investment in subsidiaries are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented here.

### 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 40(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:

(Amount in ₹ Lakhs)

Particulars	31 March 2019	31 March 2018
Preference shares (i)	-	2,100.00
Loans (i)	17,359.25	37,358.42
Trade receivables (ii)	123,307.42	132,854.90
Cash and cash equivalents (iii)	2,115.59	12,795.16
Other bank balances (iii)	1,413.32	2,995.71
Other financial assets (i)	20,474.73	25,673.61

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.

- 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 2019	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings*	553,074.38	303,619.77	501,618.41	1,358,312.56
Trade payable	1,352.55	-	-	1,352.55
Other financial liabilities	16,467.50	11,156.16	-	27,623.66
<b>Total</b>	<b>570,894.43</b>	<b>314,775.93</b>	<b>501,618.41</b>	<b>1,387,288.77</b>

(Amount in ₹ Lakhs)

31 March 2018	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings*	379,176.64	356,500.36	570,152.80	1,305,829.79
Trade payable	4,501.14	-	-	4,501.14
Other financial liabilities	40,111.08	10,598.87	-	50,709.95
<b>Total</b>	<b>423,788.86</b>	<b>367,099.23</b>	<b>570,152.80</b>	<b>1,361,040.88</b>

\* Borrowings excludes finance lease obligations, refer note 50 for disclosure of maturity profile of finance lease obligations.

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

### 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.

##### 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 2019	31 March 2018
<b>Financial assets</b>		
Inter-Corporate Deposits (ICD)	-	USD 17,773,732 (Rs.11,560.76 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 2019	31 March 2018
<b>USD sensitivity</b>		
INR/USD- increase by Nil (31 March 2018 4.09%)*	-	472.84
INR/USD- decrease by Nil (31 March 2018 4.09%)*	-	(472.84)

\* Keeping 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 2019, 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 2019	31 March 2018
<b>Variable rate:</b>		
Borrowing	593,836.29	672,330.74
Loan assets	-	10,081.84
<b>Total variable rate exposure</b>	<b>593,836.29</b>	<b>662,248.90</b>
<b>Fixed rate:</b>		
Borrowing	104,092.54	103,769.63
Loans and deposits	21,719.42	34,273.84
<b>Total fixed rate exposure</b>	<b>82,373.12</b>	<b>69,495.79</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 2019	31 March 2018
<b>Interest sensitivity</b>		
Interest rates – increase by 100 basis points (31 March 2018: 100 basis points)	(5,938.36)	(6,622.49)
Interest rates – decrease by 100 basis points (31 March 2018: 100 basis points)	5,938.36	6,622.49

## 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 2019	31 March 2018
<b>Price sensitivity</b>		
Price increase by 1000 basis points (31 March 2018: 1000 basis points)	1,920.77	50.08
Price decrease by 1000 basis points (31 March 2018: 1000 basis points)	(1,920.77)	(50.08)

## 41 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 2019	31 March 2018
Long-term borrowings including finance lease obligations	399,566.29	463,004.85
Current maturities of long-term borrowings including finance lease obligations	138,071.60	119,790.69
Short-term borrowings	160,290.94	193,304.83
Interest accrued on borrowings	187,184.48	84,281.93
<b>Total borrowings</b>	<b>885,113.31</b>	<b>860,382.30</b>

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

(Amount in ₹ Lakhs)

Particulars	31 March 2019	31 March 2018
Less:		
Cash and cash equivalents	2,115.59	12,795.16
Other bank balances	1,413.32	2,995.71
Investment of excess fund in mutual funds	19,207.66	500.75
<b>Net debts</b>	<b>862,376.74</b>	<b>844,090.68</b>
<b>Total equity<sup>(i)</sup></b>	<b>181,831.48</b>	<b>460,737.68</b>
<b>Net debt to equity ratio</b>	<b>474.27%</b>	<b>183.20%</b>

(i) Equity includes capital and all reserves of the Company that are managed as capital.

### 42 Details of assets pledged

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(Amount in ₹ Lakhs)

Particulars	31 March 2019	31 March 2018
<b>Current</b>		
Inventories and trade receivables (to the extent pledged)	166,554.88	147,030.31
<b>Non-current</b>		
Property, plant and equipment	719,308.75	742,401.26
Capital work-in-progress	64,622.56	64,997.01
Other intangibles assets	24.51	36.98
Investments (net of impairment provision)	155,943.03	267,656.33

### 43 Effective tax reconciliation

(Amount in ₹ Lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Loss before tax	(279,153.89)	(41,146.62)
Domestic tax rate	34.94%	34.61%
<b>Expected tax expense [A]</b>	<b>(97,536.37)</b>	<b>(14,240.85)</b>
Adjustment for non-deductible expenses	59.70	21.51
Adjustment for exempt income	(309.86)	(96.21)
Deferred tax assets not recognised	97,786.53	14,315.55
Tax credit (minimum alternative tax)	-	691.06
<b>Total adjustments [B]</b>	<b>97,536.37</b>	<b>14,931.91</b>
<b>Actual tax expense [C=A+B]</b>	<b>-</b>	<b>691.06</b>
Tax expense comprises:		
Current tax expense	-	-
Deferred tax credit	-	691.06
<b>Tax expense recognized in statement of profit and loss [D]</b>	<b>-</b>	<b>691.06</b>

- 44 During the current year, one of the lender of the Company adjusted ₹ 394.03 lakhs (31 March 2018: ₹ 7,789.54 lakhs) of its dues on the Company, by selling of 92.28 lakhs shares (31 March 2018: 1,000 lakhs shares) out of total invoked 300 lakhs pledged equity shares (31 March 2018: 1,000 lakhs pledged equity shares) of the Company issued to RR Infralands Limited (RRIL), a Company having significant influence. To replenish it, 'IPL-PPSL scheme trust' transferred 75 lakhs equity shares (31 March 2018: 1,000 lakhs equity shares) to RRIL, and similarly for remaining 225 lakh shares (31 March 2018: Nil), liability

towards RRIL has also been recognized by the Company. Pursuant to this transaction, corpus of the 'IPL-PPSL trust' in the books of the Company is reduced by ₹ 75 lakhs (31 March 2018: ₹ 1,000 lakhs) being value of 75 lakhs equity shares (31 March 2018: 1,000 lakhs equity shares) and balance ₹ 245.24 lakhs (31 March 2018: ₹ 6,789.54 lakhs) has been credited to Capital Reserve.

- 45 The exceptional items primarily include, as per the re-assessment done by the management, an amount of ₹ 233,505.32 lakhs as provided for during the year on account of impairment of investments in /amount receivable from wholly owned subsidiaries and certain other receivable which are uncertain on their recoverability. The exceptional items also include, as per the re-assessment done by the management, an amount of ₹ 225.54 lakhs as written off during the year on account of certain other receivable/payables from other vendor. Such impairment loss/ write off are not in ordinary course of business of the company and hence considered as exceptional items in nature.
- 46 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 38)
- 47 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 other than already recorded in these financial statements .

**48. Deferred tax (liabilities)/assets (net) (Amount in ₹ Lakhs)**

Particulars	31 March 2019	31 March 2018
<b>Tax effect of items constituting deferred tax liabilities</b>	<b>Non-current</b>	<b>Non-current</b>
Property, plant and equipment	(130,497.62)	(118,932.64)
Borrowings	(696.94)	(815.47)
Investments in preference shares	-	(437.73)
Retention money	(438.56)	(828.20)
Inter corporate deposits	-	(1,472.33)
	<b>(131,633.12)</b>	<b>(122,486.37)</b>
<b>Tax effect of items constituting deferred tax assets</b>		
Employee benefit obligations	287.04	266.64
Capital work-in-progress	3,754.23	2,696.94
Employee stock options	9.83	7.68
Lease equalisation reserve	29,493.08	23,832.19
Security deposits	0.02	6.41
Unabsorbed depreciation and brought business losses (i)	98,088.92	95,676.51
Tax credit (minimum alternative tax)	-	-
	<b>131,633.12</b>	<b>122,486.37</b>
	-	-

**Movement in deferred tax assets/ (liabilities) (Amount in ₹ Lakhs)**

Particulars	As at 1 April 2018	Recognized in profit or loss	Recognized in other comprehensive income	Total
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, plant and equipment	(118,932.64)	(11,564.98)	-	(130,497.62)
Borrowings	(815.47)	118.53	-	(696.94)
Investments in preference shares	(437.73)	437.73	-	-
Retention money	(828.20)	389.64	-	(438.56)
Inter corporate deposits	(1,472.33)	1,472.33	-	-
	<b>(122,486.37)</b>	<b>(9,146.75)</b>	-	<b>(131,633.12)</b>



## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

(Amount in ₹ Lakhs)

Particulars	As at 1 April 2018	Recognized in profit or loss	Recognized in other comprehensive income	Total
<b>Tax effect of items constituting deferred tax assets</b>				
Employee benefit obligations	266.64	20.40	-	287.04
Capital work-in-progress	2,696.94	1,057.29	-	3,754.23
Employee stock options	7.68	2.15	-	9.83
Lease equalisation reserve	23,832.19	5,660.89	-	29,493.08
Security deposits	6.41	(6.39)	-	0.02
Unabsorbed depreciation and brought business losses (i)	95,676.51	2,412.41	-	98,088.92
Tax credit (minimum alternative tax)	-	-	-	-
	<b>122,486.37</b>	<b>9,146.75</b>	<b>-</b>	<b>131,633.12</b>
<b>Deferred tax assets/ (liabilities) (net)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(Amount in ₹ Lakhs)

Particulars	As at 1 April 2017	Recognized in profit or loss	Recognized in other comprehensive income	Total
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, plant and equipment	(104,492.06)	(14,440.58)	-	(118,932.64)
Borrowings	(963.73)	148.26	-	(815.47)
Investments in preference shares	(374.67)	(63.06)	-	(437.73)
Retention money	(1,169.01)	340.81	-	(828.20)
Inter corporate deposits	(2,587.27)	1,114.94	-	(1,472.33)
	<b>(109,586.74)</b>	<b>(12,899.63)</b>	<b>-</b>	<b>(122,486.37)</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Employee benefit obligations	237.62	29.02	-	266.64
Capital work-in-progress	1,851.08	845.86	-	2,696.94
Employee stock options	20.92	(13.24)	-	7.68
Lease equalisation reserve	15,800.00	8,032.19	-	23,832.19
Security deposits	4.75	1.66	-	6.41
Unabsorbed depreciation and brought business losses	91,672.37	4,004.14	-	95,676.51
Tax credit (minimum alternative tax)	691.06	(691.06)	-	-
	<b>110,277.80</b>	<b>12,208.57</b>	<b>-</b>	<b>122,486.37</b>
<b>Deferred tax assets/ (liabilities) (net)</b>	<b>691.06</b>	<b>(691.06)</b>	<b>-</b>	<b>-</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 ₹ 299,843.22 lakhs are available for offset for maximum period of eight years from the incurrence of loss.

49 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 ₹ 190,926.97 lakhs (31 March 2018 ₹ 201,538.21: lakhs) are derived from a single external customer and the Company operates in one geography.

- 50** 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 ₹ 209.04 lakhs and ₹ Nil respectively for the year ended 31 March 2019 (31 March 2018: ₹ 472.37 lakhs for Statement of Profit and Loss and ₹ 7.77 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. During the year, company office has been shifted to a new facility, wherein a new agreement is entered into by the Company for a period of 5 years with non-cancellable period of initial 2 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)

Minimum lease rentals payables	31 March 2019	31 March 2018
Within one year	53.10	540.92
One to five years	217.98	Nil
Above five years	Nil	Nil

The Company has entered into a Power Purchase Agreement with MSEDCCL (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 2019	31 March 2018
Within one year	98,556.48	98,287.20
One to five years	277,180.92	306,299.88
Above five years	968,804.34	1,038,241.86

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)

Particulars	Minimum lease rentals payables			
	Less than 1 year	1-5 year	More than 5 years	Total
<b>As at 31 March 2019</b>				
Lease payment	198.28	793.10	15,975.59	<b>16,966.97</b>
Finance charge	198.27	793.06	14,323.41	<b>15,314.74</b>
Net present value	0.01	0.04	1,652.18	<b>1,652.23</b>
<b>As at 31 March 2018</b>				
Lease payment	198.28	793.10	16,173.87	<b>17,165.25</b>
Finance charge	198.27	793.06	14,521.67	<b>15,513.00</b>
Net present value	0.01	0.04	1,652.20	<b>1,652.25</b>

- 51** In previous year, Company has retrospectively amended the Inter Company Deposits (ICD) agreements with subsidiary company and certain other entities in which KMP has significant influence in respect of ICD interest of earlier periods to the extent not paid upto the date of agreement and thereafter. As per the revised terms unpaid interest, amounting to ₹ 26,410.36 lakhs up to 31 March 2019, on such loans will accrue and become due only on future uncertain event. Accordingly, during the year ended 31 March 2019, interest amounting of ₹ 12,393.19 lakhs on such ICDs has not been charged to the statement of profit and loss.
- 52** 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 2019. There were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2018.
- 53** The Company has incurred a loss of ₹ 279,152.62 lakhs during the year ended 31 March 2019 (year ended 31 March 2018

## Standalone Notes Part of the Financial Statements (Contd.)

of RattanIndia Power Limited (formerly known as Indiabulls Power Limited.) for the year ended 31 March 2019

₹ 41,814.00 lakhs), and as of that date, Company's accumulated losses from operations amounts to ₹ 411,673.83 lakhs (as of 31 March 2018 ₹ 132,521.21 lakhs) and its current liabilities exceed current assets by ₹ 285,867.93 lakhs (as of 31 March 2018 ₹ 243,830.29 lakhs). The Company continued to operate at sub-optimal levels due to lower demand from MSEDC.

The Company has worked extensively with the Lenders ("Lenders") to implement restructuring of its debt under the various schemes and guidelines issued by the Reserve Bank of India (RBI) to address its burgeoning debt and the financial stress faced by the Company, including under RBI's Scheme for Sustainable Structuring of Stressed Assets (S4A). However, with the issuance of RBI's circular on "Resolution of Stressed Assets – Revised Framework" dated 12 February 2018, the S4A scheme was withdrawn. The Hon'ble Supreme Court vide its order dated 02 April 2019 has quashed RBI's aforesaid notification.

With this background and with an aim to resolve the severe financial stress faced by the Company, the Promoters along with the Company offered Binding One Time Settlement Proposal to the Lenders on 06 December 2018 (Binding Settlement Proposal). The Company received letter of intent (the "LOI") dated 01 February 2019 from Lenders, who had funded its 1350 MW thermal power plant project (Phase I) in Amravati, Maharashtra with respect to the Binding Settlement Proposal. In view of the above and in accordance with the terms of the Binding Settlement Proposal, the Board on meeting held on 04 February 2019 approved the composite debt restructuring proposal.

The Binding Settlement Proposal contemplates payment of ₹ 405,000 lakhs to the Lenders towards settlement of Phase I debt of ₹ 787,435 lakhs. As a composite scheme of restructuring, the objectives of the Binding Settlement Proposal includes: (i) restructuring the outstanding debt owed to the Lenders which is being acquired by the Investor into sustainable and unsustainable portion; (ii) convert a portion of the unsustainable debt into nominal coupon bearing long term instrument; (iii) increase the net-worth of the Company; (iv) providing for settlement of identified liabilities of the Company through funding support from the Promoter Group entities.

Subsequently Management has submitted a revised Settlement Proposal to the lenders which is currently under discussion between Lenders, Investors and the Company. It is expected that such discussion will be concluded soon, subsequent to which Lenders will carry out appropriate process for consummation of Binding Settlement Proposal. As a positive step towards ongoing negotiations, subsequent to the balance sheet date, the Lenders on 14 May 2019 have also withdrawn their petition with National Company Law Tribunal (NCLT) against the Company under Insolvency & Bankruptcy Code.

Conditions explained above, unless resolved as stated above, indicate existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, on expectation of resolution of debt with Lenders, restoration of full operations on higher demand from MSEDC and availability of coal, these financial statements have been prepared on a going concern basis.

- 54** The construction activity at Company's 1350 MW power plant (Phase II) is currently suspended. As of 31 March 2019, Phase II capital work in progress (CWIP) balance is Rs. 54,657.35 lakhs. The management believes that the suspension is not likely to lead to impairment of the aforementioned CWIP balance. The Company has all necessary environmental clearances and infrastructure like Fuel Supply Agreement (FSA), land, railway and water connection which are difficult to secure in the current environment. Further the cost of setting up this plant is significantly lower than setting up a new plant due to common facilities available with the Company.

In view of aforesaid factors along with external factors such as increasing power consumption and related demand in market, management is confident that the project is fully viable and hopeful of reviving the project at appropriate time. Considering above factors and the ongoing discussion with suppliers, the management believes, no impairment is required to the aforementioned carrying amount of CWIP in these financial statements.

- 55** The Company has non-current investment of ₹ 302,621.55 lakhs in, and loans under current financial assets of ₹ 5,098.36 lakhs and trade receivables of ₹ 532.65 lakhs recoverable from, Sinnar Thermal Power Limited (Formerly known as RattanIndia Nashik Power Limited) ('STPL'), a wholly-owned subsidiary of the Company.

STPL has incurred losses since its inception and is yet to commence operations. Subsequent to defaults in debt repayments, STPL initiated discussion with consortium of lenders for restructuring of debt under Strategic Debt Restructuring Scheme ('SDR') as per the Reserve Bank of India (RBI) guidelines. However, RBI's notification dated 12 February 2018 repealed all debt restructuring schemes (including SDR) which resultantly impacted progress made by STPL under SDR. STPL is in active discussion with lenders for successful resolution of debt. In the meanwhile, PFC (Lead lender) filed an application under IBC before NCLT Delhi on 10 September 2018 which was subsequently withdrawn on 14 May 2019.

Recently on 30 April 2019, MSEDC has issued letter of intent to STPL for execution of PPA of 507 MW (net capacity). Lenders of STPL have also shown interest in starting operations and in granting required working capital and non-fund based facilities so as to implement aforementioned PPA with MSEDC.

Conditions explained above, indicate existence of uncertainties that may cast significant doubt on the STPL's ability to continue as a going concern due to which the STPL may not be able to realise its assets and discharge its liabilities in the normal course

of business. However, on expectation of resolution of debt with lenders within the available time frame and implementation of PPA soon, management is of the view that STPL's going concern basis of accounting is appropriate. The management of Company had undertaken assessment of recoverability of its investment in STPL and has created necessary provision in books.

## 56 Disclosure under The Micro, Small and Medium Enterprises Development Act, 2006: (Amount in ₹ Lakhs)

Particulars	As at 31-Mar-19	As at 31-Mar-18
(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 The Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

- 57 During the current year, in the light of the direction of the Hon'ble Supreme Court in case of Energy Watchdog dated 11 April 2017, Maharashtra Electricity Regulatory Commission (MERC) vide its order dated 3 April 2018 principally held that the Company is entitled to compensation for procurement of additional coal for fulfilling its obligations under the PPA signed with MSDDL. MERC also provided mechanism for computation of the compensation. The Company has filed an appeal against the MERC order since the methodology passed by MERC is not fully on the principle of "restoration of the affected party to the same economic position as if the change in law event didn't occur". Company is confident that, the Hon'ble Tribunal is likely to set out a mechanism for compensation restoring the Company to the same economic position as if such Change in Law has not occurred. Hence, it would not be unreasonable to expect the ultimate collection of an equivalent amount of compensation including related late payment surcharge recorded in books of accounts on account of aforesaid matter.
- 58 Revenue from operations on account of Change in Law events in terms of Power Purchase Agreements (PPA) with MSDDL is accounted for by the Company based on the best management estimates including orders of Regulatory Authorities in some cases, which may be subject to adjustments on account of final orders of Respective Authorities.
- 59 During the current year revenue from operations include income of ₹ 4,402 lakhs for the period upto 31 March 2018 recognised based on the notification by CERC relating to annual escalation rates for domestic coal based on the new series of Wholesale Price Index.
- 60 The Company has non-current investment of ₹ 43,277.11 lakhs in, and loan under non-current financial assets of ₹ 12,258.04 lakhs recoverable from Bracond Limited, a wholly-owned subsidiary of the Company. Bracond Limited had further invested in two wholly-owned subsidiaries namely Renemark Limited and Genoforus Limited who had given advances to non-related parties for business purposes. The management has undertaken assessment of recoverability and has created provision of these financial assets wherever necessary.

For Walker Chandiok & Co LLP

For and on behalf of the Board of Directors

Chartered Accountants

Firm Registration No.: 001076N/ N500013

**Rohit Arora**

Partner

Membership No. : 504774

Place : New Delhi

Date : 20 May 2019

**Rajiv Rattan**

Chairman

DIN: 00010849

**Sameer Darji**

Chief Financial Officer

**Sanjiv Chhikara**

Director

DIN: 06966429

**Lalit Narayan Mathpati**

Company Secretary

**Aman Singh**

Chief Executive Officer

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RattanIndia Power Limited

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Registered Office:

A-49, Ground Floor, Road No. 4,  
Mahipalpur, New Delhi 110037