

# GKSS & ASSOCIATES

## Chartered Accountants

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### INDEPENDENT AUDITORS' REPORT

To  
The Members of  
Bharatpur Electricity Services Limited  
( Formerly Wigeon Commotrade Private Limited )

#### Report on the Financial Statements

We have audited the accompanying Ind AS financial statements of Bharatpur Electricity Services Limited ('the Company'), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss ( including other comprehensive income), Cash Flow Statement and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information ( hereinafter referred to as " Ind AS financial statements").

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income ), cash flows and the statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards ( Ind AS ) specified under Section 133 of the Act, read with relevant rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

#### Auditors' Responsibility

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

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



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Registered Office : 40/4, Ballygunge Circular Road, Kolkata - 700 019  
Administrative Office : 211A, Lake Gardens, Block - B, Kolkata - 700 045  
Mobile : 98302 89502, 98316 40470 • E-mail : gkssassociates2015@gmail.com

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31<sup>st</sup> March 2017 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Other Matters

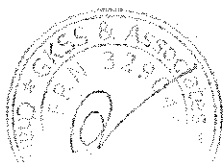
The comparative financial information of the Company for the year ended 31<sup>st</sup> March, 2016 and the transition date opening balance sheet as at 1<sup>st</sup> April 2015 is prepared in accordance with the Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31<sup>st</sup> March 2016 and 31<sup>st</sup> March, 2015 dated 26<sup>th</sup> April, 2016 and 11<sup>th</sup> May, 2015 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.



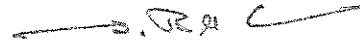
**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure – I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
  - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and the statement of changes in the equity dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the relevant rules issued thereunder;
  - e. on the basis of written representations received from the Directors as on 31<sup>st</sup> March, 2017 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a Director in terms of Section 164(2) of the Act;
  - f. we give in the Annexure II, our separate report with respect to the adequacy of internal financial controls over financial reporting of the company and operating effectiveness of such controls; and
  - g. in our opinion and to the best of our information and according to the explanations given to us :
    - i) The Company does not have any pending litigations which would impact its financial position.
    - ii) The Company does not have any long term contracts including derivative contracts for which there will be any material foreseeable losses.
    - iii) There is no amount, required to be transferred, to the Investor Education and Protection Fund by the Company.



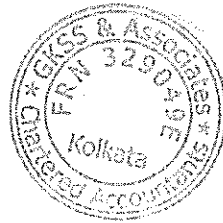
iv) The Company has provided requisite disclosures in its Ind AS financial statements as to holding as well as dealings in Specified Bank Notes ( SBNs) during the period from 8<sup>th</sup>. November,2016 to 30<sup>th</sup>. December 2016 and these are in accordance with the books of accounts maintained by the Company. Refer (Note No.13 ) to the Ind AS financial statements.

For GKSS & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 329049E



(Somnath Bhattacharya)  
Partner  
Membership No. 051455

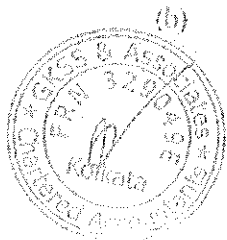
Place: Kolkata,  
Date: 16 May, 2017



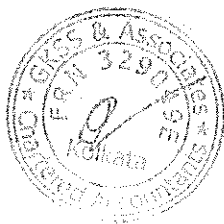
## ANNEXURE - I TO THE AUDITORS' REPORT

(Referred to in Paragraph I under the heading "Report on other legal and regulatory requirements" of our Report of even date to the members of **Bharatpur Electricity Services Limited** on the Ind AS financial statements as of and for the year ended 31<sup>st</sup> March, 2017)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The Company has conducted physical verification of its inventory at reasonable intervals and as advised no discrepancies were noticed.
3. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of Clause 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the said Order are not applicable to the company.
4. In respect of loans, investments, guarantees, and security provided by the Company, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
5. The Company has not accepted any deposit from public and, therefore, the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable.
6. The maintenance of cost records although has been specified by the Central Government under sub-section (1) of section 148 of the Act, but the same is not applicable to the Company for this financial year.
7. (a) According to the records of the Company, the Company is generally regular in depositing the undisputed statutory dues like Provident Fund, Income Tax, Sales Tax, Service Tax and other statutory dues with the appropriate authorities during the year.
- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income-tax, Sales Tax, Service Tax and other statutory dues which have not been deposited on account of any dispute.



8. According to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowing to the financial institution, bank, Government or dues to the debenture holders.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor any fraud on the Company by its officers or employees noticed or reported during the year, nor have we been informed of such a case by the management.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions with the directors or persons connected with them.



16. According to the information and explanations given to us and the records of the Company examined by us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. .

Place: Kolkata,  
Date: 16 May, 2017



For GKSS & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 329049E

Somnath Bhattacharya)  
Partner  
Membership No. 051455

**ANNEXURE – II TO THE AUDITORS' REPORT****Report on the Internal Financial Controls under Clause (b) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Bharatpur Electricity Services Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

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

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





### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

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

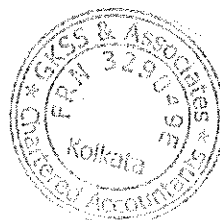
### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Kolkata,  
Date: 16 May, 2017



For GKSS & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 329049E

*(Signature)*

Somnath Bhattacharya  
Partner  
Membership No. 051455

BHARATPUR ELECTRICITY SERVICES LIMITED

Balance Sheet as at 31st March, 2017

₹ in lakh

Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>ASSETS</b>				
<b>Non-current Assets</b>				
Property, Plant and Equipment	5	605.11	-	-
Capital work-in-progress		274.16	-	-
Other Intangible Assets	5	3.60	-	-
Financial Assets				
Others	6	2.57	-	-
Deferred Tax Assets (Net)				
Other Non current Assets	7	1.81	-	-
	(A)	887.25	-	-
<b>Current Assets</b>				
Inventories	8	62.99	-	-
Financial Assets				
Investments	9	700.21	-	-
Trade receivables	10	115.85	-	-
Cash and cash equivalents	11	1,858.03	12.42	8.39
Bank balances other than above	12	2,691.96	-	-
Others	14			
Current Tax Assets (Net)				
Other current Assets	15	374.85	0.61	-
	(B)	5,803.89	13.03	8.39
<b>TOTAL ASSETS</b>	(A+B)	6,691.15	13.03	8.39
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share capital	16	5.00	1.00	1.00
Other Equity	17	1,536.75	-39.65	-42.79
	(C)	1,541.75	-38.65	-41.79
<b>Liabilities</b>				
<b>Non-current Liabilities :</b>				
<b>Financial Liabilities</b>				
Other financial liabilities	18	6.51	-	-
Provisions	19	12.56	-	-
Deferred tax liabilities (Net)	34			
Other non current liabilities	20	27.58	-	-
	(D)	46.65	-	-
<b>Current Liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	21	2,610.92	0.80	-
Trade payables	22	2,339.56	-	-
Other financial liabilities	23	87.81	-	-
Other current liabilities	24	55.08	50.27	50.18
Provisions	25	0.08	0.61	-
Current Tax Liabilities (net)		9.29	-	-
	(E)	5,102.74	51.68	50.18
<b>TOTAL EQUITY &amp; LIABILITIES</b>	(C+D+E)	6,691.15	13.03	8.39

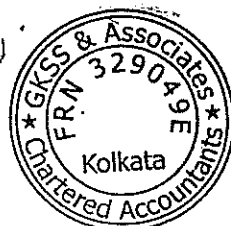
Notes forming part of Financial Statements

1 - 39

This is the Balance Sheet referred to in our Report of even date.

For GKSS & Associates  
Chartered Accountants  
Firm Registration Number - 329049E

Somnath Bhattacharya  
Partner  
Membership No.: 051455  
Kolkata, 16 May, 2017



For and on behalf of Board of Directors

Managing Director

Director

**BHARATPUR ELECTRICITY SERVICES LIMITED**

**Statement of Profit and Loss for the year ended 31st March, 2017**

₹ in lakh

Particulars	Note No.	2016-17	2015-16
Revenue from operations	27	4,753.63	-
Other income	28	63.14	3.60
<b>Total Income</b>		<b>4,816.77</b>	<b>3.60</b>
<b>Expenses</b>			
Cost of electrical energy purchased	29	4,460.46	-
Employee benefit expenses	30	212.67	-
Finance costs		125.07	0.03
Depreciation and amortisation expenses		4.16	-
Other expenses	31	438.02	0.43
<b>Total expenses</b>		<b>5,240.37</b>	<b>0.46</b>
<b>Profit before tax</b>		<b>-423.60</b>	<b>3.14</b>
<b>Tax expense</b>			
Current tax		-	-
Deferred tax		-	-
<b>Profit after tax</b>		<b>-423.60</b>	<b>3.14</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plan		-	-
Income tax on above		-	-
<b>Total comprehensive income for the year</b>		<b>-423.60</b>	<b>3.14</b>
<b>Earnings per equity share</b>	36		
Basic & Diluted ( Face value of ₹ 10 per share)		-951.48	31.41
<b>Earnings per equity share - excluding regulatory income / (expense) (net)</b>			
Basic & Diluted ( Face value of ₹ 10 per share)		-	-
Notes forming part of Financial Statements	1 - 39		

This is the Statement of Profit and Loss referred to in our Report of even date

For GKSS & Associates  
Chartered Accountants  
Firm Registration Number - 329049E

Somnath Bhattacharya  
Partner  
Membership No.: 051455  
Kolkata, 16 May, 2017



For and on behalf of Board of Directors

Managing Director

Director

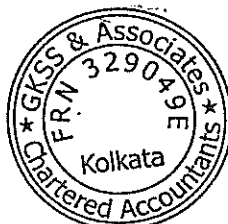
**SHARATHUR ELECTRICITY SERVICES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017**

	₹ lakhs	
	2016-17	2015-16
<b>a. Cash flow from Operating Activities</b>		
Profit before Taxation		3.14
Adjustments for :	-423.60	
Depreciation and amortisation expenses	4.16	
Diminution in Value of Investment		
Loss/(Profit) on sale / disposal of assets (net)		
Gain on sale of current Investments (net)	-5.73	
Gain on sale of long term Investments		
Dividend income		
Amortisation of Miscellaneous expenditure		
Allowances for doubtful debts / Advances written back		
Bad debts / Advances made		
Finance costs	125.07	0.03
Interest Income		
Advance against depreciation		
Share Issue Expenses		
<b>Operating Profit before Working Capital changes</b>	-403.15	3.17
Adjustments for :		
Trade & other receivables	-624.48	-0.61
Inventories	-62.99	
Trade and other payables	2,487.59	0.67
<b>Cash Generated from Operations</b>	1,629.97	3.23
Income Tax paid		
<b>Net cash flow from Operating Activities</b>	1,629.97	3.23
<b>b. Cash flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment / Capital Work-in-Progress	-887.03	
Proceeds from Sale of Property, Plant and Equipment		
Investment in Subsidiaries and Joint Ventures		
Sale/(purchase) of Current Investments (net)	-624.43	
Redemption of Long Term Investments		
Dividend received		
Interest received		
Advance to bodies Corporate for share subscription		
Advance to subsidiaries, Joint Venture for share subscription		
<b>Net cash used in Investing Activities</b>	-1,531.43	
<b>c. Cash flow from Financing Activities</b>		
Share application money received	2,092.00	
Share Issue Expenses		
Proceeds from issue of Share Capital	4.00	
Proceeds from Long Term Borrowings ( net of refinance loan )		
Repayment of Long Term Borrowings		
Repayment of Public Deposits		
<b>Net increase / (decrease) In Cash Credit facilities and other Short Term Borrowings</b>	2,610.12	0.80
Advance received from Consumers		
Finance Costs paid	-125.07	
Dividend paid		
Dividend tax paid		
<b>Net Cash flow from Financing Activities</b>	4,489.05	0.80
<b>Net increase / (decrease) in cash and cash equivalents</b>	4,537.56	4.83
<b>Cash and Cash equivalents - Opening Balance</b>	12.42	8.29
<b>Cash and Cash equivalents - Closing Balance</b>	4,549.99	12.42

This is the Cash Flow Statement referred to in our Report of even date.

For GKSS & Associates  
 Chartered Accountants  
 Firm Registration Number - 329049E  
 Somnath Bhattacharya  
 Partner  
 Membership No.: 051455  
 Kolkata, 16 May, 2017

For and on behalf of Board of Directors



Managing Director

Director

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

A) Equity Share Capital

₹ in lakh

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
As at 31 Mar 2016	1	-	1
As at 31 Mar 2017	1	4	5

B) Other Equity

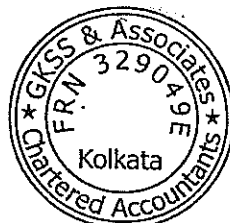
₹ in lakh

Particulars	Share application money pending allotment	Reserves and Surplus	Total
		Retained Earnings	
Balance as at 1 April, 2015		-42.79	
Profit for the year		3.14	
Other Comprehensive Income/(expense) for the year			
<b>Total Comprehensive Income for the year</b>		<b>-39.65</b>	<b>-39.65</b>
<b>Adjustments</b>			
Share Application money received			
Dividends paid (incl tax there on)			
Transfer to/from retained earnings			
Withdrawal during the year			
<b>Balance as at 31 March, 2016</b>		<b>-39.65</b>	<b>-39.65</b>

Particulars	Share application money pending allotment	Reserves and Surplus	Total
		Retained Earnings	
Balance as at 1 April, 2016		-39.65	-39.65
Profit for the year		-423.60	-423.60
Other Comprehensive Income/(expense) for the year			
<b>Total Comprehensive Income for the year</b>		<b>-463.25</b>	<b>-463.25</b>
<b>Adjustments</b>			
Share Application money received	2,000.00		2,000.00
Dividends paid (incl tax there on)			
Transfer to/from retained earnings			
Withdrawal during the year			
<b>Balance as at 31 March, 2017</b>	<b>2,000.00</b>	<b>-463.25</b>	<b>1,536.75</b>

This is the Statement of Changes in Equity referred to in our Report of even date.

For GKSS & Associates  
Chartered Accountants  
Firm Registration Number - 329049E  
Somnath Bhattacharya  
Partner  
Membership No.: 051455  
Kolkata, 16 May, 2017



For and on behalf of Board of Directors

Managing Director

Director

*[Handwritten Signature]*

*[Handwritten Signature]*

**NOTE-1** The Company, earlier known as Wigeon Commotrade Private Limited, changed its name with effect from 7 June 2016. The Company has entered into a Distribution Franchise Agreement (DFA) on 17 June 2016 with Jaipur Vidyut Vitran Nigam Limited (JVNL) and CESC Limited for distribution of electricity in Bharatpur City, situated in the state of Rajasthan.

**NOTE-2** The operations of the Company, which started with effect from 1 December 2016, are governed by the Electricity Act, 2003 and various Regulations and / or Policies framed thereunder by the appropriate authorities read with the aforesaid DFA. Accordingly, in preparing the financial statements the relevant provisions of the said Act, Regulations, DFA etc. have been duly considered.

**NOTE-3 SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared to comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 notified under Section 133 of the Companies Act, 2013 and other provisions of the Companies Act, 2013 and the regulations under the Electricity Act, 2003 to the extent applicable. A summary of important accounting policies which have been applied consistently are set out below.

The financial statements upto the year ended 31 March 2016 were prepared in accordance with accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provision of the Act ("previous GAAP").

These financial statements are the first financial statements of the Company under Ind AS. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is given in Note 3.

**(a) Basis of Accounting**

The financial statements have been prepared on the historical cost convention except for certain financial assets and liabilities and contingent consideration, which are measured at fair value.

**(b) Use of estimate**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.



(c) **Property, plant and equipment**

**i) Tangible Asset**

Tangible Assets are stated at cost of acquisition together with any incidental expenses related to acquisition. Repairs and maintenance cost relating to such assets are recognised in profit and loss as incurred. An impairment loss is recognized, where applicable, when the carrying value of tangible assets of cash generating unit exceed its market value or value in use, whichever is higher.

**ii) Depreciation**

In terms of applicable Regulations under the Electricity Act, 2003, depreciation on tangible assets is provided on straight line method on a prorata basis at the rates specified therein, the basis of which is considered by the Rajasthan Electricity Regulatory Commission (Commission) in determining the tariff for the year.

**iii) Capital work in progress**

Capital work in progress represents capital expenditure incurred for creation of tangible assets which are yet to be used for commercial operation.

**iv) Intangible Asset**

Intangible assets comprising computer software expected to provide future enduring economic benefits are stated at cost of acquisition / implementation / development less accumulated amortisation. An impairment loss is recognized where applicable, when the carrying value of intangible assets of cash generating unit exceed its market value or value in use, whichever is higher.

**v) Amortisation**

Amortisation Cost of intangible assets, comprising computer software related expenditure, are amortised in three years based on the estimated useful life such assets.

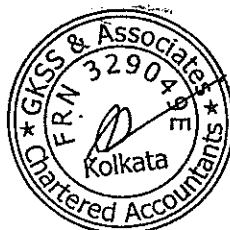
(d) **Financial asset**

The financial assets are classified in the following categories:

- 1) financial assets measured at amortised cost
- 2) financial assets measured at fair value through profit and loss.

The classification of financial assets depends on the Company's business model for managing financial assets and the contractual terms of the cash flow.

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.



#### Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method. The losses arising from impairment are recognised in the profit or loss.

#### Financial instruments measured at fair value through profit and loss

Financial instruments included within fair value through profit and loss category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movements are recorded in statement of profit and loss.

#### Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer Note i) (*Note on Financial risk management - credit Risk*)

For trade receivables the simplified approach of expected lifetime losses has been recognised from initial recognition of the receivables as required by Ind AS 109 Financial Instruments.

#### (e) Investments

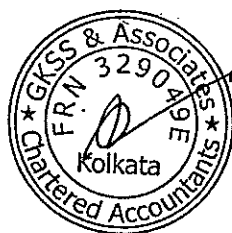
Investments in mutual funds are measured at fair value through profit and loss.

#### (f) Lease

As a lessee, lease payments under operating leases are recognised as an expense on straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

#### (g) Inventories

Inventories are valued at lower of cost and net realizable value. Cost is calculated on weighted average basis and comprises expenditure incurred in the normal course of business in bringing such inventories to their location and condition. Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, adjustment is made for such items. Inventory of capital goods are reclassified and disclosed under capital work in progress.





**(h) Cash and cash equivalents**

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalent includes cash, cheques and draft on hand, balances with banks which are unrestricted for withdrawal/usages and highly liquid financial investments that are readily convertible to known amount of cash which are subject to an insignificant risk of changes in value and bank overdraft. Bank overdraft are shown within borrowing in current liabilities in the balance sheet.

**(i) Financial liabilities**

Financial liabilities are measured at amortised cost using the effective interest method.

**(j) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

**(k) Revenue from Operations**

Revenue from Operations include earning from sale of electricity and other operating income and is recognised following the revenue recognition principles as appropriate.

Earning from sale of electricity is net of discount for prompt payment of bills and do not include taxes and duties payable.

Other operating income represents income earned which are incidental to distribution of electricity, like meter rental, and are accounted on accrual basis. Late payment surcharge, as a general practice, is recognised only on receipt of payment from consumers upon which it is accounted for on accrual basis with application of concept of prudence in its accrual, where applicable.

**(l) Other Income**

Income from investments and deposits etc. is accounted for on accrual basis inclusive of related tax deducted at source, where applicable. Interest income arising from financial assets is accounted for using amortised cost method.

**(m) Purchase of Electrical Energy**

Cost of electrical energy purchased represents power purchased from JVVNL by the Company computed as per the methodology provided in the DFA. Such cost is net of incentive for prompt payment of bills.

**(n) Employee Benefits**

Employee benefits include cost incurred on human resources deployed by the Company through direct employment, deputation from JVVNL, secondment / transfer by the holding Company / fellow subsidiaries. The salaries and wages, contributions to Provident Fund and Contributory Pension Fund are accounted for on accrual basis. Provident Fund contributions are made to a fund administered through the office of the Regional Provident Fund Commissioner. The Company, as per its schemes, extend employee benefits current and/or post retirement, which are accounted for on accrual basis and includes actuarial valuation as at the Balance Sheet date in respect of gratuity and leave encashment to the extent applicable, made by independent actuary. Actuarial gain and losses, where applicable, are recognised in the statement of Profit and Loss.

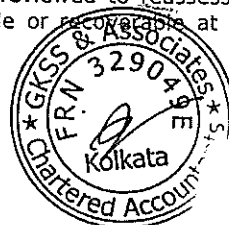
**(o) Finance Costs**

Finance Costs comprise interest expenses and other borrowing costs. Such Finance Costs is charged off to revenue. Interest expense arising from financial liabilities is accounted for in effective interest rate method.

**(p) Taxes**

Current tax represents the amount payable based on computation of tax as per prevailing taxation laws under the Income Tax Act, 1961.

Provision for deferred taxation is made using liability method on temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred Tax Assets are recognized subject to the consideration of prudence and are periodically reviewed to reassess realization thereof. Deferred Tax Liability or Asset will give rise to actual tax payable or recoverable at the time of reversal thereof.



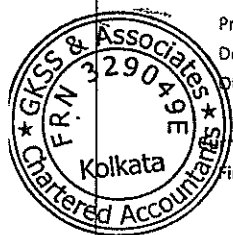
**NOTE-4 First Time Adaptation of Ind AS**

The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended 31st March 2017, the comparative information presented in these financial statements for the year ended 31st March 2016 and in the preparation of an opening Ind AS balance sheet at 1st April 2015. The adoption of Ind AS has been carried out in accordance with Ind AS 101, with April 1, 2015 as the transition date. A reconciliation of how the transition from previous GAAP to Ind AS has affected the Company's balance sheet, statement of profit and loss and cash flows is set out below.

Reconciliation of equity as previously reported under IGAAP to Ind AS for the year ended 31st March 2016

₹ in lakh

	Balance Sheet as at 31st March 2016			Balance Sheet as at 31st March 2015		
	Note	IGAAP	Effect of transition to Ind AS	IGAAP	Effect of transition to Ind AS	Ind AS
<b>ASSETS</b>						
<b>Non-current Assets</b>						
Property, Plant and Equipment		-	-	-	-	-
Capital work-in-progress		-	-	-	-	-
Other Intangible Assets		-	-	-	-	-
Financial Assets		-	-	-	-	-
Others		-	-	-	-	-
Deferred Tax Assets (Net)		-	-	-	-	-
Other Non current Assets		-	-	-	-	-
	(A)	-	-	-	-	-
<b>Current Assets</b>						
Inventories		-	-	-	-	-
Financial Assets		-	-	-	-	-
Investments		-	-	-	-	-
Trade receivables		-	-	-	-	-
Cash and cash equivalents		12.42	-	12.42	-	8.39
Bank balances other than above		-	-	-	-	-
Others		-	-	-	-	-
Current Tax Assets (Net)		-	-	-	-	-
Other current Assets		0.61	-	0.61	-	-
	(B)	13.03	-	13.03	-	8.39
<b>TOTAL ASSETS</b>	(A+B)	<b>13.03</b>	<b>-</b>	<b>13.03</b>	<b>8.39</b>	<b>8.39</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
Equity Share capital		1.00	-	1.00	-	1.00
Other Equity		-39.65	-	-39.65	-	-42.79
	(C)	-38.65	-	-38.65	-	-41.79
<b>Liabilities</b>						
<b>Non-current Liabilities :</b>						
Financial Liabilities		-	-	-	-	-
Other financial liabilities		-	-	-	-	-
Provisions		-	-	-	-	-
Deferred tax liabilities (Net)		-	-	-	-	-
Other non current liabilities		-	-	-	-	-
	(D)	-	-	-	-	-
Current Liabilities		-	-	-	-	-
Financial Liabilities		-	-	-	-	-
Borrowings		0.80	-	0.80	-	-
Trade Payables		-	-	-	-	-
Other financial liabilities		-	-	-	-	-
Other current liabilities		50.27	-	50.27	-	50.18
Provisions		0.61	-	0.61	-	-
Current Tax Liabilities (net)		-	-	-	-	-
	(E)	51.68	-	51.68	-	50.18
<b>TOTAL EQUITY &amp; LIABILITIES</b>	(C+D+E)	<b>13.03</b>	<b>-</b>	<b>13.03</b>	<b>8.39</b>	<b>8.39</b>

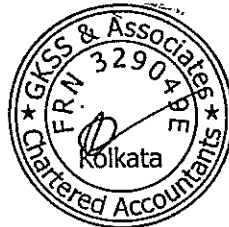


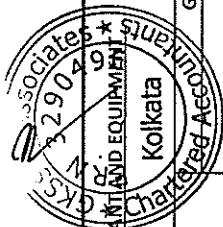
Reconciliation of statement of profit and loss as previously reported under IGAAP to Ind AS for the year ended 31st March 2016 ₹ in lakh

	IGAAP	Effect of transition to Ind AS	Ind AS
Revenue from operations	-	-	-
Other income	3.60	-	3.60
<b>Total Income</b>	<b>3.60</b>	<b>-</b>	<b>3.60</b>
<b>Expenses</b>			
Cost of electrical energy purchased	-	-	-
Employee benefit expenses	-	-	-
Finance costs	0.03	-	0.03
Depreciation and amortisation expenses	-	-	-
Other expenses	0.43	-	0.43
<b>Total expenses</b>	<b>0.46</b>	<b>-</b>	<b>0.46</b>
<b>Profit / (Loss) before tax</b>	<b>3.14</b>	<b>-</b>	<b>3.14</b>
<b>Tax expense</b>			
Current tax	-	-	-
Deferred tax	-	-	-
<b>Profit / (Loss) after tax</b>	<b>3.14</b>	<b>-</b>	<b>3.14</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of defined benefit plan	-	-	-
Income tax on above	-	-	-
<b>Total comprehensive income for the year</b>	<b>3.14</b>	<b>-</b>	<b>3.14</b>

Impact of IND AS on the Cash Flow Statement for the year ended 31 March 2016 ₹ in lakh

	IGAAP	Effect of transition to Ind AS	Ind AS
Net cash flow from Operating Activities	3.23	-	3.23
Net cash used in Investing Activities	-	-	-
Net Cash flow from Financing Activities	0.80	-	0.80
Net Increase / (decrease) in cash and cash equivalents	4.03	-	4.03
Cash and Cash equivalents - Opening Balance	8.39	-	8.39
Cash and Cash equivalents - Closing Balance	12.42	-	12.42





NOTE - 5 PROPERTY PLANT AND EQUIPMENT														
₹ in lakh														
PARTICULARS	GROSS BLOCK AT COST OR VALUATION						DEPRECIATION / AMORTISATION						NET BLOCK	
	As at 31st March, 2016	Additions/ Adjustments	Withdrawals/ Adjustments	As at 31st March, 2017	As at 31st March, 2016	Additions/ Adjustments	Withdrawals/ Adjustments	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017		
Plant and Equipment	-	86.27	-	86.27	-	0.67	-	0.67	-	85.60	-	85.60		
Distribution System	-	262.50	-	262.50	-	0.58	-	0.58	-	261.92	-	261.92		
Meters and Other Apparatus on Consumers' Premises	-	171.15	-	171.15	-	0.02	-	0.02	-	171.13	-	171.13		
Furniture and Fixtures	-	-	-	-	-	-	-	-	-	-	-	-		
Office Equipment	-	55.12	-	55.12	-	0.82	-	0.82	-	54.30	-	54.30		
	-	32.42	-	32.42	-	0.28	-	0.28	-	32.14	-	32.14		
	-	607.46	-	607.46	-	2.36	-	2.36	-	605.11	-	605.11		

The Company was not holding any property plant and equipment as on 31 March 2015 as well.

NOTE - 5 OTHER INTANGIBLE ASSETS														
₹ in lakh														
PARTICULARS	GROSS BLOCK AT COST OR VALUATION						DEPRECIATION / AMORTISATION						NET BLOCK	
	As at 31st March, 2016	Additions/ Adjustments	Withdrawals/ Adjustments	As at 31st March, 2017	As at 31st March, 2016	Additions/ Adjustments	Withdrawals/ Adjustments	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017		
Computer Software	-	5.40	-	5.40	-	1.80	-	1.80	-	3.60	-	3.60		
	-	5.40	-	5.40	-	1.80	-	1.80	-	3.60	-	3.60		

NOTE - 6 NON CURRENT - OTHER FINANCIAL ASSETS

Particulars	₹ in lakh		
	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Security deposit on rented Properties	2.57	-	-
	2.57	-	-

NOTE - 7 OTHER NON CURRENT ASSETS

Particulars	₹ in lakh		
	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Capital Advance	1.81	-	-
	1.81	-	-

NOTE - 8 INVENTORIES

Particulars	₹ in lakh		
	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Stores and spares	62.99	-	-
	62.99	-	-

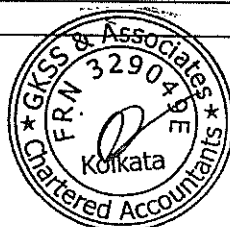
NOTE - 9 CURRENT INVESTMENTS

Investments in Mutual Funds - Quoted

Particulars	₹ in lakh		
	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
2,90,884.793 (31.03.2016 :Nil) units of ₹ 240.7173 each of ICICI Prudential Liquid-Direct Plan- Growth	700.21	-	-
	700.21	-	-

NOTE - 10 TRADE RECEIVABLES

Particulars	₹ in lakh		
	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Unsecured , considered good	115.85	-	-
	115.85	-	-



**NOTE- 11 CASH AND CASH EQUIVALENTS**

₹ in lakh

Particulars	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
a) Balances with banks			
- In current accounts	257.83	12.42	8.39
b) Cheques , drafts on hand	1,600.00	-	-
c) Cash on hand	0.20	-	-
	<b>1,858.03</b>	<b>12.42</b>	<b>8.39</b>

**NOTE-12 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

₹ in lakh

Particulars	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Escrow Account with ICICI Bank	2,691.96	-	-
	<b>2,691.96</b>	<b>-</b>	<b>-</b>

(As security for payment of the Secured Obligations, when one in accordance with the DFA, the Company, in the capacity of Distribution Franchisee as the legal and/or beneficial owner of the secured Amounts has hypothecated by way of first ranking charge of the aforesaid Escrow Account in favour of JVVNL.)

**NOTE-13 SPECIFIED BANK NOTES**

₹ in Lakh

Particulars	SBN	Other denomination notes	Total
Closing Cash in hand as on 08.11.2016	-	0.20	0.20
Add: Permitted Receipts (Net of payment)	43.01	206.46	249.46
Less: Amount Deposited	43.01	205.84	248.84
Closing cash in hand as on 30.12.16	-	<b>0.82</b>	<b>0.82</b>

**NOTE- 14 OTHER FINANCIAL ASSETS**

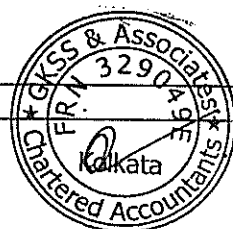
₹ in lakh

Particulars	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Unsecured, considered good Advance to Employees	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>

**NOTE- 15 OTHER CURRENT ASSETS**

₹ in lakh

Particulars	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Advance to Contractors	374.85	-	-
Others	-	0.61	-
	<b>374.85</b>	<b>0.61</b>	<b>-</b>



**NOTE- 11 CASH AND CASH EQUIVALENTS**

		₹ in lakh		
Particulars	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015	
a) Balances with banks				
- In current accounts	257.83	12.42	8.39	
b) Cheques , drafts on hand	1,600.00	-	-	
c) Cash on hand	0.20	-	-	
	<b>1,858.03</b>	<b>12.42</b>	<b>8.39</b>	

**NOTE-12 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

		₹ in lakh		
Particulars	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015	
Escrow Account with ICICI Bank	2,691.96	-	-	
	<b>2,691.96</b>	<b>-</b>	<b>-</b>	

(As security for payment of the Secured Obligations, when one in accordance with the DFA, the Company, in the capacity of Distribution Franchisee as the legal and/or beneficial owner of the secured Amounts has hypothecated by way of first ranking charge of the aforesaid Escrow Account in favour of JVVNL.)

**NOTE-13 SPECIFIED BANK NOTES**

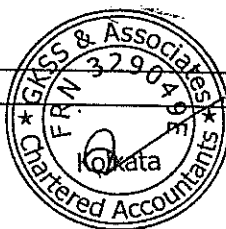
		₹ in Lakh		
Particulars	SBN	Other denomination notes	Total	
Closing Cash in hand as on 08.11.2016	-	-	-	
Add: Permitted Receipts (Net of payment)	43.01	206.46	249.46	
Less: Amount Deposited	43.01	205.84	248.84	
Closing cash in hand as on 30.12.16	-	<b>0.62</b>	<b>0.62</b>	

**NOTE- 14 OTHER FINANCIAL ASSETS**

		₹ in lakh		
Particulars	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015	
Unsecured, considered good Advance to Employees	-	-	-	
	<b>-</b>	<b>-</b>	<b>-</b>	

**NOTE- 15 OTHER CURRENT ASSETS**

		₹ in lakh		
Particulars	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015	
Advance to Contractors	374.85	-	-	
Others	-	0.61	-	
	<b>374.85</b>	<b>0.61</b>	<b>-</b>	



## NOTE -16 EQUITY

Particulars	₹ in lakh		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a) Authorised Share Capital 5,00,00,000 Equity Shares of ₹10 each	5,000	1	1
b) Issued, Subscribed and paid up Capital 50,000 ( 31.03.2016 : 10,000 01.04.2015 : 10,000) Equity Shares of ₹ 10/- each	5	1	1
c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period			

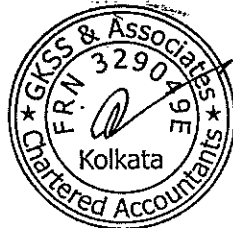
Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares	Amount ₹ lakh	No. of shares	Amount ₹ lakh
Balance at the beginning of the year	10000	1	10000	1
Add : Share issued and allotted during the year	40000	4	-	-
Closing Balance	50000	5	10000	1

## d) Terms /rights attached to equity shares :

The Company has only one class of equity shares having a par value of ₹ 10 per share fully paid up. Holders of equity shares are entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the sale proceeds from 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.

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

Name of shareholder	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares	% of holding	No. of shares	% of holding
CESC Limited	50000	100	10000	100





## NOTE - 17 OTHER EQUITY

₹ in lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Retained Earnings			
Surplus at the beginning of the year	-39.65	-42.79	-
Add : Profit for the year	<u>-423.60</u>	3.14	-42.79
Share Application money pending allotment	-463.25 2,000.00	-	-
	<u>1,536.75</u>	<u>-39.65</u>	<u>-42.79</u>

## NOTE - 18 NON CURRENT - OTHER FINANCIAL LIABILITIES

₹ in lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Meter Security Deposit	6.51	-	-
	<u>6.51</u>	<u>-</u>	<u>-</u>

## NOTE - 19 NON CURRENT - PROVISIONS

₹ in lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for employee benefits	12.56	-	-
	<u>12.56</u>	<u>-</u>	<u>-</u>

## NOTE - 20 OTHER NON CURRENT LIABILITIES

₹ in lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Others	27.58	-	-
	<u>27.58</u>	<u>-</u>	<u>-</u>



**NOTE - 21 CURRENT - BORROWINGS**

₹ in lakh			
Particulars	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Secured			
Overdraft from banks	2,610.92	0.80	-
	<b>2,610.92</b>	<b>0.80</b>	<b>-</b>
Secured by hypothecation over current and movable fixed assets of the Company			

**NOTE - 22 TRADE PAYABLES**

₹ in lakh			
Particulars	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Trade Payables	2,339.56	-	-
	<b>2,339.56</b>	<b>-</b>	<b>-</b>

Trade payables include ₹ Nil (31.03.2016: ₹ Nil) due to Micro and Small Enterprises , as defined in the Micro, Small and Medium Enterprises Development Act , 2006 on information available with the Company.

**NOTE- 23 OTHER FINANCIAL LIABILITIES**

₹ in lakh			
Particulars	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
Payable towards miscellaneous services to			
-Related parties	87.81	-	-
-Other body corporate	-	-	-
	<b>87.81</b>	<b>-</b>	<b>-</b>

**NOTE- 24 OTHER CURRENT LIABILITIES**

₹ in lakh			
Particulars	As at 31st March,2017	As at 31st March,2016	As at 1st April,2015
a) Liability towards taxes, duties etc.	1.15	-	-
b) Other Liability	53.93	50.27	50.18
	<b>55.08</b>	<b>50.27</b>	<b>50.18</b>



## NOTE - 25 CURRENT PROVISIONS

₹ in lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for employee benefits	0.08	-	-
Provision for Taxation	-	0.61	-
	<b>0.08</b>	<b>0.61</b>	<b>-</b>

## NOTE - 26 CONTINGENT LIABILITIES AND COMMITMENTS

- a) Commitments of the Company on account of estimated amount of contracts remaining to be executed on capital account and not provided for - ₹14269 lakh. (Previous year ₹Nil)
- b) Other money for which the company is contingently liable :
- (i) Bank Guarantee : ₹1360 lakh (Previous year ₹Nil)
- (ii) Letter of Credit : ₹2512 lakh (Previous year ₹Nil)

## NOTE - 27 REVENUE FROM OPERATIONS

₹ in lakh

Particulars	2016-17	2015-16
a) Earnings from sale of electricity (Net of rebate ₹36.01 lakh)	4,680.98	-
b) Other Operating Revenue		
Meter Rent	71.98	-
Others	0.67	-
	<b>4,753.63</b>	<b>-</b>

## NOTE - 28 OTHER INCOME

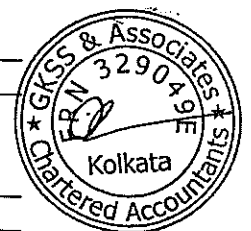
₹ in lakh

Particulars	2016-17	2015-16
Dividend income	5.78	-
Miscellaneous income	57.36	-
	<b>63.14</b>	<b>-</b>

## NOTE - 29 COST OF ELECTRICAL ENERGY PURCHASED

₹ in lakh

Particulars	2016-17	2015-16
Cost of electrical energy purchased	4,460.46	-
	<b>4,460.46</b>	<b>-</b>



[Cost of electrical energy purchased (net of incentive for prompt payment of ₹2.75 lakh) is computed as per terms of DFA based on provisional Average Billing Rate (ABR) which may necessitate adjustments on finalisation.]

A

Particulars	2016-17	2015-16
a) Salaries, wages and bonus	196.31	-
b) Contribution to provident and other funds	13.68	-
c) Employees' welfare expenses	2.68	-
	<b>212.67</b>	-

**B Employee Benefits**

The Company makes contributions for provident fund and pension towards retirement benefit plans for eligible employees. Under the said plans, the Company is required to contribute a specified percentage of the employees' salaries to fund the benefits. The Company also makes annual contribution to independent trust, who in turn, invests in the Employees Group Gratuity Scheme of eligible agencies for qualifying employees. Liabilities at the year-end for gratuity and leave encashment have been determined on the basis of actuarial valuation carried out by an independent actuary, based on the method prescribed in relevant para of Ind AS 19

**Net Liability / (Asset) recognized in the Balance Sheet:**

₹ in lakh

For the year ended 31st March, 2017		
	Gratuity	Leave Encashment
Present value of funded obligation	7.48	5.16
Fair Value of Plan Assets	-	-
	<b>7.48</b>	<b>5.16</b>
Present value of un-funded obligation	-	-
Unrecognised past service cost	-	-
Net Liability/(Asset)	<b>7.48</b>	<b>5.16</b>

**Expenditure shown in the Note to Statement of Profit and Loss as follows:**

₹ in lakh

For the year ended 31st March, 2017		
	Gratuity	Leave Encashment
Current Service Cost	0.71	1.00
Interest Cost	-	-
Expected Return on Plan Assets	-	-
Actuarial loss/(gain)	-	-
Plan Amendment	-	-
Past Service Cost	6.77	4.16
Total	<b>7.48</b>	<b>5.16</b>



**Other Comprehensive income**

₹ in lakh

For the year ended 31st March, 2017		
	Gratuity	Leave Encashment
Return on Plan Assets	-	-
Actuarial loss/(gain)	-	-
Total	-	-

**Reconciliation of Opening and Closing Balances of the present value of obligations:**

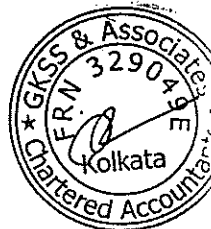
₹ in lakh

For the year ended 31st March, 2017		
	Gratuity	Leave Encashment
Opening defined benefit obligation	-	-
Current Service Cost	0.71	1.00
Past Service Cost	6.77	4.16
Interest Cost	-	-
Plan Amendments	-	-
Actuarial loss/(gain)	-	-
Benefits paid	-	-
Closing Defined Benefit Obligation	7.48	5.16

**Reconciliation of Opening and Closing Balances of fair value of plan assets:**

₹ in lakh

For the year ended 31st March, 2017		
	Gratuity	Leave Encashment
Opening fair value of Plan Assets	-	-
Interest Income on Plan Assets	-	-
Actual Company Contributions	-	-
Actuarial gain/(loss)	-	-
Benefits paid	-	-
Closing Fair Value on Plan Assets	-	-



₹ in lakh

For the year ended 31st March, 2017		
Movements in net liability/(asset):	Gratuity	Leave Encashment
Opening balance - Net liability/(asset)	-	-
Mov. in inc-/((decrease) in scope of consolidation	-	-
Mov. in benefits paid	-	-
Mov. in curtailments and settlements	-	-
Mov. in contributions by the employer	-	-
Mov. in contributions by the plan participants	-	-
Mov. in reimbursement rights	-	-
Expenses (income) recognized in income statement	7.48	5.16
Expense (income) recognized in OCI	-	-
Net liability/(assets) - Status	7.48	5.16

₹ in lakh

For the year ended 31st March, 2017		
Sensitivity	Gratuity	Leave Encashment
DBO at 31.3 with discount rate +1%	6.53	4.46
Corresponding service cost	0.61	4.46
DBO at 31.3 with discount rate -1%	8.59	6.00
Corresponding service cost	0.82	6.00
DBO at 31.3 with +1% salary escalation	8.61	6.01
Corresponding service cost	0.82	6.01
DBO at 31.3 with -1% salary escalation	6.50	4.44
Corresponding service cost	0.61	4.44
DBO at 31.3 with +50% withdrawal rate	7.50	5.18
Corresponding service cost	0.71	5.18
DBO at 31.3 with -50% withdrawal rate	7.46	5.14
Corresponding service cost	0.71	5.14
DBO at 31.3 with +10% mortality rate	7.49	5.17
Corresponding service cost	0.71	5.17
DBO at 31.3 with -10% mortality rate	7.47	5.16
Corresponding service cost	0.71	5.16

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.



₹ in lakh

For the year ended 31st March, 2017

Major categories of total plan assets	Gratuity	Leave Encashment
Cash- & cash equivalents	-	-
thereof non-quoted market price	-	-
Equity instruments	-	-
thereof non-quoted market price	-	-
Debt instruments	-	-
thereof non-quoted market price	-	-
Real estate investments	-	-
thereof non-quoted market price	-	-
All other instruments	-	-
thereof non-quoted market price	-	-
Total	-	-

₹ in lakh

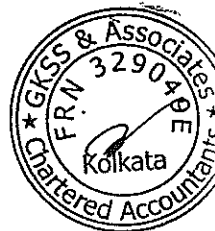
For the year ended 31st March, 2017

Estimated Cash Flows (Undiscounted)	Gratuity	Leave Encashment
1st Year	0.05	0.04
2 to 5 Years	0.25	0.18
6 to 10 Years	0.46	0.30
More than 10 Years	21.40	16.20

₹ in lakh

For the year ended 31st March, 2017

Actuarial assumptions	Gratuity	Leave Encashment
Discount rate current year (%)	7.29	7.29
Expected rate for salary increases (%)	5.00	5.00
Weighted average duration of the defined benefit plan (in years)	15.33	16.54



₹ in lakh

**NOTE - 31 OTHER EXPENSES**

	<b>2016-17</b>	<b>2015-16</b>
a) Consumption of stores and spares	204.18	-
b) Repairs		
Building	-	-
Plant and Machinery	-	-
Distribution System	63.98	-
Others	60.14	-
	<b>328.30</b>	-
c) Insurance	4.60	-
d) Rent	7.37	-
e) Rates and taxes	-	0.02
f) Audit Fees - as statutory auditor	0.35	0.17
g) Telephone & Internet	3.66	-
h) Printing & stationery	3.21	0.00
i) Travelling	15.92	-
j) Car Hire	12.77	-
k) Legal & other fees	39.26	-
k) Advertisement	2.56	-
l) Security	16.14	-
m) Generator Hire charges	3.69	-
n) Meter reading & collection	57.81	-
o) Bank Charges	5.54	0.02
p) Miscellaneous expenses	114.86	0.22
	<b>616.05</b>	<b>0.43</b>
Less : Allocated to capital account etc.	178.03	-
	<b>438.02</b>	<b>0.43</b>



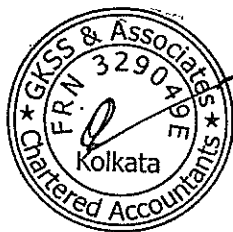


NOTE-32 Fair value measurements

a) The carrying value and fair value of financial instruments by categories as at March 31 2017, March 31, 2016 and April 1, 2015 is as follows:

₹ In Lakh

	31-Mar-17			31-Mar-16			01-Apr-15		
	Amortized cost	FVTOCI	FVTPL	Amortized cost	FVTOCI	FVTPL	Amortized cost	FVTOCI	FVTPL
<i>Financial assets</i>									
Investments									
- Equity instruments	-	-	-	-	-	-	-	-	-
- Mutual funds	-	-	700.21	-	-	-	-	-	-
Others	2.57	-	-	-	-	-	-	-	-
Trade Receivables	115.85	-	-	-	-	-	-	-	-
Cash and cash equivalents	1,858.03	-	-	-	-	-	-	-	-
Other Bank balances	2,691.96	-	-	-	-	-	-	-	-
<b>Total financial assets</b>	<b>4,668.42</b>	<b>-</b>	<b>700.21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Financial liabilities</i>									
Borrowings	2,610.92	-	-	-	-	-	-	-	-
Trade Payables	2,339.56	-	-	-	-	-	-	-	-
Consumer Security Deposit	6.51	-	-	-	-	-	-	-	-
Others	87.81	-	-	-	-	-	-	-	-
<b>Total financial liabilities</b>	<b>5,044.81</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



b) Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by valuation method.

₹ in Lakh					
Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total fair value	Total carrying amount
As at 31 March 2017					
<i>Financial assets</i>					
Investment in liquid mutual fund units	700.21	-	-	700.21	700.21
<b>Total financial assets</b>	<b>700.21</b>	<b>-</b>	<b>-</b>	<b>700.21</b>	<b>700.21</b>

The different levels have been defined below:

Level 1: financial instruments measured using quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price. The mutual funds are valued using the closing NAV.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data.

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

- i. The fair values of the mutual fund instruments are based on net asset value of units declared at the close of the reporting date.
- ii. The carrying amounts of trade receivables, trade payables, other bank balances, cash and cash equivalents, current borrowings are considered to be the same as their fair values, due to their short term nature.
- iii. Security deposit is based on discounted cash flows using a current borrowing rate. Carrying value is same as fair value.
- iv. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair value.



**NOTE- 33 Financial risk management**

The Company's activities expose it to credit risk, liquidity risk, capital risk and market risk (including interest rate risk and currency risk). The Company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of the financial markets on the Company's financial performance. The Company do not use derivative financial instruments to hedge any risk exposures.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Company.

**i) Credit risk**

Credit risk is the risk that companies and other parties will be unable to meet their obligations to the Company resulting in financial loss to the Company. The Company has adopted the policy of dealing with customers with an appropriate credit history as a means of mitigating the credit risk exposures. The Company has no significant concentrations of credit risk and cash is placed with reliable financial institution.

**ii) Liquidity risk**

The Company monitors its liquidity risk and maintains a level of cash and bank balances deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations.

**iii) Market risk**

**a) Interest rate risk**

The company's income and operating cash flows are substantially independent of changes in market interest rates.

**b) Currency risk**

The Company has no foreign currency risk exposure.

**c) Price risk - Mutual fund**

The Company invests its surplus funds in various debt instruments and debt mutual funds. These comprise of mainly liquid schemes of mutual funds (liquid investments) and higher duration short term debt funds and income funds (duration investments).

These are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. Due to the very short tenor of the underlying portfolio of the liquid investments, these do not pose any significant price risk.

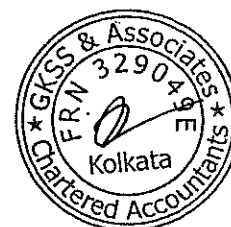
**NOTE- 34 Capital Management**

**i) Risk Management**

For the purposes of the Company's capital management, capital includes issued capital and all the other equity reserves. The primary objective of the Company's capital management is to maximize shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants, if any.

**ii) Dividends**

The Company has not declared or paid any dividends during the year (Last Year: Nil).



NOTE- 35 The major components of Deferred Tax Assets / (Liabilities) based on the timing difference as at 31st March, 2017 are as under :

	₹ in Lakh		
	2016-17	2015-16	2014-15
Deferred Tax Liability			
- Depreciation Difference	-		-
Deferred Tax Asset			
- Unabsorbed Business Loss/ Depreciation & Others	-		-
	-	-	-
Deferred Tax Liabilities (Net)	-	-	-

NOTE- 36 Earnings per share:

Computation of Earnings per share		₹ in Lakh	
Particulars		2016-17	2015-16
Profit After Tax (₹ in lakh)	(A)	-423.60	3.14
No of shares outstanding		50,000	10000
Weighted Average no. of shares for Earnings per share	(B)	44,520	10,000
Basic and Diluted Earnings per share of ₹ 10/- (₹)		-951.48	31.41



NOTE- 37 RELATED PARTY TRANSACTIONS - DISCLOSURE

A) PARENT ENTITIES

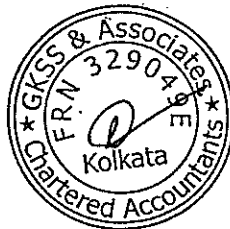
Name	Relationship	Place of Incorporation	Ownership Interest (%)		
			01-Apr-15	31-Mar-16	31-Mar-17
CESC Limited	Holding Company	India	100	100	100

B) RELATED PARTY TRANSACTIONS

Name	Relationship	Nature of Transaction	Amount of transaction (₹Lakh)		Outstanding Balance	
			2016-17	2015-16	31-Mar-16	31-Mar-17
CESC LIMITED	Holding Company	Share application money received	2,000.00	-	-	2,000.00
		Advance against issue of Equity Share	4.00	-	-	4.00
		Allotment of Equity share	-4.00	-	-	-4.00
		Expense	78.67	-	-	78.67
HALDIA ENERGY LIMITED	Fellow Subsidiary	Advance	-50.00	50.00	-	-
RANCHI POWER DISTRIBUTION COMPANY LTD.	Fellow Subsidiary	Expense	9.14	-	-	9.14
A. N. Singh	Key Management Personnel	Short Term Employee Benefits	3.45	-	-	-

Terms and conditions

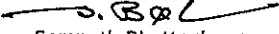
Transactions relating to dividends, subscriptions for new equity shares were on the same terms and conditions that applied to other shareholders. All other transactions were made on normal commercial terms and conditions and at market rates. All outstanding balances are unsecured and are repayable in cash.

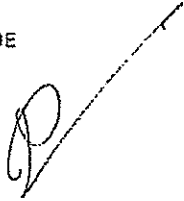


NOTE-38 The Company is engaged in distribution of electricity and does not operate in any other reportable segments. The reportable business segments are in line with the segment wise information which is being presented to the CODM. There are no reportable geographical segments, since all business is within India.

NOTE-39 The Company has reclassified previous year's figures to conform to this year's classification alongwith other regrouping / rearrangement wherever necessary.

For GKSS & Associates  
Chartered Accountants  
Firm Registration Number - 329049E

  
Somnath Bhattacharya  
Partner  
Membership No.: 051455  
Kolkata, May, 2017



For and on behalf of Board of Directors

Managing Director



  
Director

