BATLIBOI, PUROHIT & DARBARI
Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SURYA VIDYUT LIMITED

Report on the Ind AS Financial Statements

1. We have audited the accompanying Ind AS financial statements of **Surya Vidyut Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of theCompanies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Actread with the Companies(Indian Accounting Standards) Rules, 2015.

3. This responsibility also includes maintenance of adequate accounting records inaccordance with the provisions of the Act for safeguarding of the assets of the Company and forpreventing and detecting frauds and other irregularities; selection and application of appropriateaccounting policies; making judgments and estimates that are reasonable and prudent; and design,implementation and maintenance of adequate internal financial controls,that were operatingeffectively for ensuring the accuracy and completeness of the accounting records, relevant to thepreparation and presentation of the Ind AS financial statements that give a true and fair view and are free frommaterial misstatement, whether due to fraud or error.

Auditors' Responsibility

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

5. We have taken into account the provisions of the Actand the Rules made thereunder including the accounting standards andmatters which are required to be included in the audit report.

6. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10)of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform theaudit to obtain reasonable assurance about whether the Ind AS financial statements are free from materialmisstatement.

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

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

Opinion

9. 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 sorequired and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at March 31, 2018, and its financial performance including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

10. As required by the 'Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure – A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

BATLIBOI PUROHIT & DARBARI
7, Waterloo Street, Kolkata 700069
Chartered Accountants

11. 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 ourknowledge 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 asit appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flow and Statement of Changes in Equity dealt with by thisReport are in agreement with the books of account.

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies(Indian Accounting Standards) Rules, 2015.

(e) On the basis of the written representations received from the directors as on March 31, 2018,taken on record by the Board of Directors, none of the directors is disqualified as onMarch 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of theCompany and the operating effectiveness of such controls, refer to our separate Report inAnnexure - B.

(g) With respect to the other matters to be included in the Auditors' Report in accordance withRule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of ourknowledge and belief and according to the information and explanations given to us:

i) The Company does not have any pending litigations as at March, 31, 2018which would impact its financial position in its Ind AS financial statements.

ii) The Company has long term contracts including derivative contractsas at March, 31, 2018 for which there were no material foreseeable losses.

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 March, 31, 2018.

For Batliboi, Purohit & Darbari
Chartered Accountants
Firm Registration Number: 303086E

(CA P J Bhide)
Partner
Membership Number 004714

Kolkata
Dated: May 18th, 2018

PUROHIT & DARBARI
7, Waterloo Street, Kolkata 700069
Chartered Accountants

Annexure - A to Independent Auditors' Report
Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Surya Vidyut Limited on the Ind AS financial statements for the year ended March, 31, 2018

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of immovable properties are held in the name of the Company.

ii. The Company does not have any inventory and accordingly the provisions of Clause 3 (ii) of the said Order are not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189of the Act. Therefore, the provisions of Clause (iii)(a) to (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has not entered into any such transaction that would attract the compliance of the provisions of Section 185 and 186 of the Act.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, income tax, sales tax, service tax, goods and services tax, duty of customs, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales tax, wealth tax, service tax,goods and services tax, duty of customs, value added tax or cess which have not been deposited on account of any dispute.

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments but has taken term loans. The term loans have been applied for the purposes for which they were obtained.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. 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.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Actread with the Companies (Indian Accounting Standards) Rules, 2015, read with Rule 7 of the Companies (Accounts) Rules, 2014.

BATLIBOI PUROHIT & DARBARI
7, Waterloo Street, Kolkata 700069
Chartered Accountants

Annexure - A to Independent Auditors' Report
Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Surya Vidyut Limited on the Ind AS financial statements for the year ended March, 31, 2018

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

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

For Batliboi, Purohit&Darbari
Chartered Accountants
Firm Registration Number: 303086E

(CA P J Bhide)
Partner
Membership Number 004714

Kolkata
Dated: May 18th, 2018

BATLIBOI, PUROHIT & DARBARI
7, Waterloo Street, Kolkata 700069
Chartered Accountants

Annexure - B to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Surya Vidyut Limited on the Ind AS financial statements for the year ended March 31, 2018

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Surya Vidyut Limited ("the Company") as of March 31, 2018 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

2. 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 Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act 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 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 internal financial controls over financial reporting was 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 internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. 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.

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Kolkata
700069
Chartered Accountants

Annexure - B to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Surya Vidyut Limited on the Ind AS financial statements for the year ended March 31, 2018

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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.

For Batliboi, Purohit & Darbari
Chartered Accountants
Firm Registration Number: 303086E

(CA P J Bhide)
Partner
Membership Number 004714

Kolkata
Dated: May 18, 2018 18/5

BATLIBOI PUROHIT & DARBARI
7, Waterloo Street, Kolkata 700069
Chartered Accountants

SURYA VIDYUT LIMITED
REGISTERED OFFICE:CESC HOUSE,CHOWRINGHEE SQUARE,KOLKATA-700001
CIN: U40108WB2010PLC150712; E-MAIL: CORP.HO@RP-SG.IN

BALANCE SHEET AS AT 31ST MARCH, 2018

Rupees in Lakhs

Sl No	Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
	ASSETS :			
(1)	**Non-current Assets**			
(a)	Property, Plant & Equipment	4	80,948.58	78,381.49
(b)	Capital work-in-progress	4	-	3,829.71
(c)	Intangible Assets under development	5	-	3.57
(d)	Other Intangible Assets	5	3,099.44	2,998.10
(e)	Financial assets			
	(i) Loans and Advances	6	0.62	-
	(i) Others	7	0.65	0.65
(f)	Other Non-current Assets	8	0.16	-
(g)	Deferred tax asset	30(c)	34.60	29.71
	Total Non-current Assets		**84,084.05**	**85,243.23**
(2)	**Current Assets**			
(a)	Financial Assets			
	(i) Trade receivables	9	2,377.60	2,569.13
	(ii) Cash & cash equivalents	10	3,381.57	2,025.55
	(iii) Bank Balance other than (ii) above	11	0.30	596.93
	(iv) Loans and Advances	12	0.13	-
	(v) Others	13	1,054.44	1,430.45
(b)	Current Tax Assets (Net)	14	460.87	180.26
(c)	Other Current Assets	15	81.53	2,641.95
	Total Current Assets		**7,356.44**	**9,444.27**
	TOTAL ASSETS		**91,440.49**	**94,687.50**
	EQUITY AND LIABILITIES:			
	Equity			
(a)	Equity Share capital	16	25,190.58	13,423.58
(b)	Other Equity			
	(i) Share application money pending allotment	17 (a)	-	11,767.00
	(ii) Retained Earnings	17 (b)	1,852.85	1,355.39
	Total Equity		**27,043.43**	**26,545.97**
	Liabilities			
(1)	**Non-current Liabilities**			
(a)	Financial Liabilities			
	(i) Borrowings	18	57,078.74	57,045.69
(b)	Provisions	19	44.95	8.09
	Total Non-current Liabilities		**57,123.69**	**57,053.78**
(2)	**Current Liabilities**			
(a)	**Financial Liabilities**			
	(i) Trade Payables	41	35.36	78.67
	(ii) Other financial liabilities	20	7,187.51	10,804.13
(b)	Other current liabilities	21	42.00	204.88
(c)	Provisions	22	8.50	0.07
	Total Current Liabilities		**7,273.37**	**11,087.75**
	Total Liabilities		**64,397.06**	**68,141.53**
	TOTAL EQUITY AND LIABILITIES		**91,440.49**	**94,687.50**
	Notes forming part of Financial Statements	1-43		

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

For Batliboi, Purohit & Darbari
Firm Registration Number:303086E
Chartered Accountants

CA P.J. Bhide
Partner
Membership.No. 004714

Kolkata, 18th May,2018

BATLIBOI PUROHIT & DARBARI
7, Waterloo Street, Kolkata 700069
Chartered Accountants

For and on behalf of the Board of Directors

Director

Director

Chief Financial Officer

Company Secretary

SURYA VIDYUT LIMITED
REGISTERED OFFICE:CESC HOUSE,CHOWRINGHEE SQUARE,KOLKATA-700001
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(Rupees in Lakhs, except share and per share data, unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

a Equity Share Capital

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
Equity Share	13,423.58	11,767.00	25,190.58

b Other Equity

Particulars	Share application money pending allotment	Retained Earning	Total
		Retained Earnings	
Balance at the beginning of the reporting period	11,767.00	1,355.39	**13,122.39**
Restated balance at the beginning of the reporting period	11,767.00	1,355.39	**13,122.39**
Total Comprehensive Income for the year	-	497.46	**497.46**
Remeasurements of the defined benefit plans (net of taxes)	-	12.17	**12.17**
Any other changes: Other Comprehensive Income	-	(12.17)	**(12.17)**
Share allotment made during the year	(11,767.00)	-	**(11,767.00)**
Balance at the end of the reporting period	**-**	**1,852.85**	**1,852.85**

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

a Equity Share Capital

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
Equity Share	13,423.58	-	13,423.58

b Other Equity

Particulars	Share application money pending allotment	Retained Earning	Total
Balance at the beginning of the reporting period	-	1,030.99	**1,030.99**
Restated balance at the beginning of the reporting period	-	1,030.99	**1,030.99**
Total Comprehensive Income for the year	-	324.40	**324.40**
Remeasurements of the defined benefit plans (net of taxes)	-	0.07	**0.07**
Any other changes: Other Comprehensive Income	-	(0.07)	**(0.07)**
Share Application Money received	11,767.00	-	**11,767.00**
Balance at the end of the reporting period	**11,767.00**	**1,355.39**	**13,122.39**

Notes forming part of Financial Statements **1-43**

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

For Batliboi, Purohit & Darbari
Firm Registration Number:303086E
Chartered Accountants

CA P.J. Bhide
Partner
Membership.No. 004714

Kolkata, 18th May, 2018

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For and on behalf of the Board of Directors

Director

Director

Chief Financial Officer

Company Secretary

SURYA VIDYUT LIMITED

REGISTERED OFFICE:CESC HOUSE,CHOWRINGHEE SQUARE,KOLKATA-700001

CIN: U40108WB2010PLC150712; E-MAIL: CORP.HO@RP-SG.IN

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

Rupees in Lakhs

Sl No	Particulars	Note	2017-18	2016-17
I	Revenue From operations	23	11,482.76	6,597.56
II	Other Income	24	360.89	335.53
III	Total Income (I +II)		**11,843.65**	**6,933.09**
IV	**EXPENSES**			
	Employee benefit expense	25	114.68	24.48
	Finance costs	26	6,408.67	4,389.31
	Depreciation and amortization expense	4 & 5	3,753.01	2,238.32
	Other expenses	27	920.69	783.01
	Total expenses (IV)		**11,197.05**	**7,435.12**
V	**Profit (loss) before tax**		**646.60**	**(502.03)**
VI	**Tax Expenses**			
	1)Current Tax	30	137.59	-
	2)Tax adjustment for earlier period		4.27	-
	3)Deferred Tax	30	(4.89)	(826.50)
			136.97	**(826.50)**
VII	**Profit (Loss) for the period from continuing operations**		**509.63**	**324.47**
VIII	**Other comprehensive income**			
A(i)	Items that will not be reclassified to profit or loss	28	(12.17)	(0.10)
A(ii)	Income tax relating to items that will not be reclassified to profit or loss		-	0.03
			(12.17)	**(0.07)**
IX	**Total Comprehensive Income for the period**		**497.46**	**324.40**
X	**Earnings per equity share (for continuing operations)**			
	1) Basic	29	0.26	0.24
	2) Diluted	29	0.20	0.16
	Notes forming part of Financial Statements	1-43		

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

For Batliboi, Purohit & Darbari
Firm Registration Number:303086E
Chartered Accountants

CA P.J. Bhide
Partner
Membership.No. 004714

Kolkata, 18th May,2018

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For and on behalf of the Board of Directors

Director

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

Rupees in Lakhs

	2017-18	2016-17
Cash flow from operating activities		
Profit before tax from continuing operations	646.60	(502.03)
Adjustments for :		
Depreciation and amortization expense	3,753.01	2,238.32
Finance costs	6,408.67	4,389.31
Registration & Filing fees	-	88.25
Net gain on financial assets measured at ammortized cost	-	(2.86)
Interest Income on financial assets measured at ammortized cost	(135.51)	(169.26)
Other non-operating income	(225.38)	(163.41)
Net loss/(gain) on disposal of property, plant and equipment	-	-
Net gain on financial assets designated at fair value through profit and loss	-	-
Changes in operating assets and liabilities		
(Increase)/Decrease in Trade receivables	191.53	(574.86)
(Increase)/Decrease in Non Current Financial Assets	(0.78)	0.06
(Increase)/Decrease in Current Financial Assets	681.99	1,294.62
(Increase)/Decrease in Other Current Assets	(4.09)	(7.08)
Increase/(Decrease) in Trade payables	(43.31)	36.71
Increase/(Decrease) in Current Liabilities	(321.71)	39.43
Increase/(Decrease) in Provisions	33.12	1.99
Net cash (used in)/ provided by operating activities before taxes	**10,984.14**	**6,669.19**
Income taxes paid	(421.31)	(130.74)
Net cash (used in)/ provided by operating activities	**10,562.83**	**6,538.45**
Cash flow from investing activities		
Purchase of property, plant and equipment and intangible asset	(4,225.78)	(47,202.90)
Proceeds from sale of property, plant and equipment	-	-
Interest Income on financial assets measured at ammortized cost	194.27	181.71
Interest Income on other financial assets	24.24	163.41
Net gain on financial assets measured at ammortized cost	-	2.86
Net cash (used in)/ provided by investing activities	**(4,007.27)**	**(46,854.92)**
Cash flow from financing activities		
Issue of share capital	-	-
Share Application Money received (net of issue expenses paid)	-	11,707.00
Finance costs paid	(6,186.80)	(3,997.44)
Proceeds from loans and borrowings (net of transaction cost)	5,665.00	28,732.99
Repayment of loans and borrowings	(3,367.45)	(1,431.31)
Net cash (used in)/ provided by financing activities	**(3,889.25)**	**35,011.24**
Net Increase / (decrease) in cash and cash equivalents	**2,666.31**	**(5,305.23)**
Cash and cash equivalents at the beginning of the period	715.26	6,020.49
Cash and cash equivalents at the end of the period (Refer reconciliation below)	**3,381.57**	**715.26**

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

Reconciliation of cash and cash equivalents as per above comprises of the following

	2017-18	2016-17
Cash & cash equivalents (Note 10)	3,381.57	2,025.55
Book Overdraft (Note 20 (d))	-	(1,310.29)
	3,381.57	**715.26**

Notes :

(a) The Cash Flow Statement has been prepared under the indirect method as given in the Indian Accounting Standard (IND AS 7) on Cash Flow Statement.

(b) Additions to property, plant and equipment and intangible assets include movements of capital work-in-progress and intangible assets under development.

(c) Previous year's figures have been regrouped / rearranged wherever necessary.

Notes forming part of Financial Statements **1-43**

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

For Batliboi, Purohit & Darbari
Firm Registration Number:303086E
Chartered Accountants

CA P.J. Bhide
Partner
Membership.No. 004714

Kolkata, 18th May,2018

BATLIBOI PUROHIT & DARBARI
7, Waterloo Street, Kolkata 700069
Chartered Accountants

For and on behalf of the Board of Directors

Director

Director

Chief Financial Officer

Company Secretary

SURYA VIDYUT LIMITED
REGISTERED OFFICE: CESC HOUSE, CHOWRINGHEE SQUARE, KOLKATA-700001
CIN: U40108WB2010PLC150712, E-MAIL: CORP.HO@RP-SG.IN

NOTE 1: CORPORATE INFORMATION:

Surya Vidyut Limited (the "Company") is a limited company, incorporated and domiciled in India having its registered office at CESC House, Chowringhee Square, Kolkata – 700 001. The company is engaged in power generation from renewable sources. Presently the Company has an installed capacity of 156MW of Wind Power Plants situated in the State of Rajasthan, Gujarat & Madhya Pradesh.

NOTE 2: BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

2.1: Statement of compliance

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 to the extent applicable.

The financial statements are presented in Indian rupees rounded off to nearest Lakhs.

2.2: Basis of Accounting

The financial statements have been prepared on the historical cost convention and on accrual basis except for the certain financial assets and liabilities (including derivative instruments) that are measured at fair value

2.3: 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.

2.4: Critical estimates and judgements

- Estimated useful life of tangible and intangible asset - Refer Note 3.1 & Note 3.2
- Estimation of defined benefit obligation – Refer Note 25
- Recognition of deferred tax assets for carried forward tax losses – Refer Note 3.13

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1: Property, plant and equipment

The Company elected to utilize the option under Ind AS 101 of using the previous GAAP carrying amount for all its plant, property, equipment as its deemed cost on the date of transition to Ind AS.

Recognition and measurement

Freehold Land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment. These are included in profit or loss within other gains/ losses.

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

Subsequent expenditure including cost of major overhaul and inspection is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of any component recognized as a separated component is derecognized when replaced. All other repairs and maintenance are recognized in profit or loss as incurred.

Capital work in progress is stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation

Depreciation on items of property, plant and equipment (other than freehold Land) is provided on straight line method based on the useful life and manner prescribed as prescribed under Schedule II of the Companies Act, 2013. Leasehold improvement is amortized over its expected useful life.

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The Company has used the following useful life to provide depreciation on its tangible assets:

Type of assets	Useful Life (in years)
Wind Power Generation Plant	22
Transmission lines, cables and other network assets	40
Electric Distribution Plant	35
Electrical Installations and Equipment	10
Building - Temporary structure	3
Furniture and fittings	10
Office equipment	5
Computers	3

3.2: Intangible assets

On transition to Ind AS, the Company has elected to continue with the IGAAP carrying amount of all of intangible assets recognized as at 1 April 2015 as its deemed cost on the date of transition to Ind AS.

Recognition and measurement

Intangible assets comprising of computer software and right to use common facilities are recognized when the asset is available for use and are expected to provide future economic benefits and are stated at cost of acquisition/ implementation/ development less accumulated amortization.

Intangible Assets under development is stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

Amortization

The intangible assets are amortized over a period of twenty five years as the benefits of these assets are expected to accrue to the Company over such period.

3.3: Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity of another entity.

3.3.1: Financial Assets

i) Initial measurement

All financial assets are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets.

ii) Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets of the Company are classified in the following categories:

1) Financial assets measured at amortized cost
2) Financial assets measured at fair value through other comprehensive income
3) Financial assets measured at fair value through profit and loss

The classification of financial assets depends on the objective of the business model. Management determines the classification of its financial assets at initial recognition.

Financial assets measured at amortized cost:

A financial asset is measured at amortized cost if both the following conditions are met:

(a) the asset is held for collecting contractual cash flows, and

(b) 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 amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables, bank deposits, security deposits, cash and cash equivalents, employee and other advances.

Financial asset measured at fair value through other comprehensive income

A financial asset shall be measured at fair value through other comprehensive income if both of the following conditions are

(a) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets

(b) the asset's contractual cash flow represent SPPI

Financial assets included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognized in other comprehensive income (OCI). However, the Company recognizes interest income,

BATLIBOI PUROHIT & DARBARI * Chartered Accountants * 7, Waterloo Street, Kolkata 700069 impairment losses & reversals and foreign exchange gain loss in statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from equity to profit and loss. Interest earned is recognized under the expected interest rate (EIR) model.

Financial instruments measured at fair value through profit and loss

Fair value through profit and loss is the residual category. Any financial instrument which does not meet the criteria for categorization as at amortized cost or fair value through other comprehensive income is classified at FVTPL.

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

iii) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have been transferred, or
- The Company retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the Company has transferred an asset, it evaluates whether it has substantially transferred all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. When the Company has not transferred substantially all the risks and rewards of ownership of a financial asset, the financial asset is not derecognized.

When the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the entity has not retained control of the financial asset. When the entity retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement of the asset.

3.3.2: Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method, less provision for impairment.

3.3.3: Financial Liability

i) Initial measurement

All financial liabilities are recognized initially at fair value net of directly attributable transaction costs. The Company's financial liabilities include loans and borrowings, trade and other payables etc.

ii) Classification and subsequent measurement

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories:
1) Financial liabilities measured at amortized cost
2) Financial liabilities measured at fair value through profit and loss

Financial liabilities at amortized cost:

Financial liabilities at amortized cost represented by trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

Financial liabilities at FVTPL

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognized in the statement of profit and loss.

3.3.4: Loans and borrowings

Loans and borrowings are initially recognized at fair value net of transaction costs incurred. Subsequently, these are measured at amortized cost using the effective interest rate ('EIR') method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

3.3.5: Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within the credit terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the EIR model.

3.3.6: Derivatives

The Company uses derivative financial instruments to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

3.3.7: Offsetting of financial instrument

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

3.4: Leases
The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

3.5: Impairment
a) Financial assets
In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:
a) Financial assets that are debt instruments and are measured at amortized cost e.g. loans, deposits and trade receivables.
b) Financial assets that are debt instruments and are measured at FVTOCI.

The Company uses a provision matrix to determine the impairment loss on its trade receivables. The provision matrix is based on historically observed default rates and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward looking estimates are analyzed.

b) Non-financial assets
The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

3.6: Cash and cash equivalents
Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

3.7: Revenue from Operations
Revenue from sale of electricity is accounted on accrual basis based on bills raised as per joint meter reading and are net of rebate for prompt payment of bills.

3.8: Government Grants - Generation Based Incentive
Once the respective project is registered with the nodal agency, generation based incentive is recognized on accrual basis i.e., on the basis of units of electricity fed into grid as per bills raised, as referred to above.

3.9: Other Income
Income from investments and deposits are accounted for on accrual basis inclusive of related tax deducted at source. Delayed Payment Surcharge as a general practice is determined and recognized on a receipt of overdue payment from consumer.

3.10: Employee benefits
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

The Company operates defined contribution plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service.
Contribution to Provident fund and Contributory pension fund are accounted for on accrual basis.

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Actuarial gains or losses on defined benefit obligation are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Re-measurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

3.11: Foreign currency transactions

The Company's financial statements are presented in INR which is also the functional currency of the Company.

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period.

Outstanding loans repayable in foreign currency are restated at the year-end exchange rate.

3.12: Borrowing cost

Borrowing costs that are directly attributable to the acquisition, construction or erection of qualifying assets are capitalized as part of cost of such asset until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition of the qualifying asset.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.
All other borrowing costs are recognized as an expense in the year in which they are incurred.

3.13: Taxes

Income tax expense comprises current and deferred tax. Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity.

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

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.14: Provisions and contingent liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable

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is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

3.15: Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

3.16: Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Refer Note 40 for details on segment information.

3.17: Recent accounting pronouncements

a) Ind AS 115 - Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The Company is in the process of assessing the possible impact and will adopt the amendments on the required effective date.

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Significant accounting policies and notes to the accounts
(Rupees in Lakhs, except share and per share data, unless otherwise stated)

Note 4 : Property, plant and equipment

Particulars	Freehold Land	Leasehold Improvements	Buildings and structures	Plant and equipment	Furniture and fixtures	Office equipment	Vehicle	Total	Capital work in progress
Gross carrying value									
As at March 31, 2017	538.60	254.38	27.87	82,523.80	0.15	4.41	1.46	83,350.67	3,829.71
Additions	24.56	16.61	-	6,145.87	-	3.47	-	6,190.51	2,360.80
Disposals / adjustments								-	6,190.51
As at March 31, 2018	563.16	270.99	27.87	88,669.67	0.15	7.88	1.46	89,541.18	-
Gross carrying value									
As at March 31, 2016	212.36	169.24	4.21	27,887.60	0.15	2.03	-	28,275.59	13,903.29
Additions	326.24	85.14	23.66	54,636.20	-	2.38	1.46	55,075.08	45,001.50
Disposals / adjustments								-	55,075.08
As at March 31, 2017	538.60	254.38	27.87	82,523.80	0.15	4.41	1.46	83,350.67	3,829.71
Accumulated depreciation									
As at March 31, 2017	-	18.76	7.04	4,941.36	0.06	1.87	0.09	4,969.18	
Depreciation expense	-	10.81	7.89	3,603.37	0.02	1.18	0.15	3,623.42	-
Disposals / adjustments	-	-	-	-		-		-	-
As at March 31, 2018	-	29.57	14.93	8,544.73	0.08	3.05	0.24	8,592.60	-
As at March 31, 2016	-	11.59	3.57	2,793.57	0.04	1.17	-	2,809.94	
Depreciation expense	-	7.17	3.47	2,147.79	0.02	0.70	0.09	2,159.24	-
Disposals / adjustments	-	-	-	-	-	-		-	-
As at March 31, 2017	-	18.76	7.04	4,941.36	0.06	1.87	0.09	4,969.18	-
Net carrying value as at March 31, 2018	563.16	241.42	12.94	80,124.94	0.07	4.83	1.22	80,948.58	-
Net carrying value as at March 31, 2017	538.60	235.62	20.83	77,582.44	0.09	2.54	1.37	78,381.49	3,829.71

Note:

a. Refer Note 31 for the existence and amounts of restrictions on title, property, plant and equipment pledged as security for liabilities

b. Refer Note 25, Note 26 & Note 27 for amount of expenditures recognised in the carrying amount of an item of property, plant and equipment in the course of its construction

c. Refer Note 32 for the amount of contractual commitments for the acquisition of property, plant and equipment

d. Capital work-in-progress mainly comprises of Plant and equipment.

Note 5 : Other Intangible Assets

Particulars	Right to use Common Facility	Computer Software	Total	Intangible Assets under development
Gross carrying amount				
As at March 31, 2017	3,156.28	1.26	3,157.54	3.57
Additions	230.93	-	230.93	227.36
Disposals / adjustments				230.93
As at March 31, 2018	3,387.21	1.26	3,388.47	-
Gross carrying amount				
As at March 31, 2017	1,024.13	1.26	1,025.39	710.53
Additions	2,132.15	-	2,132.15	1,425.19
Disposals / adjustments				2,132.15
As at March 31, 2018	3,156.28	1.26	3,157.54	3.57
Accumulated amortisation				
As at March 31, 2017	159.29	0.15	159.44	
Amortisation charge for the year	129.54	0.05	129.59	
As at March 31, 2018	288.83	0.20	289.03	
As at March 31, 2016	80.26	0.10	80.36	
Amortisation charge for the year	79.03	0.05	79.08	
As at March 31, 2017	159.29	0.15	159.44	
Net carrying value as at March 31, 2018	3,098.38	1.06	3,099.44	-
Net carrying value as at March 31, 2017	2,996.99	1.11	2,998.10	3.57

Note:

a. Refer Note 31 for the existence and amounts of restrictions on title, property, plant and equipment pledged as security for liabilities

b. Refer Note 25, Note 26 & Note 27 for amount of expenditures recognised in the carrying amount of an item of property, plant and equipment in the course of its construction

c. Refer Note 32 for the amount of contractual commitments for the acquisition of property, plant and equipment

d. Intangible Assets under development mainly comprises of Right to use Common Facility under development.

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Significant accounting policies and notes to the accounts

(Rupees in Lakhs, except share and per share data, unless otherwise stated)

		Particulars	As at March 31, 2018	As at March 31, 2017
Non - Current Assets				
Note 6		**Loans and Advances**		
(a)		Unsecured , considered good		
		Loans to Employees	0.62	-
			0.62	**-**
Note 7		**Other Financial Assets**		
(a)		Security Deposit	0.65	0.65
			0.65	**0.65**
Note 8		**Other Non-current Assets**		
(a)		Deferred Employee Expenses	0.16	-
			0.16	**-**
Current Assets				
Note 9		**Trade Receivables**		
		Unsecured , considered good (Refer Note 23)	2,377.60	2,569.13
			2,377.60	**2,569.13**
		Refer Note 31 for the existence and amounts of Trade Recievables pledged as security for liabilities		
Note 10		**Cash and Cash Equivalents**		
(a)		**Cash on hand**	0.04	0.32
(b)		**Balances with banks**		
		- In Current Account	1,783.63	1,219.92
		- Bank Deposits with original maturity of upto 3 months	1,597.90	805.31
			3,381.57	**2,025.55**
(c)		Refer Note 31 for the existence and amounts of Cash and Cash Equivalents pledged as security for liabilities		
Note 11		**Bank Balances other than Cash and Cash Equivalents**		
(a)		Bank Deposits with original maturity of more than 3 months	0.30	596.93
			0.30	**596.93**
(b)		Bank deposits with original maturity more than 3 months as on reporting date includes bank deposits with original maturity more than 12 months as on reporting date amounting to Rs. 0.30 Lakhs (Previous year - Rs. 596.63 Lakhs).		
(c)		Refer Note 31 for the existence and amounts of Bank balance other than Cash and Cash Equivalents pledged as security for liabilities		
Note 12		**Loans and Advances**		
(a)		Unsecured , considered good		
		Loans to Employees	0.13	-
			0.13	**-**
Note 13		**Other Financial Assets**		
(a)		Interest accrued on Bank Deposits	11.26	70.02
(b)		Derivative Asset	953.19	1,184.91
(c)		Security Deposits	0.42	69.11
(e)		Receivables towards claims	89.57	106.41
			1,054.44	**1,430.45**
Note 14		**Current Tax Assets (Net)**	**460.87**	**180.26**
Note 15		**Other Current Assets**		
		Advance for goods and services	0.62	0.69
		Capital Advance	-	2,560.00
		Unamortized Share Issue Expense	21.07	21.07
		Deferred Employee Expenses	0.04	-
		Prepaid Expenses	59.80	60.19
			81.53	**2,641.95**

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Note 16	EQUITY SHARE CAPITAL	As at March 31, 2018	As at March 31, 2017
		Rupees	Rupees
(a)	Authorised Share Capital 280,000,000 (Previous Year - 280,000,000) Equity Shares of Rs 10/- each	2,800,000,000	2,800,000,000
(b)	Issued Capital 251,905,800 (Previous Year - 134,235,800) Equity Shares of Rs 10/- each fully paid.	2,519,058,000	1,342,358,000
(c)	Subscribed and paid up capital 251,905,800 (Previous Year - 134,235,800) Equity Shares of Rs 10/- each fully paid.	2,519,058,000	1,342,358,000

(d) Share reconciliation statement

	As at March 31, 2018		As at March 31, 2017	
	No. of shares	Rupees	No. of shares	Rupees
Shares outstanding at the beginning of the year	134,235,800	1,342,358,000	134,235,800	1,342,358,000
Add: Equity Shares issued during the year	117,670,000	1,176,700,000	-	-
Shares outstanding at the end of the year	251,905,800	2,519,058,000	134,235,800	1,342,358,000

(e) Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. No dividend has been declared for distribution to the Company's shareholders since inception. In the event of liquidation of the company, the holders of equity shares are eligible to receive the remaining assets of the company after distribution of all the preferential amounts, in proportion to their shareholding.

(f) In the period of five years immediately preceding 31 March 2018, the Company has neither issued bonus shares, bought back any equity shares nor has allotted any equity shares as fully paid up without payment being received in cash.

(g) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment

(h) Shares of the Company held by holding/ ultimate holding company

	As at March 31, 2018	As at March 31, 2017
Name of shareholder	Number of shares	Number of shares
CESC Limited	135,505,800	94,235,800

(i) Shares in the Company held by each shareholder holding more than 5% shares

	As at March 31, 2018		As at March 31, 2017	
Name of shareholder	Number of shares	% holding	Number of shares	% holding
CESC Limited	135,505,800	54%	94,235,800	70%
Haldia Energy Limited	116,400,000	46%	40,000,000	30%

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		Particulars	As at March 31, 2018	As at March 31, 2017
Note 17		**Other Equity**		
	(a)	**Share Application Money Pending Allotment**	-	11,767.00
	(b)	**Retained Earnings**		
		Surplus at the beginning of the year	1,355.39	1,030.99
		Profit for the year	509.63	324.47
		Less: Other items of other comprehensive income		
		Remeasurements of the defined benefit plans, net of tax	(12.17)	(0.07)
		Surplus at the end of the year	**1,852.85**	**1,355.39**
		Total Other Equity	**1,852.85**	**13,122.39**

Retained Earnings represents the undistributed profits of the Company. The amount that can be distributed by the Company as dividends to its equity shareholders is determined on the basis of the balance of the retained earnings of the finanical statements after considering the requirements of the Companies Act, 2013.

Non - Current Liabilities

			As at March 31, 2018	As at March 31, 2017
Note 18		**Borrowings : Financial Liabilities**		
		Secured		
	(a)	Term loans		
		(i) Rupee Term loans - from banks	53,659.17	50,379.57
		(ii) Foreign Currency loan - from banks	8,921.60	10,056.20
		Less: Amortization of transaction cost	(558.73)	(714.81)
			62,022.04	**59,720.96**
		Less: Current Maturity of long term borrowings	(4,943.30)	(2,675.27)
			57,078.74	**57,045.69**

Nature of Security :

(a) Terms loans in (a) above have been availed for setting up specific projects and are secured/to be secured by an exclusive charge by way of mortgage/hypothecation in respect of the fixed assets including its land, building, construction thereon where exist, plant & machinery etc. and by way of hypothecation of current assets with respect to the project for which the loan was availed. Creation of mortgage security on immovable fixed assets of the projects in Surendranagar (Gujarat) and Rojmal/Amreli (Gujarat) is currently under process. The carrying amount of Financial and Non-financial assets pledged as security for long term borrowings are disclosed in Note 31.

Terms of repayment :

Rupee Term loan is repayable in quarterly installments over the maturity period of the respective loans. Interest on the said loans are based on spread over lender's benchmark rate.

Foreign Currency loan is repayable in semi annual installments over the maturity period of the respective loan. Interest on the said loan is based on spread over LIBOR.

Maturity profile of the borrowing

Maturity Profile of Long Term Loans outstanding as on 31.03.2018	Rupee Term Loan from Banks	Foreign Currency Loans
Loans with residual maturity of upto one year	-	-
Loans with residual maturity between 1 and 3 years	-	-
Loans with residual maturity between 3 and 5 years	-	-
Loans with residual maturity between 5 and 10 years	8,412.62	8,921.60
Loans with residual maturity beyond 10 years	45,246.55	-
Total	**53,659.17**	**8,921.60**

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	Particulars	As at March 31, 2018	As at March 31, 2017

Maturity Profile of Long Term Loans outstanding as on 31.03.2017	Rupee Term Loan from Banks	Foreign Currency Loans
Loans with residual maturity of upto one year	-	-
Loans with residual maturity between 1 and 3 years	-	-
Loans with residual maturity between 3 and 5 years	-	-
Loans with residual maturity between 5 and 10 years	-	10,056.20
Loans with residual maturity beyond 10 years	50,379.57	-
Total	**50,379.57**	**10,056.20**

	Particulars	As at March 31, 2018	As at March 31, 2017
Note 19	**Provisions**		
	Provision for employee benefits (refer Note 25 (f))	44.95	8.09
		44.95	**8.09**

Current Liabilities

	Particulars	As at March 31, 2018	As at March 31, 2017
Note 20	**Other financial liabilities**		
(a)	Current maturities of long-term debt	4,943.30	2,675.27
(b)	Interest accrued	230.23	233.38
(c)	Other borrowing cost accrued but not due	59.43	64.97
(d)	Others		
	Liabilities on capital account	1,921.92	6,328.76
	Book Overdraft	-	1,310.29
	Other payables	32.63	191.46
		7,187.51	**10,804.13**
Note 21	**Other current liabilities**		
	Others		
	Liabilities for statutory dues	42.00	204.88
		42.00	**204.88**
Note 22	**Provisions**		
	Provision for employee benefits (refer Note 25 (f))	8.50	0.07
		8.50	**0.07**

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	Particulars	2017-18	2016-17
Note 23	**Revenue From operations**		
(a)	**Sale of products**		
	Earnings from sale of electricity	10,348.68	6,001.25
	Total	**10,348.68**	**6,001.25**

Earnings from sale of electricity include a sum of Rs. 426.11 Lakhs for FY 2017-18 (Previous year – Rs. 0.09 Lakhs) claimed by the Company as per the terms mentioned in the Power Purchase Agreements (PPA), the tariff of which is under the approval of Gujarat Electricity Regulatory Commission ("GERC"). The Power Purchaser ("GUVNL") and the Company have filed a petition with GERC for their approval. The Company expects GERC approval during the next hearing post which the receivables shall be received from GUVNL.

	Particulars	2017-18	2016-17
(b)	**Other operating revenues**		
	Earnings from Generation Based Incentive	1,134.08	589.32
	Others	-	6.99
	Total	**1,134.08**	**596.31**
	Total Revenue from operations	**11,482.76**	**6,597.56**
Note 24	**Other Income**		
(a)	**Interest Income**		
	From Banks	135.51	169.26
	From Others	1.16	
(b)	**Other non-operating income**		
	Net gain on financial assets measured at amortized cost	-	2.86
	Others	224.22	163.41
		360.89	**335.53**
Note 25	**Employee benefit expenses**		
(a)	Salaries and bonus	198.43	236.26
(b)	Contribution to provident and other funds	19.79	5.96
(c)	Staff Welfare Expenses	8.67	3.68
(d)	Less: Allocated / transfered to Capital Account,etc.	(112.21)	(221.42)
		114.68	**24.48**

(e) **Defined Benefit Plan**

The Company has three post employment benefit plans for its eligible employees, provident and pension fund with the State administered fund and unfunded benefits in the form of gratuity and leave encashment.

Gratuity

The Company operates a gratuity plan wherein the eligible employees are entitled to the benefit equivalent to 15 days salary last drawn for each completed year of service. Such benefit is payable on retirement or on termination of service, whichever is earlier. Provision of gratuity liability in the books of accounts of the company is made on the basis of actuarial valuation.

Leave Benefit

Privilege leave balances can be accumulated by eligible employees upto a maximum of 180 days and can be encashed at the time of separation. Liability for leave encashment is provided for based on actuarial valuation carried out annually at the year end.

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Note 25 (Cont.) : EMPLOYEE BENEFITS

(f) The results of the actuarial study for the obligation for employee benefits as computed by the actuary are shown below:

Actuarial study analysis	As on March 31, 2018 Gratuity	As on March 31, 2018 Leave Encashment	As on March 31, 2017 Gratuity	As on March 31, 2017 Leave Encashment
Principal actuarial assumptions				
Discount rate	7.55%	7.55%	7.16%	7.16%
Range of compensation increase	5%	5%	5%	5%
Attrition rate per thousand:				
upto 40 years	4.2	4.2	4.2	4.2
40 years and above	Nil	Nil	Nil	Nil
Weighted average duration of the defined benefit plan (in years)	7.99	8.46	11.52	10.27
Components of statement of income statement charge				
Current service cost	2.95	21.61	1.25	0.39
Interest cost	0.31	0.27	0.23	0.25
Recognition of past service cost	7.97	-	-	-
Settlement/curtailment/termination loss	-	-	-	-
Total charged to statement of profit or loss	11.23	21.88	1.48	0.64
Movements in net liability/(asset)				
Net liability at the beginning of the year	4.38	3.78	2.83	3.24
Employer contributions		-		(0.13)
Total expense recognised in the consolidated statement of profit or loss	11.23	21.88	1.48	0.64
Total amount recognised in OCI	12.77	(0.60)	0.07	0.03
Net liability at the end of the year	28.38	25.06	4.38	3.78
Reconciliation of benefit obligations				
Obligation at start of the year	4.38	3.78	2.83	3.24
Current service cost	2.95	21.61	1.25	0.39
Interest cost	0.31	0.27	0.23	0.25
Benefits paid directly by the Company	-	-	-	(0.13)
Extra payments or expenses/(income)	-	-	-	-
Obligation of past service cost	-	-	-	-
Actuarial loss	12.77	(0.60)	0.07	0.03
Defined benefits obligations at the end of the year	20.41	25.06	4.38	3.78
Re-measurements of defined benefit plans				
Actuarial gain/(loss) due to changes in financial assumptions	(0.76)	(0.71)	0.25	0.18
Actuarial gain/(loss) on account of experience adjustments	13.53	0.11	(0.18)	(0.15)
Total actuarial gain/(loss) recognised in OCI	12.77	(0.60)	0.07	0.03

(g) **Risk exposure**

Credit Risk: If the scheme is insured and fully funded on PUC basis there is a credit risk to the extent the insurer(s)is/ are unable to discharge their obligations including failure to discharge in timely manner.

Pay-as-you-go Risk: For unfunded schemes financial planning could be difficult as the benefits payable will directly affect the revenue and this could be widely fluctuating from year to year. Moreover there may be an opportunity cost of better investment returns affecting adversely the cost of the scheme.

Discount Rate risk: The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase in the ultimate cost of providing the above benefit thereby increasing the value of the liability.

Liquidity Risk: This risk arises from the short term asset and liability cash-flow mismatch thereby causing the company being unable to pay the benefits as they fall due in the short term. Such a situation could be the result of holding large illiquid assets disregarding the results of cash-flow projections and cash outgo inflow mismatch. (Or it could be due to insufficient assets/cash).

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Note 25 (Cont.) : EMPLOYEE BENEFITS

Future Salary Increase Risk: The Scheme cost is very sensitive to the assumed future salary escalation rates for all final salary defined benefit Schemes. If actual future salary escalations are higher than that assumed in the valuation actual Scheme cost and hence the value of the liability will be higher than that estimated.

Demographic Risk: In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the scheme cost.

Regulatory Risk: Gratuity Benefit must comply with the requirements of the Payment of Gratuity Act, 1972 (as amended up-to-date). There is a risk of change in the regulations requiring higher gratuity payments (e.g. raising the present ceiling of Rs.20,00,000, raising accrual rate from 15/26 etc.)

Future salary increase assumed has three basic components, namely, increase due to price inflation, increase due to increase in future living standard (periodic wage re-negotiation) and increase due to career progress by way of promotion as more skill is acquired.

(h) ***Sensitivity analysis of significant assumptions***

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	As on March 31, 2018		As on March 31, 2017	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate				
+1.00% discount rate	26.60	23.38	4.05	3.54
- 1.00% discount rate	30.40	26.95	4.78	4.09
Salary escalation				
+ 1.00% salary escalation	29.60	26.98	4.78	4.09
- 1.00% salary escalation	27.31	23.32	4.04	3.54
Withdrawal rate				
+ 50% withdrawal rate	28.45	25.10	4.38	3.80
- 50% withdrawal rate	28.32	25.03	4.37	3.78
Mortality rate				
+ 10.00% mortality rate	28.42	25.08	4.38	3.79
- 10.00% mortality rate	28.35	25.05	4.37	3.79

(i) The expected maturity analysis of undiscounted Defined Benefit obligation is as below:

	1st year	2 to 5 years	6 to 10 years	More than 10 years
As at March 31, 2018				
Gratuity	6.19	1.15	32.88	13.58
Leave Encashment	2.62	1.04	34.77	9.37
As at March 31, 2017				
Gratuity	0.03	3.22	0.08	7.77
Leave Encashment	0.04	3.01	0.06	5.71

(j) **Details of plan assets**

The scheme is unfunded.

(k) **Defined contribution plan**

Provident and Pension Fund

The State administered Provident and Pension Fund is a defined contribution scheme, whereby the Company deposits an amount determined as a fixed percentage of basic pay to the fund every month. The expenses recognised during the reporting period towards defined contribution plan is Rs. 8.00 Lakhs (Previous year - Rs. 4.19 Lakhs).

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	Particulars		2017-18	2016-17
Note 26	**Finance Costs**			
(a)	Interest Expense		6,033.15	4,063.50
(b)	Other borrowing costs		449.33	484.80
(c)	Net Loss In Foreign Exchange Translation		79.17	273.60
	Less: Allocated / transfered to Capital Account,etc.		(152.98)	(432.59)
			6,408.67	**4,389.31**

(d) Amount allocated/transferred to capital account includes Interest Expense of Rs.143.73 Lakhs (Previous year - Rs. 427.63 Lakhs) and Other Borrowing Costs of Rs. 9.25 Lakhs (Previous year - Rs 4.96 Lakhs).

(e) The average capitalization rate used to determine the amount of Interest Expense allocated / transferred to Capital Account to be capitalized is 9.80% (Previous year - 9.96%).

	Particulars		2017-18	2016-17
Note 27	**Other Expenses**			
	Repairs			
	- Plant & Machinery		453.97	235.02
	Rent		4.86	3.12
	Insurance		60.91	44.74
	Professional & Legal charges		119.95	113.94
	Travelling & Conveyance		25.61	22.87
	Expenditure towards Corporate Social Responsibility Activity (refer Note 42)		15.00	55.00
	Auditor's Remuneration			
	- Statutory Audit Fee		2.00	1.25
	- Tax Audit Fee		0.76	0.60
	- Other Services		0.05	0.13
	- Reimbursement of expenses		0.51	0.30
	Registration & Filing fees		52.00	119.57
	License fees		175.88	172.50
	Rates & Taxes		0.86	3.63
	Miscellaneous Office Expense		37.18	63.92
	Less: Allocated / transfered to Capital Account,etc.		(28.85)	(53.58)
			920.69	**783.01**

Amount allocated/transferred to capital account includes Professional & Legal charges of Rs. 28.85 Lakhs (Previous year - Rs. 44.93 Lakhs), Miscellaneous Office Expenses of Rs. Nil (Previous year - Rs. 1.98 Lakhs) and Travelling & Conveyance of Rs. Nil (Previous year - Rs. 6.67 Lakhs).

	Particulars		2017-18	2016-17
Note 28	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
(i)	Remeasurements of the defined benefit plans		(12.17)	(0.10)
			(12.17)	**(0.10)**
Note 29	**Earnings per share (EPS)**			
	Face value of equity shares	INR	10.00	10.00
	Weighted average number of equity shares outstanding	Nos.	134,235,800	134,235,800
	Weighted average number of equity shares resulting from conversion of Share Application pending allotment	**Nos.**	60,285,726	-
	No. of Equity Shares used to compute basic earnings per share	Nos.	194,521,526	134,235,800
	Profit/ (loss) for the year (continuing operations)	INR in Lakhs	509.63	324.47
	Weighted average earnings per share (basic)	INR	0.26	0.24
	Weighted average number of equity shares outstanding	Nos.	194,521,526	134,235,800
	Weighted average number of equity shares resulting from Share Application pending allotment	**Nos.**	57,384,274	67,549,370
	No. of Equity Shares used to compute diluted earnings per share	Nos.	251,905,800	201,785,170
	Profit/ (loss) for the year (continuing operations)	INR in Lakhs	509.63	324.47
	Weighted average earnings per share (diluted)	INR	0.20	0.16

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Note 30 : Income tax expense

a) i) Income tax recognised in profit or loss

	March 31, 2018	March 31, 2017
Current tax expense		
Current year	137.59	-
Deferred tax expense		
Origination and reversal of temporary differences	(4.89)	(826.50)
Increase in tax rate	-	
Total income tax expense	**132.70**	**(826.50)**

ii) Income tax recognised in OCI

	March 31, 2018	March 31, 2017
Remeasurements of defined benefit plans	-	(0.03)
Total income tax expense relating to OCI items	-	**(0.03)**

b) Reconciliation of tax expense and accounting profit

	March 31, 2018	March 31, 2017
Accounting profit before tax from continuing operations	646.60	(502.03)
Accounting profit before tax from discontinued operations	-	-
Accounting profit before tax	**646.60**	**(502.03)**
Tax using the Company's domestic tax rate	20.3889%	20.3889%
Computed tax expenses	**131.83**	-
Income not considered for tax purpose	(4.89)	(4.23)
Expense not considered for tax purpose	635.11	1,075.26
Unused tax losses/ depreciation	(635.11)	(1,897.53)
Other temporary differences	5.76	-
Income tax expense charged to the statement of profit and loss	**132.70**	**(826.50)**
Income tax reported in the statement of profit and loss	132.70	(826.50)
Income tax attributed to discontinued operations	-	-
Total	**132.70**	**(826.50)**

c) Deferred tax assets

Deferred tax asets relates to the following:

	March 31, 2018	March 31, 2017
Property, Plant and Equipment (Land)	34.60	29.71
Unused tax losses/ depreciation	2,753.19	2,083.30
Provisions	15.56	2.82
Other items giving rise to temporary differences	-	-
Total deferred tax asset	**2,803.35**	**2,115.83**
Set off of deferred tax liability pursuant to set-off provisions	(2,768.75)	(2,086.12)
Net deferred tax asset	**34.60**	**29.71**

d) Deferred tax liabilities

Deferred tax Liability relates to the following:

	March 31, 2018	March 31, 2017
Property, Plant and Equipment (Other than Land)	2,662.16	2,006.78
Intangible Asset	106.59	79.34
Provision	-	-
Other items giving rise to temporary differences	-	-
Total deferred tax asset	**2,768.75**	**2,086.12**
Set off of deferred tax liability pursuant to set-off provisions	(2,768.75)	(2,086.12)
Net deferred tax liability	-	-

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Note 31 Assets Pledged as Security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Note	As at March 31, 2018	As at March 31, 2017
Current			
Trade Receivables	9	2,377.60	2,569.13
Cash and cash equivalents	10	3,381.57	2,025.55
Bank Balances other than Cash and Cash Equivalents	11	0.30	596.93
Total current assets pledged as security		5,759.47	5,191.61
Non- Current			
Freehold land	4	289.71	-
Leasehold Improvements	4	99.64	99.64
Buildings and structures	4	-	-
Plant and equipment	4	88,669.67	82,523.80
Furniture and fixtures	4	0.15	0.15
Office equipment	4	7.88	4.41
Capital work-in-progress	4	-	3,829.71
Other Intangible Assets	5	3,388.47	3,157.54
Intangible Assets under development	5	-	3.57
Total non-currents assets pledged as security		92,455.52	89,618.82
Total assets pledged as security		98,214.99	94,810.43

Note 32 Capital Commitment

(a) Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows

Particulars	As at March 31, 2018	As at March 31, 2017
Property, plant and equipment	-	2,140.05
Intangible assets	-	220.00
Total Capital Commitement	-	2,360.05

(b) Guarantee issued on behalf of the Company by bank is Rs. 660.00 Lakhs as at March 31, 2018 (Previous year - Rs. 500.00 Lakhs).

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Note 33 : Financial Instruments

a) The carrying value and fair value of financial instruments by categories as at March 31 2018 is as follows:

	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Security Deposits & Loans	-	-	0.58	0.58	-	-	-	-
Trade Receivables	-	-	2,377.60	2,377.60	-	-	-	-
Cash And Cash Equivalents	-	-	3,381.57	3,381.57	-	-	-	-
Bank Balances other than Cash and Cash Equivalents	-	-	0.30	0.30	-	-	-	-
Interest accrued on Bank Deposits	-	-	11.26	11.26	-	-	-	-
Insurance claim receivable	-	-	-	-	-	-	-	-
Receivables towards claims	-	-	89.57	89.57	-	-	-	-
Loans to Employees	-	-	0.75	0.75	-	-	-	-
Derivative Asset	953.19	-	-	953.19	-	953.19	-	953.19
Total Financial Assets	953.19	-	5,861.63	6,814.82	-	953.19	-	953.19
Financial Liabilities								
Borrowings : Financial Liabilities	-	-	62,022.04	62,022.04	-	-	-	-
Trade Payables	-	-	35.36	35.36	-	-	-	-
Liabilities On Capital Account	-	-	1,921.92	1,921.92	-	-	-	-
Other Payables (incl. Book Overdraft)	-	-	322.29	322.29	-	-	-	-
Total Financial liabilities	-	-	64,301.61	64,301.61	-	-	-	-

The carrying value and fair value of financial instruments by categories as at March 31, 2017 is as follows:

	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Security Deposits & Loans	-	-	69.11	69.11	-	-	-	-
Trade Receivables	-	-	2,569.13	2,569.13	-	-	-	-
Cash And Cash Equivalents	-	-	2,025.55	2,025.55	-	-	-	-
Bank Balances other than Cash and Cash Equivalents	-	-	596.93	596.93	-	-	-	-
Interest accrued on Bank Deposits	-	-	70.02	70.02	-	-	-	-
Receivables towards claims	-	-	106.41	106.41	-	-	-	-
Derivative Asset	1,184.91	-	-	1,184.91	-	1,184.91	-	1,184.91
Total Financial Assets	1,184.91	-	5,437.15	6,622.06	-	1,184.91	-	1,184.91
Financial Liabilities								
Borrowings : Financial Liabilities	-	-	59,720.96	59,720.96	-	-	-	-
Trade Payables	-	-	78.67	78.67	-	-	-	-
Liabilities On Capital Account	-	-	6,328.76	6,328.76	-	-	-	-
Other Payables (incl. Book Overdraft)	-	-	1,800.10	1,800.10	-	-	-	-
Total Financial liabilities	-	-	67,928.49	67,928.49	-	-	-	-

b) **Fair value hierarchy**

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- 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 (unobservable inputs)

c) **Valuation techniques**

The following method and assumption is used to estimate the fair value

(i) The fair value of forward foreign exchange contract / principal swap is determined using forward exchange rates at balance sheet date. The MTM value of the derivate asset is provided by the Bank with whom the hedge agreement has been executed.
(ii) Non-current borrowings are based on discounted cash flows using a current borrowing rate;
(iii) The carrying amounts of trade receivables, security deposit, trade payables, capital creditors, other payables and cash and cash equivalents are considered to be same as their face values, due to their short term nature;
(iv) Considering the nature , risk profile and other qualitative factors of the nancial instruments of the Company ,the carrying amounts will be the reasonable approximaon of the fair value

Changes in level 2 and level 3 fair values are analysed at each reporting period

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Note 34 : FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Company's principal financial liabilities comprise loans and borrowings in foreign as well as domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's expansion plans and operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also enters into derivative contracts to hedge the repayment of the foreign currency borrowing. Derivatives are used exclusively for hedging purpose and not as trading or speculative instrument.

The Company is exposed to the following risks from its use of financial instruments:
- Credit risk
- Liquidity risk
- Interest rate risk

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.This note presents information about the risks associated with its financial instruments, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

A. Credit Risk

The Company is exposed to credit risk as a result of the risk of counterparties defaulting on their obligations. The Company's exposure to credit risk primarily relates to trade and other receivable and cash and cash equivalents. The Company monitors and limits its exposure to credit risk on a continuous basis. The Company's credit risk associated with trade receivable is primarily related to the outstanding realization of power sale invoices raised on the respective procurer. To manage this, the Company periodically reviews the finanial reliability of its debtors, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

Trade receivables

Trade receivables represent the most significant exposure to credit risk.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits which are readily convertible to cash. These are subject to insignificant risk of change in value or credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	As on March 31, 2018	As on March 31, 2017
Trade Receivables	2,377.60	2,569.13
Receivables towards claims	89.57	106.41
Cash and cash equivalents	3,381.57	2,025.55
Bank Balances other than Cash and Cash Equivalents	0.30	596.93

Since the Company has all of its customers in India, geographically there is no concentration of credit risk. Accordingly, disclosures pertaining to exposure to credit risk for trade receivables are not required.

Impairment losses

Expected cedit loss for trade receivables are computed under simplified approach. Since, historically, there has not been any instances of default and that all the trade receivables are from Government undertakings, the Company's Board of Directors has opted not to consider any impairment loss on its trade and other receivables.

Ageing analysis

	As on March 31, 2018	As on March 31, 2017
Upto 3 months	2,072.42	2,104.63
3-6 months	130.91	464.50
More than 6 months	174.27	-

No significant changes in estimation techniques or assumptions were made during the reporting period

B. Liquidity risk

The Company is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Company has access to credit facilities and debt capital markets and monitors cash balances daily. In relation to the Company's liquidity risk, the Company's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Company's reputation.

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Financing arrangements

The Company has access to following undrawn borrowing facilities at the end of the reporting period:

	As on March 31, 2018	As on March 31, 2017
Floating rate		
Expiring within one year (Bank Term Loans)	5,609.05	11,756.05
Expiring within one year (Working Capital Loan)	2,000.00	2,000.00

Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows:

As at 31 March 2018	Less than 1 year	1-5 years	beyond 5 years	Total
Borrowings	5,089.02	21,711.27	35,780.48	62,580.77
Trade payables	35.36	-	-	35.36
Other financial liabilities	2,244.21	-	-	2,244.21

As at 31 March 2017	Less than 1 year	1-5 years	beyond 5 years	Total
Borrowings	2,822.57	19,485.08	38,128.12	60,435.77
Trade payables	78.67	-	-	78.67
Other financial liabilities	8,128.86	-	-	8,128.86

C. Market risk

C.1: Foreign Currency Risk

The Company has an outstanding foreign currency loan of Rs.8,921.60 Lakhs (Previous year: Rs. 10,056.20 Lakhs) as disclosed in Note 15. The Company has entered into derivative transaction to fully hedge the principal repayment of the said loan. The Company is exposed to foreign currency risk in respect of the interest charged on the said foreign currency loan. Rs. 90.17 Lakhs (Previous Year: Rs. 89.88 Lakhs) representing interest payable in US Dollar has not been hedged.

b) Sensitivity analysis

Profit or loss estimate to higher/lower interest rate expense from borrowings as a result of changes in interest rates.

	Impact on profit after tax		Impact on other components of equity	
	As on March 31, 2018	As on March 31, 2017	As on March 31, 2018	As on March 31, 2017
USD echange rate - increase by 100 basis points	(5.01)	(6.77)	-	-
USD echange rate - decrease by 100 basis points	5.01	6.77	-	-

C.2: Interest rate risk

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

a) Interest rate risk exposure

	As on March 31, 2018	As on March 31, 2017
Variable rate borrowings	62,580.77	60,435.77

b) Sensitivity analysis

	Impact on profit after tax		Impact on other components of equity	
	2017-18	2016-17	2017-18	2016-17
Interest rates - increase by 100 basis points	(492.57)	(385.52)	-	-
Interest rates - decrease by 100 basis points	492.57	385.52	-	-

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Note 35: CAPITAL MANAGEMENT

a) The Company's main objectives when managing capital are to:

- safeguard its ability to continue as a going concern;
- ensure compliance with covenants related to its credit facilities ; and
- to maintain an efficient mix of debt and equity funding thus achieving an optimal capital structure and cost of capital.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in the financial markets so as to maintain and sustain future development of the business.

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Company monitors capital on the basis of the following Long Term Debt Equity ratio as computed below to ensure that the same is within 2.33:

	As on March 31, 2018	As on March 31, 2017
Long term Borrowings	62,580.77	60,435.77
Net debt	**62,580.77**	**60,435.77**
Total equity	**27,043.43**	**26,545.97**
Net debt to equity ratio	**2.31**	**2.28**

During the reporting period, the Company has complied with the covenants as mentioned/agreed upon in the terms of the major borrowing facilities availed by the Company.

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SURYA VIDYUT LIMITED
REGISTERED OFFICE:CESC HOUSE,CHOWRINGHEE SQUARE,KOLKATA-700001
CIN: U40108WB2010PLC150712; E-MAIL: CORP.HO@RP-SG.IN

Significant accounting policies and notes to the accounts

(Rupees in Lakhs, except share and per share data, unless otherwise stated)

Note 36 : Related party transaction

a) Parent entities

Name	Type	Place of incorporation	Ownership interest March 31, 2018	Ownership interest March 31, 2017
CESC Limited	Immediate and ultimate parent entity	INDIA	54%	70%

b) Key managerial personnel compensation

Particulars	March 31, 2018	March 31, 2017
- short-term employee benefits	0.39	29.90
- post-employement benefits	-	4.51
- professional fees	4.50	-
	4.89	34.41

c) Transactions with related parties

Particulars	Nature of transaction	Amount of transaction 2017-18	Amount of transaction 2016-17	Balance (Dr. / (Cr,)) March 31, 2018	Balance (Dr. / (Cr,)) March 31, 2017
Parent					
- CESC Limited	Share Application Money pending allotment	-	4,127.00	-	4,127.00
- CESC Limited	Expenses Recoverable/(Payable)	0.79	(37.60)	0.79	(37.60)
Key Management Personnel					
Mr. Sujoy Kumar Ghosh	Remuneration	4.89	34.41	-	-
Other related parties - Fellow Subsidiary					
- Haldia Limited	Share Application Money pending allotment	-	7,640.00	-	7,640.00
- CESC Infrastructure Limited	Expenses Recoverable/(Payable)	(5.98)	(59.64)	(5.98)	(59.64)
- CESC Projects Limited	Expenses Recoverable/(Payable)	(4.93)	(14.75)	(4.93)	(14.75)
- Crescent Power Limited	Expenses Recoverable/(Payable)	38.64	20.13	38.64	20.13
Other related parties - Common Control					
- Integrated Coal Mining Limited	Expenses Recoverable/(Payable)	50.14	50.93	50.14	50.93

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NOTE 37:
Expenditure in foreign currency:

Particulars	2017-18	2016-17
Finance Cost (Rs. in Lakhs)	539.27	584.35

NOTE 38:
The benefit of intangible assets and leasehold improvement is expected to accrue to the company over a period of twenty five years.

NOTE 39:
Particulars in respect of Capacity, production, sales:
Licensed capacity: Not Applicable
Installed capacity: 156 MW
Actual production

	2017-18 (MU)	2016-17 (MU)
Power generated during the year	234.50	129.48
Units sent out during the year (net of line loss)	222.77	123.91

NOTE 40:
Based on the "management approach" as defined by Ind AS 108, the Chief Operating Decision Maker (CODM) evaluated the Company's performance and allocates resources based on an analysis of various performance indicators.

The Company is engaged in a single business segment of power generation from renewable sources and does not operate in any other reportable segments. All activities are in India and hence there is no geographical segment.

Revenue of approximately Rs. 1013.49 Lakh (Previous year – Rs. 1100.56 Lakhs), Rs. 740.37 Lakhs (Previous year – Rs. 681.93 Lakhs), Rs. 5805.24 Lakhs (Previous year – Rs. 2652.96 Lakhs), Rs. 2789.58 Lakhs (Previous year – Rs. 1565.80 Lakhs) and Rs. 1134.08 Lakhs (Previous year – Rs. 589.32 Lakhs) are derived from three separate external customers and are attributed to the single business segment of the Company.

NOTE 41:
There are no Micro, Small and Medium Enterprises, as required to be disclosed under the "Micro, Small and Medium Enterprise Development Act, 2006" ("the Act") as has been identified on the basis of information available with the Company.

NOTE 42:
In terms of the provisions of Companies Act, 2013, the required Corporate Social Responsibility (CSR) spending works out to Rs. 10.03 Lakhs (previous year - Rs. 13.42 Lakhs), which has been met by way of contribution to an implementing agency set up for promoting art & culture of Rs. 15.00 Lakhs (previous year – Rs. 55.00 Lakhs).

NOTE 43:
The Company has reclassified previous year's figures to conform to this year's classification along with other regrouping / rearrangement wherever necessary.

For Batliboi, Purohit & Darbari
Firm Registration Number:303086E
Chartered Accountants

CA P.J. Bhide
Partner
Membership.No. 004714

Kolkata, 18th May, 2018

BATLIBOI PUROHIT & DARBARI
7, Waterloo Street, Kolkata 700069
Chartered Accountants

For and on behalf of the Board of Directors

Director

Director

Chief Financial Officer

Company Secretary