

**India Power
Corporation
(Bodhgaya) Limited**

**Annual Accounts
2017-18**

INDEPENDENT AUDITOR'S REPORT

To the Members of
India Power Corporation (Bodhgaya) Limited,

Report on the Standalone Ind AS financial statements

We have audited the accompanying standalone Ind AS financial statements of **INDIA POWER CORPORATION (BODHGAYA) LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the preparation of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosure in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's



preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018 and its Profit and its Cash Flows and the Changes in Equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the "Annexure-B", a statement on the matters specified in Paragraphs 3 and 4 of the Order.

Place: Kolkata

Date: 11 MAY 2018



For DE & BOSE

Chartered Accountants

Firm's Registration No.- 302175E

Subrata De

SUBRATA DE (FCA)

- Partner

Membership No. 054962

"ANNEXURE-A" TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in Paragraph-1(f) under "Report on Other Legal & Regulatory Requirements" section of our report of even date]

Report on the Internal Financial Controls under Clause-i of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **INDIA POWER CORPORATION (BODHGAYA) LIMITED** ("the Company") as of 31st March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note"). 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

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 Standards on Auditing prescribed u/s 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone 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 standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 31st March, 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.

Place: Kolkata

Date: 11 MAY 2018



For DE & BOSE

Chartered Accountants

Firm's Registration No.- 302175E

Subrata De

SUBRATA DE (FCA)

- Partner

Membership No. 054962

"ANNEXURE-B" TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in Paragraph-2 under "Report on Other Legal & Regulatory Requirements" section of our report of even date]

1. In respect of Fixed Assets:

- a. The company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.
- b. As explained to us, fixed assets have been physically verified by the management in a phased manner which in our opinion is reasonable considering the size of the company and nature of the assets. No material discrepancies were noticed on such verification.
- c. The title deeds of all the Company's immovable properties are held in the name of the company.

2. In respect of Inventories:

As explained to us, inventories of Stores & Spares have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

3. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act.
4. According to the information and explanations given to us, since the Company has not given any loan or guarantee or provided any security in connection with loan or acquired securities during the year and hence reporting under Clause 3(iv) of the Order are not applicable to the Company.
5. The Company has not accepted any deposits under the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Therefore, reporting under Clause 3(v) of the Order are not applicable to the Company.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. In respect of Statutory Dues:

- a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- b. Based on the audit procedures performed and the information and explanations given to us, there were no undisputed amount payable in respect of Income Tax, Sales Tax, Value Added Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrear as on 31st March, 2018 for a period of more than six months from the date they became payable.
- c. There are no disputed statutory dues as at 31st March, 2018 which have not been deposited on account of matters pending before appropriate authorities.

8. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
9. The Company has not raised any funds by way of initial public offer or further public offer (including debt instruments) and hence reporting under Clause 3(ix) of the Order is not applicable to the Company.
10. During the course of our examination of books and records of the Company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud by the company or any fraud on the Company by its officers or employees nor have we been informed of any such case by the management.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act.
12. The Company is not a "Nidhi Company" hence reporting under this clause of the Order is not applicable to the Company.
13. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence reporting under this clause of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him/her and the provisions of Section 192 of Companies Act, 2013 have been complied with in this regard.
16. According to the information and explanations given to us, we are of the opinion that the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Place: Kolkata

Date: 11 MAY 2018



For DE & BOSE

Chartered Accountants

Firm's Registration No.- 302175E

Subrata De

SUBRATA DE (FCA)

- Partner

Membership No. 054962

India Power Corporation (Bodhgaya) Limited
Balance Sheet as at 31st March 2018
(All amounts ₹ in lakh, unless specified otherwise)

Particulars	Note No.	As at 31st March 2018	As at 31st March 2017
ASSETS			
1 Non-current assets			
(a) Other intangible assets	2	4,436.39	2,719.57
(b) Intangible assets under development		444.33	44.30
		4,880.72	2,763.87
2 Current assets			
(a) Inventories	3	311.32	221.78
(b) Financial assets			
(i) Trade receivable	4	13,430.41	7,171.24
(ii) Cash and cash equivalent	5	404.91	431.88
(iii) Other bank balances	6	3.89	3.00
(iv) Other financial assets	7	3,357.69	1,763.44
(c) Other Current Assets	8	14,297.25	8,738.31
		31,805.47	18,329.65
TOTAL ASSETS		36,686.19	21,093.52
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	9	10.00	10.00
(b) Other equity		315.49	248.03
		325.49	258.03
Liabilities			
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	10	15,383.09	10,582.88
(b) Provisions	11	119.90	84.27
(c) Deferred tax liabilities (net)	12	147.18	130.66
(d) Other non current liabilities		0.07	0.07
		15,650.24	10,797.88
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	4,199.74	1,657.68
(ii) Trade payables	14	12,776.50	5,391.67
(iii) Other financial liabilities	15	2,615.43	2,502.15
(b) Other current liabilities	16	1,083.31	454.93
(c) Provisions	17	2.19	0.91
(d) Current tax liabilities (net)	18	33.29	30.27
		20,710.46	10,037.61
TOTAL EQUITY AND LIABILITIES		36,686.19	21,093.52

Significant Accounting Policies and Notes on Financial Statement are an integral part of the Financial Statements

As per our report on even date.

For and on behalf of the Board

For DE & BOSE

Chartered Accountants

Firm's Registration No.- 302175E

Subrata De

Subrata De

Partner

(Membership No. 054962)



Asok Kumar Goswami

(Asok Kumar Goswami)

Director

(DIN: 03331661)

Sanjeev Seth

(Sanjeev Seth)

Director

(DIN: 07945707)

Place: Kolkata

Date: 11th May 2018

India Power Corporation (Bodhgaya) Limited
Statement of Profit and Loss for the year ended 31st March 2018
(All amounts ₹ in lakh, unless specified otherwise)

Particulars	Note No.	Year ended 31st March 2018	Year ended 31st March 2017
Revenue from operations	19	27,821.21	19,193.89
Other income	20	1,387.78	902.48
Total Income		29,208.99	20,096.37
Expenses:			
Energy Purchase	21	22,054.21	14,929.25
Employee benefit expense	22	1,089.46	957.52
Finance cost	23	2,038.21	1,544.86
Depreciation and amortization expense	2	435.98	243.34
Other expenses	24	3,466.91	2,310.34
Total expenses		29,084.77	19,985.31
Profit/(Loss) Before Tax		124.22	111.06
Tax expense:			
Current tax		31.96	30.81
Less: MAT Credit Entitlement		(31.96)	(13.70)
Net Current Tax		-	17.11
Income Tax adjustment for earlier year		(7.54)	-
Deferred tax		60.41	76.90
Profit (Loss) After Tax		71.35	17.05
Other Comprehensive Income			
(i) Items that will not be reclassified to Profit & Loss			
Remeasurements of the net defined benefit plans - Actuarial Gain or (Loss)		(5.85)	(2.57)
(ii) Income tax relating to Items that will not be reclassified to Profit & Loss			
Tax on above		1.95	0.85
Total Other Comprehensive Income		(3.90)	(1.72)
Total Comprehensive Income for the period Comprising Profit/(Loss) and other Comprehensive Income for the period		67.45	15.33
Earnings per equity share:			
Basic and Diluted (in Rs.)	31	71.35	17.05

Significant Accounting Policies and Notes on Financial Statement are an integral part of the Financial Statements.

As per our report on even date.

For DE & BOSE
Chartered Accountants
Firm's Registration No.- 302175E

For and on behalf of the Board

Subrata De

Subrata De
Partner
(Membership No. 054962)



Asok Kumar Goswami

(Asok Kumar Goswami)
Director
(DIN: 03331661)

Sanjeev Seth

(Sanjeev Seth)
Director
(DIN: 07945707)

Place: Kolkata
Date: 11th May 2018

India Power Corporation (Bodhgaya) Limited
Statement of changes in equity for the year ended 31st March 2018
(All amounts ₹ in lakh, unless specified otherwise)

A. Equity Share Capital			
Balance at the beginning of the reporting period	Changes in equity share capital during the year		Balance at the end of reporting period
10.00	-		10.00
B. Other Equity			
Particulars	Retained Earnings	Remeasurement of Defined Benefit Obligation	Total
Balance as on 1st April 2016	259.42	(26.71)	232.71
Profit for the year	17.04	-	17.04
Other Comprehensive Income	-	(1.72)	(1.72)
Total Comprehensive Income for the year	17.04	(1.72)	15.32
Balance as on 31st March 2017	276.46	(28.43)	248.03
Balance as on 1st April 2017	276.46	(28.43)	248.03
Profit for the year	71.36	-	71.36
Other Comprehensive Income	-	(3.90)	(3.90)
Total Comprehensive Income for the year	71.36	(3.90)	67.46
Balance as on 31st March 2018	347.82	(32.33)	315.49

Retained earnings generally represent the undistributed profits/amount of accumulated earnings of the company.

Significant Accounting Policies and Notes on Financial Statement are an integral part of the Financial Statements.

As per our report on even date.

For and on behalf of the Board

For DE & BOSE

Chartered Accountants

Firm's Registration No.- 302175E

Subrata De

Subrata De
Partner
(Membership No. 054962)

Asok Kumar Goswami

(Asok Kumar Goswami)
Director
(DIN: 03331661)

Sanjeev Seth

(Sanjeev Seth)
Director
(DIN: 07945707)

Place: Kolkata
Date: 11th May 2018



India Power Corporation (Bodhgaya) Limited
Cash Flow Statement for the Year ended 31st March, 2018
(All amounts ₹ in lakh, unless specified otherwise)

Particulars	Year ended 31st March 2018		Year ended 31st March 2017	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) before Taxation		124.22		111.06
Adjustments for:				
Amortisation	435.98		243.34	
Provision for Interest on Delayed Payment of Income Tax	2.24		2.07	
Provision made for Employee benefit / OCI	30.99		16.77	
Interest (Received/ Receivable on Deposits) [Gross]	(1,378.39)		(900.77)	
Interest (Paid/ Payable on Loans etc)	1,998.73		1,524.98	
		1,089.55		886.39
Operating Profit before Working Capital Changes		1,213.77		997.45
Adjustments for:				
(Increase)/Decrease in Inventory	(89.54)		(28.65)	
(Increase)/Decrease in Trade and Other Receivables	(12,034.89)		(2,803.84)	
(Increase)/Decrease in Trade & Other Payables	8,145.94		3,450.79	
		(3,978.49)		618.30
Cash Generated from Operations		(2,764.72)		1,615.75
Direct Taxes Paid (Net of tax deducted at source)		33.60		33.15
Net Cash from Operating Activities		(2,798.32)		1,582.60
B. CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition of Intangible Assets	(1,477.53)		(964.49)	
Capital WIP	(400.02)			
Investment in bank deposits (original maturity more than 3 months)	(0.89)			
Interest received on Deposits	0.91		0.03	
Net Cash used in Investing Activities		(1,877.53)		(964.46)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Long term borrowing	7,834.12		1,309.70	
Repayment of Long Term borrowing	(3,811.86)		(753.00)	
Increase/ (Decrease) in Current Borrowings	2,542.05		216.90	
Interest paid	(1,915.43)		(1,205.05)	
Net Cash from Financing Activities		4,648.88		(431.45)
Net increase/ (decrease) in Cash and Cash Equivalents		(26.97)		186.69
Cash and Cash Equivalents at the beginning of the year		431.88		245.19
Cash and Cash Equivalents at the closing of the year (Refer Note 5)		404.91		431.88

Notes to the Cash Flow Statement for the year ended 31st March, 2018

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in the Ind AS 7 on Statement of Cash Flow.
- Proceeds & Repayment of Borrowing from IPCL (The Holding Company) has been shown on a net basis in FY-2016-17.
- Creation of Intangible Assets has been shown with reference to Appendix A Service Concession Agreement of Ind AS 11 Construction Contracts.
- Previous year's figures have been re-grouped/re-arranged wherever necessary.

Notes referred to above forms an integral part of this Cash Flow Statement.
This is the Cash Flow Statement referred to in our report of even date.

For DE & BOSE
Chartered Accountants
Firm's Registration No.- 302175E

Subrata De
Subrata De
Partner
(Membership No. 054962)

Place: Kolkata
Date: 11th May 2018



For and on behalf of the Board

(Signature)
(Asok Kumar Goswami)
Director
(DIN: 03331661)

(Signature)
(Sanjeev Seth)
Director
(DIN: 07945707)

INDIA POWER CORPORATION (BODHGAYA) LIMITED
NOTES ON THE FINANCIALS STATEMENTS FOR THE YEAR ENDED MARCH 2018

1. Significant Accounting Policies

a) Corporate Information

India Power Corporation (Bodhgaya) Limited has been incorporated on 12th September, 2013 under the Companies Act, 1956. It is a wholly owned subsidiary of India Power Corporation Limited, the Holding Company.

The Company has entered into a Distribution Franchisee Agreement (DFA) with South Bihar Power Distribution Company Limited (SBPDCL) and is engaged in the business of distribution of electricity in Gaya, Bodhgaya and Manpur area in the state of Bihar as specified in DFA.

b) Basis of Preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements have been prepared on historical cost convention on accrual basis, except for certain financial instruments that are measured in terms of relevant Ind AS at fair values/amortised cost at the end of each reporting period.

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

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

c) Foreign Currency Translation

Functional and presentation currency

The financial statements are presented in currency INR and all values are rounded to nearest lakhs unless otherwise stated.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions (spot exchange rate).

Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.



INDIA POWER CORPORATION (BODHGAYA) LIMITED
NOTES ON THE FINANCIALS STATEMENTS FOR THE YEAR ENDED MARCH 2018

d) Revenue Recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes.

Revenue from Sale of Energy

- Sale of energy on account of electricity supplied is billed to consumers at the rates approved by Bihar Electricity Regulatory Commission (BERC) and DF Agreement with SBPDCL and is net of rebate etc. allowed to the customers. This includes unbilled revenue accrued at the end of the accounting year as estimated by management, based on the billing and collection trend of immediately preceding month.
- Revenue from operations does not include pass through transactions, collections on account payable as per DFA.

Construction Revenue

Contract revenue and contract costs associated with the construction contract shall be recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period. An expected loss on the construction contract shall be recognised as an expense immediately in profit and loss account.

Interest Income

Interest income is recorded using the effective interest rate.

e) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalization of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

f) Capital Work in Progress

All directly attributable project related expenses via civil works, machinery under erection, construction and erection materials, pre-operative expenditure net of revenue incidental/attributable to the construction of project, borrowing cost incurred prior to the date of commercial operations are shown under Capital Work -In-Progress (CWIP). These expenditures are net off corresponding recoveries, if any, and income from project specific borrowed surplus funds.



INDIA POWER CORPORATION (BODHGAYA) LIMITED
NOTES ON THE FINANCIALS STATEMENTS FOR THE YEAR ENDED MARCH 2018

g) Property, Plant and Equipment

Recognition and initial measurement

Properties plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation is provided on straight Line Method basis for the useful life after retaining residual value of 10% at the rates given below, as prescribed by the Central Electricity Regulation Commission (Terms and Conditions of Tariffs), 2014 as notified under the power given under the Electricity Act, 2003. In the opinion of management the rates adopted and residual value considered reflects the estimated use and value of the respective assets on expiry thereof.

De-recognition

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

h) Intangible Assets

Recognition and initial measurement

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

Intangible Asset recognised, being the Right to charge users of the Electricity under the Distribution Franchise Agreement with South Bihar Power Distribution Company Limited as per Appendix A of Ind AS 11.

i) Impairment of non-financial Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable



INDIA POWER CORPORATION (BODHGAYA) LIMITED
NOTES ON THE FINANCIALS STATEMENTS FOR THE YEAR ENDED MARCH 2018

amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

j) Investments and Other Financial Assets

Financial assets

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

Subsequent measurement

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments are measured at Fair Value through other comprehensive income or Fair value through profit and loss based on Company's business model.

- ii. **Equity investments** - All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The classification is made on initial recognition and is irrevocable.
- iii. **Mutual funds** - All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

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



INDIA POWER CORPORATION (BODHGAYA) LIMITED
NOTES ON THE FINANCIALS STATEMENTS FOR THE YEAR ENDED MARCH 2018

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

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

De-recognition of financial liabilities

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

Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortization.

Offsetting of financial instruments

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

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.



INDIA POWER CORPORATION (BODHGAYA) LIMITED
NOTES ON THE FINANCIALS STATEMENTS FOR THE YEAR ENDED MARCH 2018

k) Post-employment, long term and short term employee benefits

Defined contribution plans

Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions

are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plans

Gratuity (unfunded)

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

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

Other Long Term Employee Benefits

Compensated absences

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

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



INDIA POWER CORPORATION (BODHGAYA) LIMITED
NOTES ON THE FINANCIALS STATEMENTS FOR THE YEAR ENDED MARCH 2018

Short Term Employee Benefits

Recognised at the undiscounted amount as expense for the year in which the related service is provided.

l) Provisions, contingent assets and contingent liabilities

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

Contingent liability is disclosed for:

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

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

m) Earnings per share

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

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

n) Leases

As a Lessee

Finance leases

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



Operating leases

All other leases are treated as operating leases. Where the Company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Associated costs, such as maintenance and insurance, are expensed as incurred.

o) Income Taxes

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

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

p) Inventories

Inventories are valued at lower of cost or net realizable value. Cost is calculated on weighted average basis and includes expenditure incurred for bringing such inventories to their present location and condition. Adjustments in the carrying amount of obsolete, defective and slow moving items as may be identified at the time of physical verification is made where appropriate, to cover any eventual loss on their ultimate realization.

q) Fair value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- i. Level 1 inputs are quoted price (unadjusted) in active markets for identical assets or liabilities.
- ii. Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- iii. Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.



India Power Corporation (Bodhgaya) Limited
Notes to the financial statements for the year ended 31st March 2018
(All amounts ₹ in lakh, unless specified otherwise)

Note No

2 Intangible assets

Particulars	RIGHTS*
As at 31st March 2017	
Gross Carrying Amount as at 1st April 2016	1,894.81
Additions during FY - 2016-17	1,253.88
Gross Carrying Amount as at 31st March 2017	3,148.69
Accumulated Amortisation as at 1st April 2016	185.78
Amortisation for the financial year - 2016-17	243.34
Accumulated Amortisation as at 31st March 2017	429.12
Net Carrying Amount as at 31st March 2017	2,719.57
As at 31st March 2018	
Gross Carrying Amount as at 1st April 2017	3,148.69
Additions during FY - 2017-18	2,152.80
Gross Carrying Amount as at 31st March 2018	5,301.49
Accumulated Amortisation as at 1st April 2017	429.12
Amortisation for the financial year - 2017-18	435.98
Accumulated Amortisation as at 31st March 2018	865.10
Net Carrying Amount as at 31st March 2018	4,436.39

* Intangible assets recognised, being the Right to charge users of the Electricity under the Distribution Franchise Agreement with South Bihar Power Distribution Company Limited.



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Note No

3 Inventories

Particulars	Note No	31st March 2018	31st March 2017
Stores & Spares		309.83	221.45
Loose Tools		1.49	0.33
Total		311.32	221.78

4 Current Financial Assets - Trade Receivables

Particulars	Note No	31st March 2018	31st March 2017
Unsecured debtors, considered good	4.1	13,430.41	7,171.24
Total		13,430.41	7,171.24

- 4.1 Includes Rs 444.43 lakh recoverable from SBPDCL on account of payments made in advance by the consumers prior to taking over the operation by the company.

5 Current Financial Assets - Cash and Cash Equivalent

Particulars	Note No	31st March 2018	31st March 2017
Cash & cash equivalents			
Balances with banks:			
Current Account		400.24	429.92
Cash on hand		2.34	1.96
Digital Money	5.1	2.33	0.00
Total		404.91	431.88

- 5.1 Digital money to be received on T+1 basis as per contract with Paytm.

6 Current Financial Assets - Other Bank Balances

Particulars	Note No	31st March 2018	31st March 2017
Other balances with banks			
Fixed Deposit (Having maturity of more than three months from the date of closure of accounts)		3.89	3.00
Total		3.89	3.00

7 Current Financial Assets - Others

Particulars	Note No	31st March 2018	31st March 2017
Unbilled revenue		1,074.32	860.41
Interest Receivable		2,278.76	901.29
Others		4.61	1.74
Total		3,357.69	1,763.44

8 Other Current Assets

Particulars	Note No	31st March 2018	31st March 2017
Prepaid Expenses		14.05	6.63
Advance to Suppliers		14,283.20	8,731.68
Total		14,297.25	8,738.31



India Power Corporation (Bodhgaya) Limited
Notes to the financial statements for the year ended 31st March 2018
(All amounts ₹ in lakh, unless specified otherwise)

Note No

9 Equity Share Capital

Share Capital	31st March 2018		31st March 2017	
	No. of shares	Amount	No. of shares	Amount
Authorised				
Equity Shares of Rs. 10 each	50,00,000	500.00	50,00,000	500.00
Issued, Subscribed & fully paid up				
Equity Shares of Rs. 10 each	1,00,000	10.00	1,00,000	10.00
Total	1,00,000	10.00	1,00,000	10.00

9.1 The company has only one class of equity shares having a par value of Rs. 10 each. Each share has one voting right. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

9.2 There is no movement of shares outstanding and amount of share capital as on 31st March 2018 and 31st March 2017

9.3 The Company is a wholly owned subsidiary of India Power Corporation Limited (IPCL), entire equity share capital being held by IPCL and its Nominees.

10 Non Current Financial Liability - Borrowings

Particulars	Note No.	31st March 2018		31st March 2017	
		Non Current Maturities	Current Maturities	Non Current Maturities	Current Maturities
Secured					
Term Loan from The Ratnakar Bank	10.1, 10.2 & 10.3	3,000.00	-	-	225.00
Other Financial Institution	10.4	12,110.97	-	10,557.88	552.95
Unsecured					
From Holding Company		272.12	-	25.00	-
Total		15,383.09	-	10,582.88	777.95

10.1 Includes Term loan of Rs. Nil lakh (Rs. 225 lakh as at 31st March 2017) at bank base rate plus 1% and is repayable after moratorium of Six month from 14th July, 2015 in 10 equal quarterly installments and is secured by 2nd pari passu charge on current assets both present and future.

10.2 Includes term loan of Rs.3000 lakh at fixed rate of 9.75% is repayable in bullet after tenor of 111 months i.e., 22nd November 2026. The loan is secured by way of first pari passu charges on all movable and immovable fixed assets (now reclassified as intangible assets as per Ind AS) of the company and secured pari passu charges on all book debts, stock and bank balance (both present & future).

10.3 Repayment Schedule of Term Loan (Non Current Portion)

Age Wise Distribution	31st March 2018	31st March 2017
1 to 2 Years	-	-
2 to 3 Years	-	-
above 3 Years	3,000.00	-

10.4 Includes term loan from Other Financial Institution of Rs.12,110.97 lakhs (Rs.11,111.13 as at 31st March 2017) at 11.75% p.a. as on 31st March 2018 and repayment of principal will start from F.Y. 2019-20 in variable quarterly installments and is secured by 1st pari passu charge on fixed movable assets with other Term Lenders and 2nd pari passu charge on current assets both present and future.

India Power Corporation (Bodhgaya) Limited
Notes to the financial statements for the year ended 31st March 2018
(All amounts ₹ in lakh, unless specified otherwise)

Note No

11 Non Current Liability - Provision

Particulars	Note No.	31st March 2018	31st March 2017
Provision for employee benefits			
Gratuity (unfunded)		85.44	58.07
Leave encashment		34.46	26.20
Total		119.90	84.27

12 Deferred Tax Liabilities (Net) - Non Current

Particulars	Note No.	31st March 2018	31st March 2017
Deferred tax liabilities			
Depreciation on fixed assets		9.01	8.97
Unamortised borrowing cost		406.50	198.17
Amortisation of intangible assets		415.51	207.14
Deferred tax assets			
Expenses allowable on payment basis		178.62	28.69
MAT credit entitlement receivable		89.71	47.79
		268.33	76.48
Total		147.18	130.66

13 Current Financial Liability - Borrowings

Particulars	Note No.	31st March 2018	31st March 2017
Cash credit from bank	13.1	1,699.74	1,657.68
Short term loan from Ratnakar Bank	13.2	2,500.00	-
Total		4,199.74	1,657.68

13.1 Cash Credit from Ratnakar Bank is secured by first pari passu charge on current assets both present and future, subordinate to charge of South Bihar Power Distribution Company Limited (SBPDCL) as per term of DFA.

13.2 Includes Rs.2500 lakh (Nil as on 31 March 2017) is secured by first pari passu charges on stock, debtors and bank balances (existing & future) and second pari passu charges on all movable and immovable fixed assets (now reclassified as intangible assets as per Ind AS).

14 Trade Payable

Particulars	Note No.	31st March 2018	31st March 2017
Payable for goods and services	14.1 & 14.2	12,776.50	5,391.67
Total		12,776.50	5,391.67

14.1 The company has disputed claim of SBPDCL in view of discrepant billing by SBPDCL on the company.

14.2 Dues to Micro Small and Medium Enterprise

The details of amount outstanding to micro enterprise and small enterprises are based on information available with the Company. Based on above, the relevant disclosures under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, are as follows:

Particulars	Note No.	31st March 2018	31st March 2017
Principal amount outstanding at the end of the year		490.60	103.88
Total		490.60	103.88

15 Other Financial Liabilities - Current

Particulars	Note No.	31st March 2018	31st March 2017
Current Maturity of long term borrowings		-	777.95
Repayable Collection and Deposits		1,023.75	969.48
Payable for Capital Goods and Services		1,048.24	372.98
Interest accrued but not due on borrowing		400.03	316.73
Other liabilities		7.36	1.25
Trade and other deposits		136.05	63.76
Total		2,615.43	2,502.15



India Power Corporation (Bodhgaya) Limited
Notes to the financial statements for the year ended 31st March 2018
(All amounts ₹ in lakh, unless specified otherwise)

Note No

16 Other Current Liabilities

Particulars	Note No.	31st March 2018	31st March 2017
Statutory Liabilities		976.07	441.30
Advance from Consumers for Job		107.24	13.63
Total		1,083.31	454.93

17 Current Liabilities - Provision

Particulars	Note No.	31st March 2018	31st March 2017
Provision for employee benefits			
Gratuity (Unfunded)		0.90	0.57
Unavailed leave		1.09	0.21
Superannuation		0.20	0.13
Total		2.19	0.91

18 Current Tax Liabilities (Net)

Particulars	Note No.	31st March 2018	31st March 2017
Provision for tax		67.20	77.50
Advance tax		(32.60)	(46.45)
Balance with government / statutory authorities		(1.31)	(0.78)
Total		33.29	30.27



India Power Corporation (Bodhgaya) Limited
Notes to the financial statements for the year ended 31st March 2018
(All amounts ₹ in lakh, unless specified otherwise)

Note No

19 Revenue from Operation

Particulars	Note No.	Year ended 31st March 2018	Year ended 31st March 2017
Sale of Energy	19.1	22,483.35	15,831.08
Other operating revenues		5,337.86	3,362.81
Total		27,821.21	19,193.89

19.1 Sale of energy (Kwh) 42,67,59,260 31,84,92,151

20 Other Income

Particulars	Note No.	Year ended 31st March 2018	Year ended 31st March 2017
Interest income		1,378.39	900.77
Other Miscellaneous Income		9.39	1.71
Total		1,387.78	902.48

21 Energy Purchase

Particulars	Note No.	Year ended 31st March 2018	Year ended 31st March 2017
Purchase of Energy	21.1	22,054.21	14,929.25
Total		22,054.21	14,929.25

21.1 Purchase of energy (Kwh) 72,23,28,225 68,54,82,553

22 Employee Benefit Expense

Particulars	Note No.	Year ended 31st March 2018	Year ended 31st March 2017
Salaries and Wages	22.1	1,004.39	884.45
Contributions to Provident and other funds		57.01	43.09
Staff Welfare expenses		28.06	29.98
Total		1,089.46	957.52

22.1 Includes payment to contract labour 325.49 266.72

23 Finance Cost

Particulars	Note No.	Year ended 31st March 2018	Year ended 31st March 2017
Interest on loan taken			
Term loans		1,798.97	1,311.73
Others		165.48	175.29
Other borrowing costs		34.28	37.96
Bank Charges		39.48	19.88
Total		2,038.21	1,544.86



India Power Corporation (Bodhgaya) Limited
Notes to the financial statements for the year ended 31st March 2018
(All amounts ₹ in lakh, unless specified otherwise)

Note No

24 Other Expenses

Particulars	Note No.	Year ended 31st March 2018	Year ended 31st March 2017
Repair			
Repair and Maintenance Transformers		51.87	128.71
Repair and Maintenance Plant and Machinery		455.68	371.13
Office Repair and Maintenance		17.27	11.82
Travelling & Conveyances Expenses		138.96	128.80
Consultancy		15.89	16.47
Rent	24.1	15.55	14.04
Rates and Taxes		1.29	0.42
Legal Expenses		15.20	4.59
Audit Fees			
Statutory Audit Fees		0.75	0.75
Tax Audit Fees		0.50	0.50
Cost Audit Fees		0.30	0.30
G.S.T. / Service Tax		0.28	0.19
Insurance		24.30	20.04
Bill Distribution & Collection Expenses		452.01	326.21
Software Maintenance & Computer Hire		233.93	126.85
Advertisement		5.42	2.44
Directors' Fees		0.82	1.30
Construction Cost		1,872.01	1,090.33
Miscellaneous Expense		164.88	65.45
Total		3,466.91	2,310.34

- 24.1 The Company has made certain arrangements for official accommodation obtained on operating lease. There is no contingent rent in the lease agreement. The lease period is for 1-3 years and is renewable at the mutual agreement of both the parties. There is no escalation clause in the lease agreements. There are no sublease and are cancellable in nature. The Lease Rentals are charged as rent in the Financial statements.



Note No

25.1 Contingent liabilities

Details of contingent liabilities		
Particulars	31st March 2018	31st March 2017
Under litigation		
Claims against the company (including unasserted claims) not acknowledged as debts	1,562.12	432.88

Capital and other commitments

Particulars	31st March 2018	31st March 2017
Capital commitments (for intangible assets under development)	641.99	270.95

26 Employee Benefit Obligations

Employee Benefit Obligations					
Particulars	Note No.	31st March 2018		31st March 2017	
		Current	Non-current	Current	Non-current
Gratuity (unfunded)	26.2	0.90	85.44	0.57	58.07
Leave Obligations	26.1	1.09	34.46	0.21	26.20
Total		1.99	119.90	0.78	84.27

Leave Obligations
The leave obligation cover Company's liability for earned leaves. The amount of provision of Rs.1.09 lakh (31st March 2017 - Rs.0.21 lakh) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. The following amounts reflect leave that is expected to be taken or paid within the next 12 months.

Particulars	31st March 2018	31st March 2017
Current leave obligations expected to be settled within the next 12 months	1.09	0.21

Particulars	31st March 2018	31st March 2017
Present value of obligation as at the start of the year	26.42	21.75
Current service cost	6.06	6.40
Interest cost	1.43	1.21
Actuarial loss/(gain) recognized during the year	15.26	9.30
Benefits paid	(13.62)	(12.25)
Present value of defined benefit obligation as at the end of the year	35.55	26.42

Particulars	31st March 2018	31st March 2017
Current service cost	6.06	6.40
Interest cost	1.43	1.21
Recognised during the year	15.26	9.30
Amount recognized in the statement of profit and loss	22.75	16.91

Actuarial assumptions		
Particulars	31st March 2018	31st March 2017
Discount rate	7.60%	7.29%
Future salary increase	5.00%	3.50%

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

India Power Corporation (Bodhgaya) Limited
Notes to the financial statements for the year ended 31st March 2018
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Note No

Sensitivity analysis for leave liability

Particulars	31st March 2018	31st March 2017
Impact of the change in discount rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	3.37	23.58
b) Impact due to decrease of 1 %	4.01	29.81
Impact of the change in salary increase		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	4.08	29.91
b) Impact due to decrease of 1 %	3.48	23.46

26.2 Post-Employment Obligations - Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The weighted average duration of the defined benefit obligation as at 31st March 2018 is 8 years (31st March 2017: 10.92 years).

The amount recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Changes in defined benefit obligation	31st March 2018	31st March 2017
Present value obligation as at the start of the year	58.64	46.13
Current service cost	5.74	6.36
Interest cost	4.21	3.58
Plan amendments	11.90	-
Benefits paid	-	-
Actuarial loss/(gain) on obligations	5.85	2.57
Present value obligation as at the end of the year	86.34	58.64

Breakup of Actuarial gain/loss:	31st March 2018	31st March 2017
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	6.59	3.93
Actuarial (gain)/loss on arising from experience adjustment	(0.74)	(1.36)
Total	5.85	2.57

Amount recognised in the statement of profit and loss	31st March 2018	31st March 2017
Current service cost	5.74	6.36
Interest cost	4.21	3.58
Plan amendments	11.90	-
Amount recognised in the statement of profit and loss	21.85	9.94

Amount recognised in the statement of Other Comprehensive Income	31st March 2018	31st March 2017
Net Cumulative unrecognised actuarial gain/(loss) opening	-	-
Actuarial (Gain)/Loss for the year on PBO	5.85	2.57
Unrecognised actuarial Gain/(Loss) at the end of the year	5.85	2.57

Actuarial assumptions	31st March 2018	31st March 2017
Discount rate	7.60%	7.18%
Future salary increase	5.00%	3.50%

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.



India Power Corporation (Bodhgaya) Limited
Notes to the financial statements for the year ended 31st March 2018
(All amounts ₹ in lakh, unless specified otherwise)

Note No

Sensitivity analysis for gratuity liability	31st March 2018	31st March 2017
Impact of the change in discount rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	6.30	53.59
b) Impact due to decrease of 1 %	7.26	64.48
Impact of the change in salary increase		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	7.05	64.09
b) Impact due to decrease of 1 %	6.18	53.89

26.3 Defined Contribution Plans

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligations of the Company is limited to the amount contributed and it has no further contractual not any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs.21.75 lakh (31st March 2017 Rs. 20.57 lakh.)

27 Related Party Information

Related Party have been identified in Terms of Ind AS 24 "Related party disclosure" as listed below.

Name of Related Party	Relationship
India Power Corporation Limited (IPCL)	Holding Company
Meenakshi Energy Limited	Fellow Subsidiary
India Power Green Utility Pvt. Limited	Fellow Subsidiary
IPCL Power Trading Pvt. Limited	Fellow Subsidiary
IPCL Pte Limited	Fellow Subsidiary

Name of Key Managerial Personnel	Designation
Mr. Raghav Raj Kanoria	Whole time Director (till 23rd August 2017)

Key Managerial Personnel Compensation

Particulars	31st March 2018	31st March 2017
Mr Raghav Raj Kanoria		
Short term employee benefits	16.76	20.25
Post-employment benefits	-	0.22
Long-term employee benefits	-	0.37
Termination benefits	-	1.77
Total compensation	16.76	22.61

a) Transactions during the year

Particulars	Holding Company	
	31st March 2018	31st March 2017
Loan Taken	3,834.12	261.00
Loan Refunded Back	3,587.00	714.00
Interest Expense	18.78	11.60
Other Expenses Payable	22.04	-
Purchase of Stores & Spares etc	18.57	11.14

b) Outstanding balance at the end of the year (Holding Company)

Particulars	Holding Company	
	31st March 2018	31st March 2017
Loan Payable	272.12	25.00
Interest Payable (Net of TDS)	14.74	-
Other Expenses Payable	17.12	9.73
Purchase of Stores & Spares etc	43.17	24.60



Note No

28 FAIR VALUE MEASUREMENTS

(i) FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	31st March 2018			31st March 2017		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Trade Receivables	-	-	13,430.41	-	-	7,171.24
Loan & advances	-	-	4.61	-	-	1.74
Cash and Cash Equivalents	-	-	408.80	-	-	434.88
Accrued Interest	-	-	2,278.76	-	-	901.29
Others Assets	-	-	1,074.32	-	-	860.41
Total Financial Assets			17,196.90			9,369.56
Financial Liabilities						
Borrowings	-	-	19,582.83	-	-	13,018.51
Trade Payables	-	-	12,776.50	-	-	5,391.67
Capital Payables	-	-	1,048.24	-	-	372.98
Pass through Collection and Deposits	-	-	1,023.75	-	-	969.48
Security Deposits	-	-	136.05	-	-	63.76
Other Liabilities	-	-	407.39	-	-	317.98
Total Financial Liabilities			34,974.76			20,134.38

FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST FOR WHICH FAIR VALUES ARE DISCLOSED

As at 31 March 2018	Date of Valuation	Level 1	Level 2	Level 3	Total
Financial Assets		-	-	13,430.41	13,430.41
Trade Receivables		-	-	4.61	4.61
Loans and Advances		-	-	408.80	408.80
Cash and Cash Equivalents		-	-	2,278.76	2,278.76
Accrued Interest		-	-	1,074.32	1,074.32
Others Assets		-	-	17,196.90	17,196.90
Total Financial Assets					
Financial Liabilities		-	-	19,582.83	19,582.83
Borrowings		-	-	12,776.50	12,776.50
Trade Payables		-	-	1,048.24	1,048.24
Capital Payables		-	-	1,023.75	1,023.75
Pass through Collection and Deposits		-	-	136.05	136.05
Security Deposits		-	-	407.39	407.39
Other Liabilities		-	-	34,974.76	34,974.76
Total Financial Liabilities					

As at 31 March 2017	Date of Valuation	Level 1	Level 2	Level 3	Total
Financial Assets		-	-	7,171.24	7,171.24
Trade Receivables		-	-	1.74	1.74
Loans and Advances		-	-	434.88	434.88
Cash and Cash Equivalents		-	-	901.29	901.29
Accrued Interest		-	-	860.41	860.41
Others Assets		-	-	9,369.56	9,369.56
Total Financial Assets					
Financial Liabilities		-	-	13,018.51	13,018.51
Borrowings		-	-	5,391.67	5,391.67
Trade Payables		-	-	372.98	372.98
Capital Payables		-	-	969.48	969.48
Pass through Collection and Deposits		-	-	63.76	63.76
Security Deposits		-	-	317.98	317.98
Other Liabilities		-	-	20,134.38	20,134.38
Total Financial Liabilities					



Note No

28 (ii) FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST

Particulars	31st March 2018		31st March 2017	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Trade Receivables	13,430.41	13,430.41	7,171.24	7,171.24
Loans and Advances	4.61	4.61	1.74	1.74
Cash and Cash Equivalents	408.80	408.80	434.88	434.88
Accrued Interest	2,278.76	2,278.76	901.29	901.29
Others Assets	1,074.32	1,074.32	860.41	860.41
Total Financial Assets	17,196.90	17,196.90	9,369.56	9,369.56
Financial Liabilities				
Borrowings	19,582.83	19,582.83	13,018.51	13,018.51
Trade Payables	12,776.50	12,776.50	5,391.67	5,391.67
Capital Payables	1,048.24	1,048.24	372.98	372.98
Pass through Collection and Deposits	1,023.75	1,023.75	969.48	969.48
Security Deposits	136.05	136.05	63.76	63.76
Other Liabilities	407.39	407.39	317.98	317.98
Total Financial Liabilities	34,974.76	34,974.76	20,134.38	20,134.38

29 FINANCIAL RISK MANAGEMENT OBJECTIVES & POLICIES

(A) Credit risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Company extends credit to consumers in normal course of business as per regulation issued by Bihar Electricity Regulatory Commission. Consumers outstanding are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivable as low as the electricity business is regulated and can not shift to other distribution licensee without clearing dues and obtaining "No Objection Certificate" from the Company.

The ageing of trade receivables is as below:

Particulars	Neither Due nor Impaired	Upto 6 Months	6 months to 12 Months	Above 12 months	Total
Trade Receivable					
As at 31st March 2018					
Unsecured	550.79	4,104.92	4,486.35	4,288.36	13,430.41
Total	550.79	4,104.92	4,486.35	4,288.36	13,430.41
As at 31st March 2017					
Unsecured	-	3,007.97	1,799.34	2,363.93	7,171.24
Total	-	3,007.97	1,799.34	2,363.93	7,171.24

(B) Liquidity risk

The company objective is to at all times maintain optimum level of liquidity to meet its cash and collateral requirement at all times. The Company relies on Borrowing and internal accruals to meet its need for fund. The current committed lines of credit are sufficient to meet its short to medium term expansion needs and hence evaluates the concentration of risk with respect to liquidity as low. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining headroom on its undrawn committed borrowing facilities at all times so that Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table provides undiscounted cash flow towards non-derivative financial liabilities and net settled derivative financial liabilities into relevant maturity based on the remaining period at balance sheet date to contractual maturity date.



India Power Corporation (Bodhgaya) Limited
Notes to the financial statements for the year ended 31st March 2018
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Note No

29 (B) (i) Contractual Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	Carrying Amount	On demand	6 to 12 Months	Above 12 months	Total
As at 31st March 2018					
Interest bearing Borrowings (Including Current Maturity)	15,383.09	-	-	15,383.09	15,383.09
Trade and Other payables	12,776.50	653.06	12,123.44	-	12,776.50
Other Financial Liabilities	2,615.44	535.86	2,079.58	-	2,615.44
Total	30,775.03	1,188.92	14,203.02	15,383.09	30,775.03
As at 31st March 2017					
Interest bearing Borrowings (Including Current Maturity)	11,360.83	427.77	352.77	10,580.29	11,360.83
Trade and Other payables	5,391.67	469.87	4,921.80	-	5,391.67
Other Financial Liabilities	1,724.20	1,724.20	-	-	1,724.20
Total	18,476.70	2,621.84	5,274.57	10,580.29	18,476.70

(ii) Unused Lines of Credit

Particulars	31st March 2018	31st March 2017
Secured	289.29	1,406.85
Unsecured	2,727.88	2,975.00
Total	3,017.17	4,381.85

(C) Market risk

(i) Foreign Currency risk

The Company does not have any foreign currency denominated components in its Equity and has not transacted with any foreign currency denominated financial instruments during the year. Therefore, any change in foreign exchange rates on the reporting date will not affect Profit/Loss as on that date.

(ii) Interest rate risk

(a) Interest rate risk exposure

Interest rate exposure of the Company is mainly on Borrowing from Banks and Other Financial Institutions, which is linked to prime lending rate of bank's/ financial institution's borrowing and the Company does not foresee any risk on the same. Inter Corporate Deposits were taken on fixed rate of interest.

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

Particulars	31st March 2018	31st March 2017
Variable rate borrowings	13,810.71	12,993.51
Fixed rate borrowings	5,772.12	25.00
Total borrowings	19,582.83	13,018.51

Particulars	Total Borrowing	Floating Rate Borrowings	Fixed Rate Borrowing	Weighted average Interest Rate
As at 31st March 2018				
Secured (Including Cash Credit)	19,310.71	13,810.71	5,500.00	11.35%
Unsecured	272.12	-	272.12	13.00%
Total	19,582.83	13,810.71	5,772.12	11.38%
As at 31st March 2017				
Secured (Including Cash Credit)	12,993.51	12,993.51	-	11.62%
Unsecured	25.00	-	25.00	14.98%
Total	13,018.51	12,993.51	25.00	11.64%



India Power Corporation (Bodhgaya) Limited
Notes to the financial statements for the year ended 31st March 2018
(All amounts ₹ in lakh, unless specified otherwise)

Note No

29(C)(iii) (b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

Particulars	Impact on profit after tax	
	31st March 2018	31st March 2017
Interest rates – increase by 60 basis points (FY-2016-17 - 70 bps)	(55.47)	(71.20)
Interest rates – decrease by 60 basis points (FY-2016-17 - 70 bps)	55.47	71.20

30 Capital Management

(a) Risk Management

The gearing ratio of company is as follows:

Particulars	31st March 2018	31st March 2017
Net debt	15,383.09	10,582.88
Total equity	325.49	258.03
Net debt to equity ratio	47.26	41.01

31 Earnings Per Share

Particulars	31st March 2018	31st March 2017
Profit after tax	71.35	17.05
Number of Equity Shares outstanding	1,00,000	1,00,000
Earning per share (Basic and Diluted) (Rs.)	71.35	17.05
Face Value per equity share (Rs.)	10	10

32 INCOME TAX

(a) Major components of income tax expense for the year are as under

Particulars	31st March 2018	31st March 2017
(i) Income Tax recognised in the statement of profit & Loss		
Current Tax		
Current Year	31.96	30.81
Less: MAT Credit Receivable	(31.96)	(13.70)
	-	17.11
Income Tax adjustment for earlier year	(7.54)	-
Deferred Tax	60.41	76.90
Total Income Tax recognised in the statement of profit & Loss	52.87	94.01
(ii) Income Tax recognised in OCI		
Deferred Tax expense on remeasurements of defined benefit plans	1.95	0.85
Income Tax expense recognised in OCI	1.95	0.85
Total Tax Expense	54.82	94.86

(b) Reconciliation of tax expense

Particulars	31st March 2018	31st March 2017
Profit before tax	124.22	111.06
Statutory income tax rate of 33.063% (31st March 2017: 33.063%)	41.07	36.72
Add: Non deductible expenses for tax purpose	285.34	88.00
Less: Deductions/Exemptions	(266.17)	(107.32)
Less: Change in tax rate	(15.74)	(14.08)
Less: Benefit of previous loss to reduce current tax expense	(60.23)	(17.40)
Add: Other differences	68.61	108.09
At effective income tax rate	52.87	94.01
Total Income Tax recognised in the statement of profit & Loss	52.87	94.01



India Power Corporation (Bodhgaya) Limited
Notes to the financial statements for the year ended 31st March 2018
(All amounts ₹ in lakh, unless specified otherwise)

Note No

33 SERVICE CONCESSION ARRANGEMENT

(a) On 31st December 2013, the Company entered into a service concession agreement with South Bihar Power Distribution Company Limited (the grantor) for the purpose of sale and supply of electricity in the Gaya Town.

(b) The company shall make a minimum investment of INR 33 Crores spread over a period of 5 years and this expenditure shall be rolled out in such a way that at least 10% of the minimum capital expenditure is spent every year for the first five years of the contract period.

(c) Under the terms of the agreement, the company will construct, operate and supply electricity to the public for a period of 15 years, starting from 1st June 2014. The company will be responsible for any maintenance services required during the concession period. The Group expects major repairs to the extent as an when considers necessary to be incurred during the concession period.

(d) The company has received the right to charge users a fee for supplying them the electricity as per the rate provided in Tariff Schedule of Bihar Electricity Regulatory Commission. The input rate at which the electricity is being purchased and the rates electricity is being supplied to the end users under the DFA are subject to tariff adjustments.

(e) At the end of the concession period, the assets under the agreement will become the property of the grantor and the company will have no further involvement in its operation or maintenance requirements.

(f) The service concession agreement does not contain a renewal option.

(g) The rights of the grantor to terminate the agreement include among others, failure to maintain minimum service quality, corrupt practices on part of the company, insolvency etc. The rights of the company to terminate the agreement include failure of the grantor to ensure the supply of power to the company of acceptable quality standards as per the agreement and breach of other material terms and conditions under the agreement.

(h) For the year ended 31st March 18, the company has recognised revenue of Rs.29,208.99 lakh (Rs. 20,096.37 lakhs for the year ended 31st March 2017), consisting of Rs.2,152.80 lakh (Rs. 1,253.88 lakhs for the year ended 31st March 2017) on construction and Rs.27,056.19 lakh (Rs.18,842.49 lakhs for the year ended 31st March 2017) on operation. The company has recognised profit before tax of Rs.124.21 lakh (Rs. 111.06 lakhs for the year ended 31st March 2017), consisting of a profit of Rs.32.77 lakh (Rs.34.85 lakhs for the year ended 31st March 2017) on construction and a profit of Rs.91.45 lakh (Rs.76.21 lakhs for the year ended 31 March 2017) on operation.

(i) The company has recognised in the financial year 2017-18 an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement of Rs.2,152.88 lakh (Rs. 1,253.88 for the year ended 31 March 2017), of which Rs.435.98 lakh (Rs.102.99 for the year ended 31st March 2017) has been amortised during the year. The intangible asset represents the right to charge users a fee for supply of electricity.

Amount recognised in the statement of Profit & Loss	31st March 2018	31st March 2017
Revenue from Construction Services	2,152.80	1,253.88
Revenue from Operation Services	27,056.19	18,842.49
Profit before tax from Construction Services	32.77	34.85
Profit before tax from Operation Services	91.45	76.21

34 Figures pertaining to the previous year have been rearranged/regrouped, wherever necessary.

For **DE & BOSE**
Chartered Accountants
Firm's Registration No.- 302175E

Subrata De
SUBRATA DE
Partner
(Membership No. 054962)
Place: Kolkata
Date: 11th May 2018



For and on behalf of the Board

Asok Kumar Goswami
(Asok Kumar Goswami)
Director
(DIN: 03331661)

Sanjeev Seth
(Sanjeev Seth)
Director
(DIN: 07945707)