

MEENAKSHI ENERGY LIMITED
(formerly known as Meenakshi Energy Pvt. Ltd.)

BALANCE SHEET AS AT MARCH 31, 2018 AND STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED
ON THAT DATE

G.P.AGARWAL & CO.
CHARTERED ACCOUNTANTS

Independent Auditor's Report

To The Members of Meenakshi Energy Limited (Formerly Known as Meenakshi Energy Private Limited)

Report on the Ind AS Financial Statements

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

Management's Responsibility for the Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Ind AS financial statements based on our audit.

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

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

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



Independent Auditors' Report (Contd.)
To The Members of Meenakshi Energy Limited
(Formerly Known as Meenakshi Energy Private Limited)

Report on the Ind AS Financial Statements (Contd.)

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs(financial position) of the Company as at March 31, 2018 and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

- (a) We draw attention to Note 31 to the financial statements regarding recognition of Rs. 4,097.28 Lakh towards compensation on curtailment of power.
- (b) We draw attention to Note 50 to the financial statements regarding pending confirmation from the lenders of phase I, credit for higher interest charged by them amounting to Rs. 31,314.80 Lakh (including Rs. 3,749.38 Lakh for the year) has been taken in the books of accounts as an exceptional item.

Our opinion is neither a reservation, nor a qualification or an adverse remark in respect of aforesaid matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - i. 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.
 - ii. 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.
 - iii. The Balance Sheet, the Statement of Profit and Loss, the Cash flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - iv. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - v. 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 on March 31, 2018 from being appointed as a director in terms of section 164 (2) of the Act.
 - vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer our separate Report in "Annexure B".
 - vii. 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:



Independent Auditors' Report (Contd.)
To The Members of Meenakshi Energy Limited
(Formerly Known as Meenakshi Energy Private Limited)

Report on the Ind AS financial statements (contd.)

- a. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements -Refer Note No. 37 to the financial statements.
- b. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- c. There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the Company.

Place of Signature: Kolkata
Date: May 26, 2018

For G.P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. - 302082E

A. Shyamsukha

(CA. Abhishek Shyamsukha)

Partner

Membership No. 302609



Independent Auditors' Report (Contd.)
To The Members of Meenakshi Energy Limited
(Formerly Known as Meenakshi Energy Private Limited)

"Annexure A" to the Auditor's Report

Statement referred to in paragraph 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Meenakshi Energy Limited (Formerly Known as Meenakshi Energy Private Limited) on the Ind AS Financial Statements for the year ended March 31, 2018.

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) The fixed assets were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventories have been physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on such physical verification.
- (iii) The Company has not granted any loan, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, clauses (iii) (a), (b) and (c) of paragraph 3 of the said order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no loan, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Based on our audit procedures performed and according to information and explanations given by the management, the Company has complied with provisions of section 186 of the Act in respect of investments.
- (v) The Company has not accepted any deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the Company.
- (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, the maintenance of Cost records has been prescribed under section 148(1) of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We, however, as not required, have not made a detailed examination of such records.
- (vii) (a) On the basis of our examination, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, to the extent applicable, with appropriate authorities and no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2018 for a period of more than six months from the date of becoming payable.



Independent Auditors' Report (Contd.)
To The Members of Meenakshi Energy Limited
(Formerly Known as Meenakshi Energy Private Limited)

"Annexure A" to the Auditor's Report (contd.)

- (b) The disputed statutory dues aggregating to Rs. 2,649.02Lakh that have not been deposited on account of matters pending before appropriate authorities are as under:

Sl. No.	Name of the Statute	Nature of dues	Period to which pertain	Amount (Rs. in Lakh)	Forum where the dispute is pending
1	Custom Tariff Act, 1975	Customs Duty	March, 2012 to September, 2013	2,624.70	CESTAT, Bangalore
2	Andhra Pradesh Tax on Entry of Goods into Local Area Act, 2001	Entry tax	April, 2017 to September, 2017	24.32	Commercial Tax Department

- (viii) In our opinion and according to information and explanations given to us, there are cases of non payment of interest to banks and financial institutions. Instances of such non payments are set out in Annexure - A1 attached to this report. There were no defaults to debenture holders during the year.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. On the basis of our examination and according to the information and explanations given to us, money raised by way of term loans have been applied for the purpose for which the loans were obtained.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, clause (xii) of paragraph 3 of the said order is notapplicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



Independent Auditors' Report (Contd.)
To The Members of Meenakshi Energy Limited
(Formerly Known as Meenakshi Energy Private Limited)

"Annexure A" to the Auditor's Report (contd.)

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, clause (xv) of paragraph 3 of the said order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

Place of Signature: Kolkata
Date: May 26, 2018

For G.P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. - 302082E

A. Shyamsukha
(CA. Abhishek Shyamsukha)
Partner
Membership No. 302609



Independent Auditors' Report (Contd.)
To The Members of Meenakshi Energy Limited
(Formerly Known as Meenakshi Energy Private Limited)

"Annexure B" to the Independent Auditor's Report of Even Date on the Ind AS Financial Statements of Meenakshi Energy Limited (Formerly Known as Meenakshi Energy Private Limited)

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 Meenakshi Energy Limited (Formerly Known as Meenakshi Energy Private 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

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, 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 were 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 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.



Independent Auditors' Report (Contd.)
To The Members of Meenakshi Energy Limited
(Formerly Known as Meenakshi Energy Private Limited)

"Annexure B" to the Independent Auditor's Report (Contd.)

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For G.P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. - 302082E

A. Shyamsukha
(CA. Abhishek Shyamsukha)

Partner

Membership No. 302609

Place of Signature: Kolkata

Date: May 26, 2018



Delay in payment of interest to Banks and financial institutions

Annexure-A1

(refer para (viii) of "Annexure A" to the Independent Auditors Report)

Name of Bank/Financial Institution	Type of payment			Due date of Payment	Actual Date of Payment	No. of days delay
	Principal (Rs. in Lakh)	Interest (Rs. in Lakh)	Other Bank Charges (Rs. in Lakh)			
Andhra Bank	-	74.55	-	31/07/2017	Not yet paid	244
Bank of India	-	78.02	-	31/07/2017	Not yet paid	244
Punjab Nation Bank	-	32.10	-	31/07/2017	Not yet paid	244
State Bank of Bikaner & Jaipur	-	10.02	-	31/07/2017	Not yet paid	244
State Bank of India-I	-	127.42	-	31/07/2017	Not yet paid	244
State Bank of India-II	-	81.78	-	31/07/2017	Not yet paid	244
United Bank of India	-	24.17	-	31/07/2017	Not yet paid	244
Andhra Bank	-	78.71	5.90	31/08/2017	Not yet paid	213
Bank of India	-	81.01	-	31/08/2017	Not yet paid	213
Oriental Bank of Commerce	-	107.31	-	31/08/2017	Not yet paid	213
Punjab Nation Bank	-	103.29	-	31/08/2017	Not yet paid	213
Punjab and Sind Bank	-	38.54	-	31/08/2017	Not yet paid	213
State Bank of Bikaner & Jaipur	-	38.28	-	31/08/2017	Not yet paid	213
State Bank of India-I	-	200.42	-	31/08/2017	Not yet paid	213
State Bank of India-II	-	40.27	-	31/08/2017	Not yet paid	213
State Bank of Mysore	-	29.99	-	31/08/2017	Not yet paid	213
State Bank of Travancore	-	25.18	-	31/08/2017	Not yet paid	213
United Bank of India	-	58.14	-	31/08/2017	Not yet paid	213
Andhra Bank	250.00	72.29	0.05	30/09/2017	Not yet paid	183
Bank of India	250.00	74.37	-	30/09/2017	Not yet paid	183
Oriental Bank of Commerce	125.00	35.27	0.06	30/09/2017	Not yet paid	183
Punjab Nation Bank	312.50	95.05	-	30/09/2017	Not yet paid	183
Punjab and Sind Bank	137.50	39.07	0.04	30/09/2017	Not yet paid	183
State Bank of Bikaner & Jaipur	125.00	35.40	-	30/09/2017	Not yet paid	183
State Bank of Hyderabad	250.00	71.26	-	30/09/2017	Not yet paid	183
State Bank of India-I	625.00	185.45	-	30/09/2017	Not yet paid	183
State Bank of India-II	130.00	36.28	0.01	30/09/2017	Not yet paid	183
State Bank of Mysore	125.00	35.20	-	30/09/2017	Not yet paid	183
State Bank of Travancore	125.00	34.36	-	30/09/2017	Not yet paid	183
United Bank of India	187.50	53.60	-	30/09/2017	Not yet paid	183
Andhra Bank	-	76.10	3.85	31/10/2017	Not yet paid	152
Bank of India	-	78.32	5.77	31/10/2017	Not yet paid	152
Oriental Bank of Commerce	-	37.12	-	31/10/2017	Not yet paid	152
Punjab Nation Bank	-	90.74	-	31/10/2017	Not yet paid	152
Punjab and Sind Bank	-	40.82	-	31/10/2017	Not yet paid	152
State Bank of Bikaner & Jaipur	-	37.04	-	31/10/2017	Not yet paid	152
State Bank of Hyderabad	-	76.25	-	31/10/2017	Not yet paid	152
State Bank of India-I	-	190.02	-	31/10/2017	Not yet paid	152
State Bank of India-II	-	38.99	-	31/10/2017	Not yet paid	152
State Bank of Mysore	-	36.84	-	31/10/2017	Not yet paid	152
State Bank of Travancore	-	35.97	-	31/10/2017	Not yet paid	152
United Bank of India	-	56.03	-	31/10/2017	Not yet paid	152
Punjab Nation Bank-CC	-	36.04	-	31/10/2017	Not yet paid	152
State Bank of Hyderabad-CC	-	62.17	-	31/10/2017	Not yet paid	152
Andhra Bank	-	74.65	-	30/11/2017	Not yet paid	122
Bank of India	-	76.67	0.47	30/11/2017	Not yet paid	122
Oriental Bank of Commerce	-	36.40	-	30/11/2017	Not yet paid	122
Punjab Nation Bank	-	101.16	-	30/11/2017	Not yet paid	122
Punjab and Sind Bank	-	39.96	0.01	30/11/2017	Not yet paid	122
State Bank of Bikaner & Jaipur	-	40.46	-	30/11/2017	Not yet paid	122
State Bank of Hyderabad	-	80.93	-	30/11/2017	Not yet paid	122
State Bank of India-I	-	204.22	-	30/11/2017	Not yet paid	122
State Bank of India-II	-	40.22	-	30/11/2017	Not yet paid	122
State Bank of Mysore	-	40.47	-	30/11/2017	Not yet paid	122
State Bank of Travancore	-	40.46	-	30/11/2017	Not yet paid	122
United Bank of India	-	54.95	-	30/11/2017	Not yet paid	122
Punjab Nation Bank-CC	-	34.88	-	30/11/2017	Not yet paid	122



Delay in payment of interest to Banks and financial institutions

Annexure-A1

(refer para (viii) of "Annexure A" to the Independent Auditors Report)

Name of Bank/Financial Institution	Type of payment			Due date of Payment	Actual Date of Payment	No. of days delay
	Principal (Rs. in Lakh)	Interest (Rs. in Lakh)	Other Bank Charges (Rs. in Lakh)			
State Bank of Hyderabad-CC	-	74.58	-	30/11/2017	Not yet paid	122
Andhra Bank	244.00	78.83	76.62	31/12/2017	Not yet paid	91
Bank of India	250.00	80.33	-	31/12/2017	Not yet paid	91
Oriental Bank of Commerce	125.00	38.10	-	31/12/2017	Not yet paid	91
Punjab Nation Bank	312.50	104.09	0.04	31/12/2017	Not yet paid	91
Punjab and Sind Bank	137.50	41.76	-	31/12/2017	Not yet paid	91
State Bank of Bikaner & Jaipur	125.00	41.63	-	31/12/2017	Not yet paid	91
State Bank of Hyderabad	250.00	83.27	-	31/12/2017	Not yet paid	91
State Bank of India-I	625.00	210.13	-	31/12/2017	Not yet paid	91
State Bank of India-II	130.00	41.38	-	31/12/2017	Not yet paid	91
State Bank of Mysore	125.00	41.64	-	31/12/2017	Not yet paid	91
State Bank of Travancore	125.00	41.63	-	31/12/2017	Not yet paid	91
United Bank of India	187.50	57.45	-	31/12/2017	Not yet paid	91
Punjab Nation Bank-CC	-	36.04	-	31/12/2017	Not yet paid	91
State Bank of Hyderabad-CC	-	77.05	-	31/12/2017	Not yet paid	91
Andhra Bank	-	80.52	-	31/01/2018	Not yet paid	60
Bank of India	-	83.27	-	31/01/2018	Not yet paid	60
Oriental Bank of Commerce	-	38.81	-	31/01/2018	Not yet paid	60
Punjab Nation Bank	-	104.09	-	31/01/2018	Not yet paid	60
Punjab and Sind Bank	-	42.24	-	31/01/2018	Not yet paid	60
State Bank of Bikaner & Jaipur	-	41.63	-	31/01/2018	Not yet paid	60
State Bank of Hyderabad	-	83.27	-	31/01/2018	Not yet paid	60
State Bank of India-I	-	210.13	-	31/01/2018	Not yet paid	60
State Bank of India-II	-	41.38	-	31/01/2018	Not yet paid	60
State Bank of Mysore	-	41.64	-	31/01/2018	Not yet paid	60
State Bank of Travancore	-	41.63	-	31/01/2018	Not yet paid	60
United Bank of India	-	58.16	-	31/01/2018	Not yet paid	60
Srei Infrastructure Finance Limited	-	85.41	-	31/01/2018	Not yet paid	60
Punjab Nation Bank-CC	-	36.04	-	31/01/2018	Not yet paid	60
State Bank of Hyderabad-CC	-	77.05	-	31/01/2018	Not yet paid	60
Andhra Bank	-	73.70	-	28/02/2018	Not yet paid	32
Bank of India	-	75.21	-	28/02/2018	Not yet paid	32
Oriental Bank of Commerce	-	35.52	-	28/02/2018	Not yet paid	32
Punjab Nation Bank	-	94.01	-	28/02/2018	Not yet paid	32
Punjab and Sind Bank	-	36.60	-	28/02/2018	Not yet paid	32
State Bank of Bikaner & Jaipur	-	37.60	-	28/02/2018	Not yet paid	32
State Bank of Hyderabad	-	75.21	-	28/02/2018	Not yet paid	32
State Bank of India-I	-	189.80	-	28/02/2018	Not yet paid	32
State Bank of India-II	-	37.37	-	28/02/2018	Not yet paid	32
State Bank of Mysore	-	37.61	-	28/02/2018	Not yet paid	32
State Bank of Travancore	-	37.60	-	28/02/2018	Not yet paid	32
United Bank of India	-	58.42	-	28/02/2018	Not yet paid	32
Srei Infrastructure Finance Limited	-	91.48	-	28/02/2018	Not yet paid	32
Punjab Nation Bank-CC	-	32.55	-	28/02/2018	Not yet paid	32
State Bank of Hyderabad-CC	-	69.59	-	28/02/2018	Not yet paid	32
Andhra Bank	250.00	82.58	-	31/03/2018	Not yet paid	1
Bank of India	250.00	83.27	-	31/03/2018	Not yet paid	1
Oriental Bank of Commerce	125.00	39.80	-	31/03/2018	Not yet paid	1
Punjab Nation Bank	312.50	104.09	-	31/03/2018	Not yet paid	1
Punjab and Sind Bank	137.50	43.40	-	31/03/2018	Not yet paid	1
State Bank of Bikaner & Jaipur	125.00	41.63	-	31/03/2018	Not yet paid	1
State Bank of Hyderabad	250.00	83.27	-	31/03/2018	Not yet paid	1
State Bank of India-I	625.00	210.13	-	31/03/2018	Not yet paid	1
State Bank of India-II	130.00	41.38	-	31/03/2018	Not yet paid	1
State Bank of Mysore	125.00	41.64	-	31/03/2018	Not yet paid	1
State Bank of Travancore	125.00	41.63	-	31/03/2018	Not yet paid	1
United Bank of India	187.50	62.47	-	31/03/2018	Not yet paid	1
Srei Infrastructure Finance Limited	-	101.28	-	31/03/2018	Not yet paid	1



Delay in payment of interest to Banks and financial institutions

Annexure-A1

(refer para (viii) of "Annexure A" to the Independent Auditors Report)

Name of Bank/Financial Institution	Type of payment			Due date of Payment	Actual Date of Payment	No. of days delay
	Principal (Rs. in Lakh)	Interest (Rs. in Lakh)	Other Bank Charges (Rs. in Lakh)			
Punjab Nation Bank-CC	-	36.04	-	31/03/2018	Not yet paid	1
State Bank of Hyderabad-CC	-	77.05	-	31/03/2018	Not yet paid	1

Note: For amounts that are still outstanding as at the date of the Auditors Report, the delay in repayment of principal, interest and other bank charges has been computed from the due date upto March 31, 2018.



MEENAKSHI ENERGY LIMITED
(Formerly known as Meenakshi Energy Private Limited)
Balance Sheet as at March 31, 2018

Rs. in Lakh

	Note No.	March 31, 2018	March 31, 2017
ASSETS			
Non-Current Assets			
a) Property, Plant and Equipment	4	1,20,191.40	1,27,978.89
b) Capital Work-in-Progress	5	5,07,870.09	4,19,524.42
c) Intangibles Assets	6	63.50	90.18
d) Financial Assets			
(i) Loans	7	184.17	190.30
(ii) Other	8	1,500.00	1,500.00
e) Deferred Tax Assets (net)	9	-	-
f) Other Non-Current Assets	10	9,881.28	18,895.78
		6,39,670.42	5,66,977.57
Current Assets			
a) Inventories	11	6,178.24	7,189.56
b) Financial Assets			
(i) Investments	12	36,871.64	1,07,007.17
(ii) Trade Receivables	13	4,993.27	8,160.41
(iii) Cash and Cash Equivalents	14	1,068.95	4,940.64
(iv) Other Bank Balances	15	8,414.78	5,516.85
(v) Loans	16	4.92	8.03
(vi) Other	17	31,362.28	29,021.89
c) Current Tax Assets (Net)	18	89.34	150.17
d) Other Current Assets	19	721.79	834.52
		89,706.19	1,62,529.04
		7,29,376.61	7,29,506.61
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	20	4,10,957.55	4,00,934.15
b) Other Equity	21	(22,451.19)	(22,551.88)
		3,88,506.36	3,78,382.27
Non-Current Liabilities			
a) Financial Liabilities			
(i) Borrowings	22	2,54,559.01	2,77,636.86
(ii) Other Financial Liabilities	23	5,807.44	7,652.31
b) Provisions	24	96.11	120.22
c) Other Non-Current Liabilities	25	1,434.78	2,719.69
		2,61,897.32	2,88,129.08
Current Liabilities			
a) Financial Liabilities			
(i) Borrowings	26	12,378.48	15,688.28
(ii) Trade Payables	27	7,471.20	12,387.85
(iii) Other Financial Liabilities	28	58,270.08	30,180.14
b) Provisions	29	531.18	2,176.85
c) Other Current Liabilities	30	320.99	1,562.14
		78,971.93	61,995.26
TOTAL		7,29,376.61	7,29,506.61

See Accompanying Notes 1 to 54 forming part of the Financial Statements.

In Terms of Our Report Attached.

For G. P. AGRAWAL & Co.
Chartered Accountants
Firm's Registration No. - 302062E

A. Shyamsukha
(CA. Abhishek Shyamsukha)
Partner
Membership No. 302609

For and on behalf of the Board of Directors

Amit Kiran Deb
Amit Kiran Deb
Director
DIN : 02107792

Jyotirmay Bhaumik
Jyotirmay Bhaumik
Director
DIN : 06852162

Kamal Kant
Kamal Kant
Chief Executive Officer

N.V. Reghunath
N.V. Reghunath
Chief Financial Officer

K. Sambasiva Rao
K. Sambasiva Rao
Company Secretary

Place of Signature: Kolkata
Date: May 28, 2018



MEENAKSHI ENERGY LIMITED
(Formerly known as Meenakshi Energy Private Limited)
Statement of Profit and Loss for the year ended March 31, 2018

Rs. in Lakh

	Note No.	March 31, 2018	March 31, 2017
Revenue from Operations	31	26,203.00	40,027.88
Other Income	32	15,015.72	1,058.53
Total Income		41,218.72	41,086.41
Expenses			
Cost of Materials Consumed	33	17,922.11	33,861.56
Employee Benefits Expense	34	831.00	1,647.31
Finance Costs	35	13,636.37	13,857.03
Depreciation and Amortization Expense	4 & 6	7,639.26	7,737.23
Other Expenses	36	4,858.91	11,504.82
Total (b)		44,887.65	68,607.95
Profit before exceptional items and tax		(3,668.93)	(27,521.54)
Exceptional items	50	3,749.38	27,565.43
Profit before tax		80.45	43.89
Tax Expense:			
Current tax		-	-
Deferred tax charge/(credit)		-	-
Profit after tax		80.45	43.89
Other Comprehensive Income			
<u>Items that will not be reclassified to Profit or Loss</u>			
Remeasurement of defined benefit plan - Actuarial Gain or Loss		20.25	7.47
Tax on above item		-	-
Total Other Comprehensive Income		20.25	7.47
Total Comprehensive Income		100.70	51.36

Earnings for Equity Share (of Rs. 10 each) :

Basic EPS	0.0020	0.0015
Diluted EPS	0.0020	0.0015

See Accompanying Notes 1 to 54 forming part of the Financial Statements.

In Terms of Our Report Attached.

For G. P. AGRAWAL & Co.
Chartered Accountants
Firm's Registration No. - 302082E

A Shyamsukha
(CA. Abhishek Shyamsukha)
Partner
Membership No. 302609



Place of Signature: Kolkata
Date: May 26, 2018

For and on behalf of the Board of Directors

Amit Kiran Deb
Amit Kiran Deb
Director
DIN : 02107792

Kamal Kant
Kamal Kant
Chief Executive Officer

N.V. Raghunath
N.V. Raghunath
Chief Financial Officer

Iyotirmay Bhaumik
Iyotirmay Bhaumik
Director
DIN : 06852162

K. Sambasiva Rao
K. Sambasiva Rao
Company Secretary

MEENAKSHI ENERGY LIMITED
(Formerly known as Meenakshi Energy Private Limited)
Statement of Cash flow as on March 31, 2018

	March 31, 2018	March 31, 2017
A. Cash flow from operating activities		
Profit/(Loss) before tax	80.45	43.90
<u>Adjustments for:</u>		
Depreciation and amortisation	7,839.26	7,737.23
Loss on sale / write-off of Property, Plant and Equipment	-	3.64
Dividend income	(9,531.63)	-
Unrealised exchange (gain)	(10.59)	(166.66)
Provisions and liabilities for contingencies	-	1,300.00
Provisions and Liabilities Written back	(3,775.31)	-
Advances written off	191.03	-
Interest income	(3,855.80)	(27,631.96)
Rent expense	2.47	5.76
Finance costs	13,636.37	13,857.03
Remeasurements of Employee benefits	20.25	7.47
	4,316.05	(4,887.49)
Operating profit/(loss) before working capital changes	4,396.50	(4,843.59)
Changes in working capital		
<u>Adjusted for decrease/(increase) in operating assets</u>		
Inventories	1,011.32	95.08
Trade Receivables	3,167.14	18,365.80
Long term Non Financial Assets	6,814.52	4,027.87
Other Current and Non Current Assets	(500.12)	772.84
<u>Adjusted for increase/(decrease) in operating liabilities</u>		
Trade Payables	(4,916.65)	(5,002.20)
Other Current and Long term Liabilities	(1,180.82)	8,257.75
Short term and Long term Provisions	(1,669.78)	(257.70)
	2,725.62	26,259.44
Cash generated from operations	7,122.12	21,415.85
Net income tax received / (paid)	60.83	38.96
Net cash flow from operating activities (A)	7,182.95	21,454.81
B. Cash flow from investing activities		
Additions/adjustments to Property, Plant and Equipment	(85,866.80)	(91,507.88)
Sale of Property, Plant and Equipment	-	3.20
Purchase of current investments	(25,569.38)	(2,38,347.16)
Sale of current investments	95,704.91	1,36,346.11
Dividend received	4,834.66	-
Interest received	308.09	(31.62)
Fixed deposits with banks held as margin money	(2,898.11)	(4,160.11)
Net cash (used in) investing activities (B)	(13,486.63)	(1,97,697.46)
C. Cash flow from financing activities		
Proceeds from Issuance of Share Capital	-	1,82,476.84
Proceeds from Long Term Borrowings	1,955.00	15,188.34
Repayment of Long Term Borrowings	(2,648.50)	(12,264.64)
(Decrease)/Increase in working capital borrowings (net of repayment)	5,557.60	1,501.01
Interest paid	(2,262.94)	(11,747.68)
Other borrowing cost	(170.18)	(1,395.22)
Net cash flow from financing activities (C)	2,431.98	1,75,758.65
Net increase in Cash and cash equivalents (A+B+C)	(3,871.69)	(2,483.99)
Cash and cash equivalents at the beginning of the year	4,940.64	7,424.63
Cash and cash equivalents at the end of the year	1,068.95	4,940.64

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS)-7 on Statement of Cash Flows.
- Interest expense is inclusive of, and additions to the property, plant and equipment and intangible assets are exclusive of interest capitalised Rs. 31,210.45 Lakh (March 31, 2017: Rs. 29,121.86 Lakh). Further borrowing cost is inclusive of, and additions to property, plant and equipment and intangible assets are exclusive of, other borrowing cost capitalised Rs.595.01 Lakh (March 31, 2017: Rs.1562.17 Lakh).
- Additions to the property, plant and equipment and intangible assets include movement of Capital work-in-progress during the year.
- Cash and cash equivalents do not include any amount which is not available to the Company for its use.
- Cash and cash equivalents as at the Balance Sheet date consists of:

Particulars
(a) Balance with banks on current accounts
(b) Cash on hand
Closing cash and cash equivalents (Refer Note No. 14)



As on	As on
March, 31 2018	March, 31 2017
1,065.30	4,937.97
3.65	2.67
1,068.95	4,940.64

6. Figures in bracket represent cash outflow from respective activities.

7. A breakup of Cash and cash equivalents is also available in Note No. 14, reconciliation of Cash and cash equivalents as per Cash Flow Statement with the respective items reported in Balance Sheet is not required and hence not provided.

See Accompanying Notes 1 to 54 forming part of the Financial Statements.

In Terms of Our Report Attached.

For G. P. AGRAWAL & Co.
Chartered Accountants
Firm's Registration No. - 302082E

(CA. Abhishek Shyamsukha)
Partner
Membership No. 302609


Place of Signature: Kolkata
Date: May 26, 2018




For and on behalf of the Board of Directors
Amit Kiran Deb
Director
DIN : 02107792


Kamal Kant
Chief Executive Officer


N.V. Raghunath
Chief Financial Officer


Jyotirmoy Bhaumik
Director
DIN : 06852162


K. Sambasiva Rao
Company Secretary

MEENAKSHI ENERGY LIMITED

(Formerly known as Meenakshi Energy Private Limited)

Statement of Changes in Equity for the year ended March 31, 2018

Particulars	Rs. In Lakh
Balance as on April 01, 2017	4,00,934.15
Changes in Equity Share Capital during the year 2017-18	10,023.60
Balance as on March 31, 2018	4,10,957.55

Other Equity

Particulars	Share Application Money pending under Allotment	Equity Component of Convertible Debentures	Reserves and Surplus		Items of other Comprehensive Income	Total
			Securities Premium Reserve	Retained Earnings	Cash Flow Hedging Reserve	
Balance as on April 1, 2016	14,000.00	10,583.24	7.17	(25,362.06)	(1,646.57)	(2,418.21)
Profit for the year	-	-	-	43.89	-	43.89
Other Comprehensive Income	-	-	-	7.47	-	7.47
Shares Issued	(14,000.00)	(7,831.60)	-	-	-	(21,831.60)
Effect of foreign exchange rate variations on hedging instruments outstanding at the end of the year	-	-	-	-	-	-
Balance as on March 31, 2017	-	2,751.64	7.17	(25,310.70)	1,646.57	1,646.57
Balance as on April 1, 2017	-	2,751.64	7.17	(25,310.70)	-	(22,551.88)
Profit for the year	-	-	-	80.45	-	80.45
Other Comprehensive Income	-	-	-	20.25	-	20.25
Balance as on March 31, 2018	-	2,751.64	7.17	(25,209.99)	-	(22,451.19)

See Accompanying Notes 1 to 54 forming part of the Financial Statements.

In Terms of Our Report Attached.

For G. P. AGRAWAL & CO.
Chartered Accountants
Firm's Registration No. - 302082E

A. Shyamshukla

(CA. Abhishek Shyamshukla)
Partner
Membership No. 302609



Place of Signature: Kolkata
Date: May 26, 2018

For and on behalf of the Board of Directors

Jyotirmay Bhaumik
Director
DIN : 06852162

Amit Kiran Deb
Director
DIN : 02107792

N.V. Raghunath
N.V. Raghunath
Chief Financial Officer

Kamal Kant
Kamal Kant
Chief Executive Officer

K. Sambasiva Rao
K. Sambasiva Rao
Company Secretary

MEENAKSHI ENERGY LIMITED

(Formerly known as Meenakshi Energy Private Limited)

Notes to the financial statements for the year ended March 31, 2018 (Contd.)

Significant Accounting Policies

1. Corporate Information

Meenakshi Energy Limited ("MEL" or "the Company") is engaged in the business of Power generation. The Company's Power Plant is implemented in 2 phases at Thamminapatnam, Sri Potti Sreeramulu, Nellore District, Andhra Pradesh. Phase I with a capacity of 300 MW has 2 Units, of which Unit 1 with a capacity of 150 MW commenced commercial operations with effect from October 6, 2012, while Unit 2 with a capacity of 150 MW commenced commercial operations with effect from April 30, 2013. Phase II with a capacity of 700 MW is presently in the construction stage. The Construction activities relating to Phase II have been rescheduled with consequential cost overruns. The expected date of operation of Phase II is May 31, 2018 for unit I of 350 MW and August 31, 2018 for unit II of 350 MW.

The financial statements for the year ended March 31, 2018 were approved for issue by the Board of Directors on May 26, 2018.

2. Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 and in accordance with the relevant provisions of the Companies Act, 2013. The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2016.

Effective April 1, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

3a Significant Accounting Policies

3a.1 Basis of Preparation

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.

The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal Lakh except otherwise stated.



MEENAKSHI ENERGY LIMITED

(Formerly known as Meenakshi Energy Private Limited)

Notes to the financial statements for the year ended March 31, 2018 (Contd.)

3a Significant Accounting Policies (Contd.)

3a.2 Foreign Currency Translation

Functional and presentation currency

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

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) or at rates that closely approximate the rate at the date of the transaction.

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.

3a.3 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. The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below.

Revenue from Supply of Power

Revenue from power supply is recognised on the basis of amounts billed to customers for the quantum of power supplied as per agreed schedule and rates per unit on accrual basis and includes unbilled revenues accrued upto the end of the accounting year. Rebates provided to customers for timely payment are accounted for as they accrue. Margins due to customers are accrued on the basis of the methodology set out in the agreements with customers. Differences between the scheduled power to be supplied and actual power supplied, referred to as unscheduled interchange (UI) Charges, have been netted off from sales.

Delayed payment charges and interest on delayed payments are recognised, on grounds of prudence, as and when recovered/confirmed by consumers.

Compensation Charges receivable on account of lower than contracted demand is recognized when no significant uncertainty as to collectability exists.

3a.4 Other income

Interest income from bank deposits is recognised on the time proportion method taking into consideration the amount outstanding and the applicable interest rates. Dividend income is accounted for when the right to receive income is established.

3a.5 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.



MEENAKSHI ENERGY LIMITED

(Formerly known as Meenakshi Energy Private Limited)

Notes to the financial statements for the year ended March 31, 2018 (Contd.)

3a Significant Accounting Policies (Contd.)

3a.6 Property, Plant and Equipment

Recognition and initial measurement

Properties plant and equipment are stated at their cost of acquisition. The cost comprises purchase price 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.

Derecognition

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.

3a.7 Capital Work-In- Progress

Projects under which Property, Plant and Equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest. Incidental expenditure related to and incurred during implementation of project is included in Capital Work in Progress under "Project Expenditure pending allocation to Property, Plant and Equipment". These expenses are allocated to the respective Property, Plant and Equipment on completion of the Project.

3a.8 Depreciation and amortisation

Depreciation on Property, Plant and Equipment is provided on Straight Line Method (SLM) considering the rates and methodology provided in Appendix III of CERC (Terms and conditions of Tariff) Regulations, 2009 on pro-rata basis with reference to the date of addition/ disposal. Accordingly, the useful lives prescribed in Schedule II to the Companies Act, 2013 are not applicable to the Company.

Assets costing upto Rs. 5,000 are fully depreciated in the year of acquisition.

Intangible Assets are amortised on SLM basis over the life of the asset subject to a maximum of 5 years.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

3a.9 Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment properties are depreciated using the straight-line method over their estimated useful lives.



MEENAKSHI ENERGY LIMITED

(Formerly known as Meenakshi Energy Private Limited)

Notes to the financial statements for the year ended March 31, 2018 (Contd.)

3a Significant Accounting Policies (Contd.)

3a.10 Intangible Assets

Recognition and initial measurement

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

Subsequent measurement

Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

Intangible Assets are amortised on SLM basis over the life of the asset subject to a maximum of 5 years.

The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

3a.11 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 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.

Goodwill is tested for impairment annually as at March, 31 when circumstances indicate that the carrying value may be impaired.

3a.12 Inventories

Inventories of stores and spare parts, comprising fuel (coal), diesel and other stores & spares, are valued at the lower of cost (on FIFO basis) and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the inventories to their present location and condition, including customs duty and other levies, coal handling and transportation charges.

3a.13 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

1. **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 or loss based on Company's business model.



MEENAKSHI ENERGY LIMITED

(Formerly known as Meenakshi Energy Private Limited)

Notes to the financial statements for the year ended March 31, 2018 (Contd.)

3a Significant Accounting Policies (Contd.)

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.

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

Financial liabilities

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 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.

3a.14 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.



MEENAKSHI ENERGY LIMITED

(Formerly known as Meenakshi Energy Private Limited)

Notes to the financial statements for the year ended March 31, 2018 (Contd.)

3a Significant Accounting Policies (Contd.)

3a.15 Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges).

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

When option contracts are used to hedge forecast transactions, the Company designates only the intrinsic value of the option contract as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the option contracts are recognised in the cash flow hedging reserve within equity. The changes in the time value of the option contracts that relate to the hedged item ('aligned time value') are recognised within Other Comprehensive Income in the costs of hedging reserve within equity.

When forward contracts are used to hedge forecast transactions, the Company generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in Other Comprehensive Income in cash flow hedging reserve within equity. The change in the forward element of the contract that relates to the hedged item ('aligned forward element') is recognised within Other Comprehensive Income in the costs of hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place).

When the hedged forecast transaction results in the recognition of a non-financial asset (for example inventory), the amounts accumulated in equity are transferred to profit or loss as follows:



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3a Significant Accounting Policies (Contd.)

With respect to gain or loss relating to the effective portion of the intrinsic value of option contracts, both the deferred hedging gains and losses and the deferred aligned time value of the option contracts are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).

With respect to gain or loss relating to the effective portion of the spot component of forward contracts, both the deferred hedging gains and losses and the deferred aligned forward points are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/ (losses).

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship is rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

3a.16 Post-employment, long term and short term employee benefits

Defined contribution plans

Provident Fund

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense/ included as part of Capital Work in Progress in Project Expenditure pending allocation to Fixed Assets based on the amount of contribution required to be made as and when services are rendered by the employees.



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Notes to the financial statements for the year ended March 31, 2018 (Contd.)

3a Significant Accounting Policies (Contd.)

Defined benefit plans

Gratuity (Funded)

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 Other Comprehensive Income 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.

Short Term Employee Benefits

These are recognised at the undiscounted amount as expense for the year in which the related service is provided.

3a.17 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 estimate. 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.

3a.18 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.



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3a Significant Accounting Policies (Contd.)

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.

As a Lessor

Operating leases

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

3a.19 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.

3a.20 Income Taxes

Tax expense recognised in Statement of Profit or 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.

3a.21 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3a.22 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3a.23 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.



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Notes to the financial statements for the year ended March 31, 2018 (Contd.)

3a Significant Accounting Policies (Contd.)

3b. Critical accounting judgements, assumptions and key sources of estimation and uncertainty

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the year in which the results are known/materialized and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are stated below:

3b.1 Determining whether an arrangement contain leases and classification of leases

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

3b.2 Contingencies

Management judgement is required for estimating the possible out flow of resources, if any, in respect of contingencies/ claim/ litigations/ Right to Recompensate of lenders against the Company as it is not possible to predict the out come of pending matters with accuracy. The right to recompensate to be accounted for in accordance with IND AS-109 requires management to estimate the probability of conditions in accordance with the CDR guidelines. Based on management best estimates, the same does not qualify for recognition in the financial statements.

3b.3 Defined benefit obligation (DBO)

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

3b.4 Income taxes

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.



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Notes to the financial statements for the year ended March 31, 2018 (Contd.)

Note 4 : Property, Plant & Equipment

	Freehold land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Leasehold Improvements	Computers	Total
Year ended March 31, 2017									
Gross Carrying Amount									
Opening Gross Carrying Amount	5,375.85	14,505.14	1,21,458.92	510.58	60.55	391.76	216.22	536.25	1,43,055.37
Additions	66.85	481.06	455.18	65.46	-	31.76	-	27.37	1,127.68
Disposals / Adjustments	-	-	-	-	6.37	2.41	216.22	2.99	227.99
Closing Gross Carrying Amount	5,442.70	14,986.20	1,21,914.10	576.04	54.28	421.11	-	560.63	1,43,955.06
Accumulated Depreciation									
Opening Accumulated Depreciation	-	517.62	7,297.68	35.05	1.98	17.89	37.69	77.45	7,985.36
Charge for the year	-	531.88	7,333.80	45.32	3.49	30.73	31.32	87.36	8,063.90
Disposals	-	-	-	-	0.82	0.17	69.01	1.10	71.10
Closing Accumulated Depreciation	-	1,049.50	14,631.48	80.37	4.65	48.45	-	163.71	15,978.16
Net Carrying Amount	5,442.70	13,936.70	1,07,282.62	495.67	49.63	372.66	-	396.92	1,27,976.90
Year ended March 31, 2018									
Gross Carrying Amount									
Opening Gross Carrying Amount	5,442.70	14,986.20	1,21,914.10	576.04	54.28	421.11	-	560.63	1,43,955.06
Additions	-	-	29.67	-	78.63	37.49	-	1.42	167.21
Closing Gross Carrying Amount	5,442.70	14,986.20	1,21,943.77	576.04	132.91	458.60	-	562.05	1,44,102.27
Accumulated Depreciation									
Opening Accumulated Depreciation	-	1,049.50	14,631.48	80.37	4.65	48.45	-	163.71	15,978.16
Charge for the year	-	540.91	7,233.51	36.80	6.66	28.69	-	86.14	7,932.71
Closing Accumulated Depreciation	-	1,590.41	21,864.99	117.17	11.31	77.14	-	249.85	23,910.87
Net Carrying Amount	5,442.70	13,395.79	1,00,078.78	458.87	121.60	381.46	-	312.20	1,20,191.40



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Notes to the financial statements for the year ended March 31, 2018 (Contd.)

Note 5 : Capital Work in Progress

Rs. in Lakh

	Amount
Year ended March 31, 2017	
Opening Carrying Amount	3,17,370.92
Additions	1,02,153.50
Closing Carrying Amount	4,19,524.42
Year ended March 31, 2018	
Gross Carrying Amount	
Opening Gross Carrying Amount	4,19,524.42
Additions	88,345.67
Closing Carrying Amount	5,07,870.09



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Notes to the financial statements for the year ended March 31, 2018 (Contd.)

Note 6 : Intangible Assets

Rs. In Lakh

	Computer Software
Year ended March 31, 2017	
Gross Carrying Amount	
Opening Gross Carrying Amount	156.82
Additions	7.94
Closing Carrying Amount	164.76
Accumulated Amortisation	
Opening Accumulated Amortisation	34.10
Charge for the year	40.48
Closing Accumulated Amortisation	74.58
Closing Carrying Amount	90.18
Year ended March 31, 2018	
Gross Carrying Amount	
Opening Gross Carrying Amount	164.76
Additions	5.24
Closing Carrying Amount	170.00
Accumulated amortisation	
Opening Accumulated Amortisation	74.58
Charge for the year	31.92
Closing Accumulated Amortisation	106.50
Closing Carrying Amount	63.50



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Notes to the financial statements for the year ended March 31, 2018 (Contd.)

Rs. in Lakh

Note 7: Non Current Financial Assets - Loans	March 31, 2018	March 31, 2017
Security Deposits (un-secured)		
Considered Good	164.17	190.30
	164.17	190.30

Note 8: Non Current Financial Assets - Others		
Receivable Against Encashment of Bank Guarantee	1,000.00	1,000.00
Other Receivables	500.00	500.00
	1,500.00	1,500.00

Note 9: Deferred Tax Asset (Net of Liabilities)		
Property, Plant and Equipment	1,377.35	487.99
Receivables, Loans and Advances	0.33	0.19
Trade and Other Payables	(149.14)	689.13
Unamortised Borrowing Cost	(225.01)	(255.32)
Others	(825.98)	(845.69)
	177.35	76.24

Note : Refer note no. 52 (b).

Note 10: Other Non Current Assets		
Capital Advances	9,685.35	16,504.99
Pre Payments	194.91	190.79
	9,881.26	16,695.78

Note 11: Inventories		
Fuel	2,385.93	3,311.38
Diesel	85.86	42.70
Stores and Spares	3,704.44	3,835.48
	6,176.24	7,189.56

Note 12: Current Investments		
Unquoted, fully paid Up :		
Investments in Mutual Funds		
NII Units (March 31, 2017: 2,867,974.577 Units) ICICI Prudential Flexible Income Plan	-	8,922.23
8,18,163.852 Units (March 31, 2017 : 2,286,630.502 Units) SBI Ultra Short Term Debt Fund- Direct Plan - Growth.	18,423.81	48,200.57
5,60,460.000 Units (March 31, 2017: Nil Units,) SBI Ultra Short Debt Fund- Regular Plan - Growth.	14,806.13	-
2,03,696.267 Units (March 31, 2017: 1,610,867.297 Units) Indiabulls Ultra Short Term - Direct Plan Growth	3,520.44	25,951.47
6129.852 Units (March 31, 2017: Nil Units) SBI Treasury Advantage Fund - Direct Growth	121.26	-
NII Units (March 31, 2017: 667,388,842 Units) SBI Magnum Insta Cash Fund - Regular Plan - Growth	-	23,932.90
Aggregated amount of Unquoted Investments	36,871.64	1,07,007.17



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Notes to the financial statements for the year ended March 31, 2018 (Contd.)

	March 31, 2018	March 31, 2017
Note 13: Trade Receivables		
Unsecured, Considered Good	4,993.27	8,160.41
	4,993.27	8,160.41
Note 14: Current Financial Assets - Cash and Cash Equivalent		
Balances With Banks		
in Current Accounts	1,065.30	4,937.97
Cash on Hand	3.65	2.67
	1,068.95	4,940.64
Note 15: Current Financial Assets - Other Bank Balances		
Fixed Deposit with original maturity upto 12 Months :		
- Margin Money	7,120.48	5,516.65
- Others	1,294.28	-
	8,414.76	5,516.65
Note 16: Current Financial Assets - Loans		
Unsecured, Considered Good		
- Loans and Advances to employees	3.37	6.72
- Advances Recoverable in cash	1.55	1.31
	4.92	8.03
Note 17: Current Financial Assets- Others		
Unbilled Receivables	-	1,207.33
Interest accrued on Fixed Deposits and Margin Money	47.47	249.14
Interest Recoverable - Term Loans	31,314.81	27,565.43
	31,362.28	29,021.90
Note 18: Current Tax Assets (Net)		
Advance Tax	89.34	150.17
	89.34	150.17
Note 19: Other Current Assets		
Advance to Suppliers	450.77	331.75
Pre Payments	159.50	202.77
Statutory Receivables	28.07	-
Others	83.45	-
	721.79	534.52



Rs. in Lakh

Note 20: Share Capital	March 31, 2018	March 31, 2017
Particulars		
Authorised		
5,000,000,000 (March 31, 2017: 5,000,000,000) Equity shares of Rs.10 each	5,00,000.00	5,00,000.00
200,000,000 (March 31, 2017: 200,000,000) 0.01% Cumulative Convertible Preference shares of Rs.10 each	20,000.00	20,000.00
	5,20,000.00	5,20,000.00
Issued, Subscribed & Paid Up		
4109,575,562 (March 31, 2017: 4009,341,516) Equity Shares of Rs.10 each	4,10,957.55	4,00,934.15
	4,10,957.55	4,00,934.15

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity shares		
At the beginning of the year :		
- Amount (Rs. in Lakh)	4,00,934.15	1,96,625.71
- Nos	4,00,93,41,516	1,96,62,57,073
Issued during the year :		
- Amount (Rs. in Lakh)	10,023.40	1,96,475.84
- Nos	10,02,34,046	1,96,47,68,443
Debentures converted into shares during the year :		
- Amount (Rs. in Lakh)	-	7,831.60
- Nos	-	7,83,15,000
Outstanding at the end of the year :		
- Amount (Rs. in Lakh)	4,10,957.55	4,00,934.15
- Nos	4,10,95,75,562	4,00,93,41,516

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of Equity shares is entitled to receive dividend as declared from time to time and are entitled to one vote per share except those shareholders of 10,02,34,046 shares issued during the current financial year, are entitled to 1000 votes per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

Details of shares held by the holding company:

Equity shares		
1. India Power Corporation Ltd.		
- Nos. (See Note below)	3,91,17,40,555	3,81,15,06,509
- %	95.19%	95.07%
Details of shares held by each shareholder holding more than 5% shares:		
2. India Power Corporation Ltd.		
- Nos. (See Note below)	3,91,17,40,555	3,81,15,06,509
- %	95.19%	95.07%

Note: Out of the above, on May 2, 2018, 381,15,06,509 shares have been acquired by SBI Cap Trustee Company Ltd. Pursuant to the acquisition, holding of India Power Corporation Ltd. is reduced to 2.44%.

Note 21: Other Equity

Equity Component of Convertible Debentures	2,751.64	2,751.64
Securities Premium Reserve	2.17	7.17
Retained Earnings:		
Balance at the beginning of the year	(25,310.70)	(25,354.58)
Add: Total Comprehensive Income for the year	100.70	43.89
Balance at the end of the year	(25,210.00)	(25,310.70)
	(22,451.19)	(22,551.88)

Note:

Zero Coupon Fully Compulsorily and Mandatorily Convertible Debentures of Rs. 10 each:

- (a) The Compulsorily Convertible Debentures (CCDs) constitute direct, unconditional, unsubordinated and unsecured obligations of the Company and will at all times rank pari passu and without any preference or priority among themselves but will at all times rank in priority to all other, present and future, direct, unconditional, unsubordinated and unsecured obligations of the Company.
- (b) The CCDs are non-marketable i.e. they are not capable of being sold on a recognized stock exchange in or outside India. The Company does not intend to, and shall not list the CCDs on any recognised stock exchange in or outside India.
- (c) The CCDs are non-interest bearing debentures.



- (d) The CCDs were issued to Meenakshi Energy and Infrastructure Holdings Pvt. Ltd. (MEIHPL) and are also currently held by MEIHPL.
(e) The CCDs have a term of 10 years from the date of issue and shall stand converted at the option of the Debenture holder in terms of the Debentures Purchase Agreement(DPA) dated July 2, 2013.
(f) Each CCD will convert into 1 (one) Share.
(f) Mechanism of Conversion:
(i) In order to effect conversion of the CCDs, a Debenture holder will give prior written notice to the Company ("Conversion Notice") at its registered office, of its election to convert the same and the name or names in which the certificate or certificates for the concerned Shares are to be issued.
(ii) Upon receipt by the Company of the Conversion Notice from the Debenture holder, the Company shall take all necessary steps in order to give effect to this conversion of CCDs (in dematerialized form) into Shares.
(iii) The conversion of the CCDs will be automatic without any further act on the part of the Company upon service of the Conversion Notice.
(iv) The Company will at its expense:
- as soon as practicable after the date of receipt of the Conversion Notice take all such corporate, shareholder and other proceedings or action, if any, as may be required to allot the Shares and deliver the Share certificates to such person or persons as specified in the Conversion Notice;
- register the name of the allottee as the legal and beneficial owner of the Shares; and
- file all relevant documents and forms with the Registrar of Companies (RoC), as may be required under applicable law.
(v) The Company will pay any and all fees, duties and taxes including stamp duty and the fees payable to the Registrar of Companies (RoC) in respect of the issue of the Shares and the share certificates in respect thereof.

Note 22: Non Current Borrowings

	March 31, 2018	March 31, 2017
Term Loans - Secured		
- Banks	1,49,746.25	1,69,512.34
- Financial Institutions	1,04,812.76	1,08,124.52
	2,54,559.01	2,77,636.86

Notes:

In this note, all the figures are referred with actual loan balances and its reconciliation with the Ind AS loan Current and Non-Current balances is as below:

Actual loan balances:

Phase - I Banks	66,429.50	69,078.40
Phase - I Financial Institutions	10,000.00	9,200.00
Phase - II Banks	1,07,184.84	1,07,184.84
Phase - II Financial Institutions	1,08,221.68	1,08,221.68
Total	2,91,836.42	2,93,684.92
Less: Adjustments for processing / Upfront fees on loans recognised using effective interest rates	650.16	737.73
	2,91,186.26	2,92,947.19

Balances as per Ind AS:

Non Current Borrowings	2,54,559.01	2,77,536.86
Current Borrowings	36,627.25	15,410.33
	2,91,186.26	2,92,947.19

(1) Secured Loans

A. The Company has outstanding term loans from banks for Phase I amounting to Rs. 46,850.90 Lakh (March 31, 2017: Rs. 58,508.40 Lakh). An amount of Rs. 1,07,184.84 Lakh (March 31, 2017: Rs. 1,07,184.84 Lakh) is outstanding for term loans from banks for Phase II and Rs. 1,08,221.68 Lakh (March 31, 2017: Rs. 1,08,221.68 Lakh) is outstanding for term loans from financial institutions for Phase II.

1. The Company entered into Amendment Agreement to further amend the existing Common Loan Agreements (CLA) to acknowledge and recognise India Power Corporation Limited (IPCL), as the New Promoter of the Company for the purpose of the Finance Documents. Pursuant to the above, the Company has entered into the following CLAs dated September 23, 2015:

a. For Phase-I, Amendment and restatement agreement to the Common Loan Agreement dated July 10, 2009 (as amended on May 30, 2011) dated January 24, 2014.

b. For Phase-II, Amendment and restatement agreement to the Common Loan Agreement dated October 01, 2010, dated January 30, 2014 and further amended and restated Common Loan Agreement dated December 26, 2014 (including Refinancing Facility).

c. For Phase-II, Amendment Agreement to the Additional Common Loan Agreement dated March 20, 2015. Pursuant to this Amendment Agreement, Additional facility (Cost overrun facility) of Rs. 1,13,100.00 Lakh has been reduced to Rs. 22,284.00 Lakh and balance Rs. 90,816.00 Lakh is considered as Standby Credit facility which shall be utilised only in case of cost increase on account of change in scope/ change in law.

2. IDBI Bank has reduced its sanction amount of Cost Overrun loan (total Rs. 1,13,100.00 Lakh) from Rs. 27,349.00 Lakh to Rs. 1,278.00 Lakh only as Additional facility and the balance amount of Rs. 26,021.00 Lakh has been sanctioned by SRE Infrastructure Finance Limited, out of which Rs. 4,111.00 Lakh is Additional facility and Rs. 21,960.00 Lakh is Standby Facility.

3. During the year, the Company has entered into an agreement with Vistar Financiers Pvt. Ltd. for an amount of Rs. 5,000.00 Lakh.

B. Current maturities of long term debt:

1. An amount of Rs. 29,548.50 Lakh (March 31, 2017: Rs. 19,770.00 Lakh) (actual loan balance) relating to instalments on long term borrowings falling due for repayment in the next 12 months pertaining to borrowings for Phase I has been disclosed under Other Current Liabilities (refer Note 28) as Current Maturities of Long Term Debt.

2. An amount of Rs. 4,299.90 Lakh (March 31, 2017: Rs. Nil) (actual loan balance) relating to instalments on long term borrowings and Rs. 3,327.70 Lakh (March 31, 2017: Rs. Nil) (actual loan balance) relating to instalments of Financial Institutions falling due for repayment in the next 12 months pertaining to borrowings for Phase II have been disclosed under Other Current Liabilities (refer Note 28) as Current Maturities of Long Term Debt.

C. Security Terms:

(i) Term Loans - Phase I

The Term Loan facility was obtained under a consortium arrangement with Banks with State Bank of India being the Lead Banker and is secured by:





MEENAKSHI ENERGY LIMITED

(Formerly known as Meenakshi Energy Private Limited)

Notes to the financial statements for the year ended March 31, 2018 (Contd.)

Terms of Repayment :

i) Term Loan from Banks:

For term loan from Banks, the repayment period is 48 quarterly instalments starting from the Third Quarter of the year 2018-19 for the existing loan as per the repayment schedule in the Amendment Agreement dated September 23, 2016 to Second Amended and Restated loan agreement except for State Bank of Patiala (SBP) for which the repayment period is 30 quarterly instalments starting from the Third Quarter of the year 2018-19 and for State Bank of India (SBI) for which the repayment period is 48 quarterly instalments starting from the Third Quarter of the year 2018-19. For Standby Loan facility and Additional loan facility from banks, not yet availed by the Company as at March 31, 2018, the repayment period is 48 quarterly instalments starting from the Third Quarter of the year 2018-19.

ii) Term Loan from Financial Institutions:

For term loans from Rural Electrification Corporation Limited (RECL), all the existing, Standby and Additional term loan is to be repaid in 48 quarterly instalments starting from the Third Quarter of the year 2018-19.

For term loans from India Infrastructure Finance Company Limited (IIFCL), the term loan is repayable in 56 quarterly instalments starting from the Third Quarter of the year 2018-19.

For term loans from PTC India Financial Services Limited (PFS), the existing term loan is repayable in 48 quarterly instalments and Standby and Additional loan, not yet availed by the Company as at March 31, 2018, is repayable in 48 quarterly instalments starting from the Third Quarter of the year 2018-19.

For term loans from SREI Infrastructure Finance Limited (SREI), the term loan is Standby and Additional loan, not yet availed by the Company as at March 31, 2018, is repayable in 48 quarterly instalments starting from the Third Quarter of the year 2018-19.

Terms of Interest

i) Term Loan from Banks :

Out of the 11 (Eleven) consortium lenders, Eight are banks and three are financial institutions. The interest rate applicable to lender banks is given below:

- For SBI, SBBL & SBP, it is SBI MCLR Rate (1 year) plus a spread of 485 basis points during pre-COD (Commercial Operation Date) period and a spread of 435 basis points during post-COD period.

- For SBM, it is the SBM MCLR Rate (1 year) plus a spread of 450 basis points during pre-COD period and a spread of 400 basis points during post-COD period.

- For PSB, it is the PSB MCLR rate (1 year) plus a spread of 440 basis points during pre-COD period and a spread of 390 basis points during post-COD period.

- For IDBI, it is the IDBI MCLR rate (1 year) plus a spread of 420 basis points and a spread reset from COD on an annual basis.

- For SBH, it is the SBH Base rate plus a spread of 400 basis points during pre and post -COD period.

- For UCO, it is the UCO Base rate plus a spread of 380 basis points during pre-COD period and a spread of 330 basis points during post-COD period.

- The interest is payable monthly on the last day of the month.

ii) Term Loan from Financial Institutions:

- The interest rate applicable in the case of RECL and IIFCL is based on their loan policy circular amended from time to time. The present interest rate is 13.5%. Post COD, there is an option of three (3) year reset. For PFS, the interest rate applicable is PFS reference rate minus 150 basis points during pre-COD period and PFS reference rate minus 200 basis points during post COD period. For SREI, the interest rate applicable is SREI benchmark rate (SBR) minus 375 basis point.

- The interest is payable quarterly on the last day of each quarter except for PFS and SREI, which is payable on the first day of the subsequent month.

For term loans from Vistar Financiers Pvt. Ltd., the loan amount shall be repayable within 2 years from the date of disbursement of the loan amount or on demand.



E. Unpaid interest and other charges on term loans as at March 31, 2018 amounted to Rs. 8,098.95 Lakh (March 31, 2017 Rs. 456.71 Lakh) and principal amounted to Rs. 7,921.50 Lakh (March 31, 2017 Rs. Nil Lakh).

The details of such unpaid interest are as follows:

Name of Bank/Financial Institution	Principal Amount	Interest	Other Bank charges	Due date of Payment	Period of Default (days)
Jul-17					
Andhra Bank	-	74.55	-	31-07-2017	244
Bank of India	-	78.02	-	31-07-2017	244
Punjab Nation Bank	-	32.10	-	31-07-2017	244
State Bank of Bikaner & Jaipur	-	10.02	-	31-07-2017	244
State Bank of India-I	-	127.42	-	31-07-2017	244
State Bank of India-II	-	81.78	-	31-07-2017	244
United Bank of India	-	24.17	-	31-07-2017	244
Aug-17					
Andhra Bank	-	78.71	5.90	31-08-2017	213
Bank of India	-	81.01	-	31-08-2017	213
Oriental Bank of Commerce	-	107.31	-	31-08-2017	213
Punjab Nation Bank	-	103.29	-	31-08-2017	213
Punjab and Sind Bank	-	36.54	-	31-08-2017	213
State Bank of Bikaner & Jaipur	-	38.28	-	31-08-2017	213
State Bank of Hyderabad	-	68.14	-	31-08-2017	213
State Bank of India-I	-	200.42	-	31-08-2017	213
State Bank of India-II	-	40.27	-	31-08-2017	213
State Bank of Mysore	-	29.99	-	31-08-2017	213
State Bank of Travancore	-	25.18	-	31-08-2017	213
United Bank of India	-	58.14	-	31-08-2017	213
Sep-17					
Andhra Bank	250.00	72.29	0.05	30-09-2017	183
Bank of India	250.00	74.37	-	30-09-2017	183
Oriental Bank of Commerce	125.00	35.27	0.06	30-09-2017	183
Punjab Nation Bank	312.50	95.05	-	30-09-2017	183
Punjab and Sind Bank	137.50	39.07	0.04	30-09-2017	183
State Bank of Bikaner & Jaipur	125.00	35.40	-	30-09-2017	183
State Bank of Hyderabad	250.00	71.26	-	30-09-2017	183
State Bank of India-I	625.00	185.45	-	30-09-2017	183
State Bank of India-II	130.00	36.28	0.01	30-09-2017	183
State Bank of Mysore	125.00	35.20	-	30-09-2017	183
State Bank of Travancore	125.00	34.36	-	30-09-2017	183
United Bank of India	187.50	53.60	-	30-09-2017	183
Oct-17					
Andhra Bank	-	76.10	3.85	31-10-2017	152
Bank of India	-	78.32	5.77	31-10-2017	152
Oriental Bank of Commerce	-	37.12	-	31-10-2017	152
Punjab Nation Bank	-	90.74	-	31-10-2017	152
Punjab and Sind Bank	-	40.82	-	31-10-2017	152
State Bank of Bikaner & Jaipur	-	37.04	-	31-10-2017	152
State Bank of Hyderabad	-	76.25	-	31-10-2017	152
State Bank of India-I	-	190.02	-	31-10-2017	152
State Bank of India-II	-	38.99	-	31-10-2017	152
State Bank of Mysore	-	36.84	-	31-10-2017	152
State Bank of Travancore	-	35.97	-	31-10-2017	152
United Bank of India	-	56.03	-	31-10-2017	152
Punjab Nation Bank-CC	-	36.04	-	31-10-2017	152
State Bank of Hyderabad-CC	-	62.17	-	31-10-2017	152
Nov-17					
Andhra Bank	-	74.65	-	30-11-2017	122
Bank of India	-	76.87	0.47	30-11-2017	122
Oriental Bank of Commerce	-	36.40	-	30-11-2017	122
Punjab Nation Bank	-	101.16	-	30-11-2017	122
Punjab and Sind Bank	-	39.96	0.01	30-11-2017	122
State Bank of Bikaner & Jaipur	-	40.46	-	30-11-2017	122
State Bank of Hyderabad	-	80.93	-	30-11-2017	122
State Bank of India-I	-	204.22	-	30-11-2017	122
State Bank of India-II	-	40.22	-	30-11-2017	122
State Bank of Mysore	-	40.47	-	30-11-2017	122
State Bank of Travancore	-	40.46	-	30-11-2017	122
United Bank of India	-	54.95	-	30-11-2017	122
Punjab Nation Bank-CC	-	34.88	-	30-11-2017	122
State Bank of Hyderabad-CC	-	74.56	-	30-11-2017	122



Name of Bank/Financial Institution	Principal Amount	Interest	Other Bank charges	Due date of Payment	Period of Default (days)
Dec-17					
Andhra Bank	244.00	78.83	76.62	31-12-2017	91
Bank of India	250.00	80.33	-	31-12-2017	91
Oriental Bank of Commerce	125.00	38.10	-	31-12-2017	91
Punjab Nation Bank	312.50	104.09	0.04	31-12-2017	91
Punjab and Sind Bank	137.50	41.76	-	31-12-2017	91
State Bank of Bikaner & Jaipur	125.00	41.63	-	31-12-2017	91
State Bank of Hyderabad	250.00	83.27	-	31-12-2017	91
State Bank of India-I	625.00	210.13	-	31-12-2017	91
State Bank of India-II	130.00	41.38	-	31-12-2017	91
State Bank of Mysore	125.00	41.64	-	31-12-2017	91
State Bank of Travancore	125.00	41.63	-	31-12-2017	91
United Bank of India	187.50	57.45	-	31-12-2017	91
Punjab Nation Bank-CC	-	36.04	-	31-12-2017	91
State Bank of Hyderabad-CC	-	77.05	-	31-12-2017	91
Jan-18					
Andhra Bank	-	80.52	-	31-01-2018	60
Bank of India	-	83.27	-	31-01-2018	60
Oriental Bank of Commerce	-	38.81	-	31-01-2018	60
Punjab Nation Bank	-	104.09	-	31-01-2018	60
Punjab and Sind Bank	-	42.24	-	31-01-2018	60
State Bank of Bikaner & Jaipur	-	41.63	-	31-01-2018	60
State Bank of Hyderabad	-	83.27	-	31-01-2018	60
State Bank of India-I	-	210.13	-	31-01-2018	60
State Bank of India-II	-	41.38	-	31-01-2018	60
State Bank of Mysore	-	41.64	-	31-01-2018	60
State Bank of Travancore	-	41.63	-	31-01-2018	60
United Bank of India	-	58.18	-	31-01-2018	60
Srei Infrastructure Finance Limited	-	85.41	-	31-01-2018	60
Punjab Nation Bank-CC	-	36.04	-	31-01-2018	60
State Bank of Hyderabad-CC	-	77.05	-	31-01-2018	60
Feb-18					
Andhra Bank	-	73.70	-	28-02-2018	32
Bank of India	-	75.21	-	28-02-2018	32
Oriental Bank of Commerce	-	35.52	-	28-02-2018	32
Punjab Nation Bank	-	94.01	-	28-02-2018	32
Punjab and Sind Bank	-	38.60	-	28-02-2018	32
State Bank of Bikaner & Jaipur	-	37.60	-	28-02-2018	32
State Bank of Hyderabad	-	75.21	-	28-02-2018	32
State Bank of India-I	-	189.80	-	28-02-2018	32
State Bank of India-II	-	37.37	-	28-02-2018	32
State Bank of Mysore	-	37.61	-	28-02-2018	32
State Bank of Travancore	-	37.60	-	28-02-2018	32
United Bank of India	-	56.42	-	28-02-2018	32
Srei Infrastructure Finance Limited	-	91.48	-	28-02-2018	32
Punjab Nation Bank-CC	-	32.55	-	28-02-2018	32
State Bank of Hyderabad-CC	-	69.59	-	28-02-2018	32
Mar-18					
Andhra Bank	250.00	82.58	-	31-03-2018	1
Bank of India	250.00	83.27	-	31-03-2018	1
Oriental Bank of Commerce	125.00	39.80	-	31-03-2018	1
Punjab Nation Bank	312.50	104.09	-	31-03-2018	1
Punjab and Sind Bank	137.50	43.40	-	31-03-2018	1
State Bank of Bikaner & Jaipur	125.00	41.63	-	31-03-2018	1
State Bank of Hyderabad	250.00	83.27	-	31-03-2018	1
State Bank of India-I	625.00	210.13	-	31-03-2018	1
State Bank of India-II	130.00	41.38	-	31-03-2018	1
State Bank of Mysore	125.00	41.64	-	31-03-2018	1
State Bank of Travancore	125.00	41.63	-	31-03-2018	1
United Bank of India	187.50	62.47	-	31-03-2018	1
Srei Infrastructure Finance Limited	-	101.28	-	31-03-2018	1
Punjab Nation Bank-CC	-	36.04	-	31-03-2018	1
State Bank of Hyderabad-CC	-	77.05	-	31-03-2018	1
	7,921.50	8,006.13	92.82		

Note: SBI, the lead lender, on behalf of Phase-1 lenders had sent overdue recall notice on 19.12.2017 for an amount of Rs. 9,357.92 lakh. The Company has filed a suit on 27.12.2017 before Hon'ble XXIV Additional Chief Judge Court, Hyderabad for direction to realise the above due amount from the equity fund of Rs. 59,512.02 Lakh available in the TRA bank account maintained with the lenders. The matter is under sub-judice.



Note 23: Non Current Financial Liabilities - Others

Rs. in Lakh

	March 31, 2018	March 31, 2017
Creditors For Retention Money	5,807.44	7,652.31
	5,807.44	7,652.31

Note 24: Non Current Provisions

Provision For Employee Benefits		
Leave Encashment	39.53	16.33
Gratuity	56.58	103.89
	96.11	120.22

Note 25: Other Non Current Liabilities

Deferred Credit	1,434.76	2,719.69
	1,434.76	2,719.69

Current Liabilities :

Note 26: Current Borrowings

Secured		
- Working Capital Loans From Banks	8,153.48	6,322.10
- Other Short Term Loans (Buyers credit from Bank)	-	3,002.18
- Other Short Term Loans (repayable on demand)	1,156.00	-
Un Secured		
- Inter Company Deposits From Parent Company	3,069.00	6,364.00
	12,378.48	15,688.28

Notes:

(1) Security Terms - Cash Credit facilities and Non fund based facilities :

The Working capital facilities are obtained under a consortium arrangement with State Bank of Hyderabad and Punjab National Bank with State Bank of Hyderabad being the lead banker and are secured by:

- a first mortgage and charge on all the Company's immovable properties pertaining to the Phase-I Project, both present and future;
- a first charge on all of the Company's tangible moveable assets pertaining to the Phase-I Project, including moveable plant and machinery, machinery spare parts, tools and accessories, furniture, fixtures, vehicles and all other moveable assets, both present and future;

(c) a first charge on Company's Receivables pertaining to the Phase-I project and entire current assets pertaining to the Phase-I project;

All the aforesaid mortgages and charges shall in all respects rank pari-passu amongst the Phase-I Lenders of term loans and working capital facilities without any preference or priority to one over the other or others except common assets of Phase-I and Phase-II lenders.

The Cash Credit facility is further guaranteed by the Ex-Chairman and Director of the Company in his personal capacity.



Note 27: Trade Payables

Rs. in Lakh

	March 31, 2018	March 31, 2017
Trade Payables dues to Micro And Small Enterprises	2.37	32.65
Trade Payables dues to Other Than Micro And Small Enterprises	7,468.83	12,355.20
	7,471.20	12,387.85

Note 28: Other Current Financial Liabilities

Current Maturities of non current borrowings	36,627.25	15,310.33
Interest Accrued but not due on borrowings	1,005.36	1,281.26
Interest Accrued and due on borrowings	8,098.91	456.71
Payable for capital goods	1,552.08	3,681.76
Retention Money	9,534.10	8,396.91
Others	1,452.38	1,053.17
	58,270.08	30,180.14

Note :

For Current maturities of non current debt, refer Note 1(c) and 1(d) in the Note 22 - Non Current Borrowings, for details of security and terms of repayment and interest respectively. For default of repayment of principal and interest refer note 22 (1) (ii).

Note 29: Current Provisions

Provision For Employee Benefits	14.06	5.40
Leave Encashment	17.12	1.22
Gratuity	31.18	6.62
Others Provisions	-	170.23
Provision for Estimated loss on Forward Contract	500.00	2,000.00
Provision For Contingencies	500.00	2,170.23
	531.18	2,176.85

Note 30: Other Current Liabilities

Unearned Income	61.75	46.00
Statutory Dues Payable	145.44	344.85
Deferred Credit	113.80	1,171.29
	320.99	1,562.14



MEENAKSHI ENERGY LIMITED

(Formerly known as Meenakshi Energy Private Limited)

Notes to the Financial statements for the year ended March 31, 2018 (Contd.)

Rs. in Lakh

Note 31: Revenue	March 31, 2018	March 31, 2017
Revenue - Sale of Power	20,074.00	39,651.65
Other Operating Revenue	6,129.00	376.23
Compensation on Curtailment of Power		
	26,203.00	40,027.88

Note: Compensation on curtailment of power includes Rs. 4,097.28 Lakh (March 31, 2017: Rs. 376.23 Lakh) [excluding Rs. 2,031.64 lakh (March 31, 2017: Rs. 376.23 Lakh) realised during the year] which has been recognised during the year as per sales agreement as there is no significant uncertainty as to its collectivity.

Note 32: Other Income		
Interest Income	106.25	60.20
Dividend Income	9,531.63	-
Surcharge	1,483.94	-
Interest Income on Unwinding of Financial Instruments Discounting	0.17	6.33
Foreign Exchange Fluctuation Gain	96.06	101.79
Provisions and Liabilities Written back	3,775.31	853.24
Miscellaneous Income	22.36	36.97
	15,015.72	1,058.53

Note 33: Cost Of Materials Consumed		
Opening Stock	3,311.38	2,938.55
Purchase during the year	16,415.66	34,234.39
Closing Stock	1,804.93	3,311.38
	17,922.11	33,861.56

Note 34: Employee Benefits Expense		
Salaries, Wages, Allowances and Bonus	685.00	1,491.51
Director's Remuneration	48.00	41.87
Contribution to Provident and Other Funds	37.00	53.23
Staff Welfare Expenses	61.00	60.70
	831.00	1,647.31

Note 35: Finance Cost		
Interest on		
- Term Loans	11,243.61	11,393.79
- Others (refer note (i) below)	2,222.58	1,068.02
Other Borrowing Cost	170.18	1,395.22
	13,636.37	13,857.03

Note:

(i) Includes interest for late payment of statutory dues Rs. 21.92 Lakh (Year ended March 31, 2017 : Rs. 17.61 Lakh).

Note 36: Other Expenses		
Rent	2.47	34.42
Stores & Spares Parts Consumed	66.54	1,003.16
Insurance	106.68	190.55
Repairs and Maintenance - Building	0.59	123.94
Repairs and Maintenance - Machinery	379.10	971.28
Repairs and Maintenance - Others	32.56	110.69
Transmission Network Charges	1,276.91	2,427.18
Cost of Power Purchased	-	-
Operation and Maintenance	2,152.07	3,891.02
Compensation Charges	-	15.34
Advances/Debtors Written off	191.03	-
Power & Fuel - Ash Handling	141.47	448.02
Auditors' Remuneration (refer note (i) below)	20.04	27.21
Loss on Sale of Property, Plant and Equipment (net)	-	3.64
Provision For Contingencies	-	1,300.00
Miscellaneous Expenses	489.45	958.37
	4,858.91	11,504.82

Notes :

(i) Payments to the statutory auditors comprises (Inclusive of service tax):

As auditors - statutory audit	14.16	13.80
For taxation matters	3.54	3.45
For other services	1.18	1.15

Payments to the retiring statutory auditors comprises (Inclusive of service tax):

Reimbursement of expenses	1.16	8.81
Total	20.04	27.21



Note 37: Contingencies And Commitments
Contingent liabilities

(A) Details of contingent liabilities

		Rs. In Lakh	
	Particulars	March 31, 2018	March 31, 2017
	Under litigation		
a	Custom duty claim disputed by the Company relating to the issue of applicability and classification of Coal (Refer Note 1 below)	2,722.83	2,722.83
b	Electricity duty claim not considered to be applicable to the Company	176.50	176.50
c	Seigniorage Fee demand Notice received (Refer Note 2 below)	254.46	254.46
d	Entry Tax demand from Commercial Tax Department towards purchase of LDO	24.32	-

(e) The Company executed Bulk Power Transmission Agreements (BPTAs) dated February 24, 2010 and December 24, 2010 as amended on January 2, 2012 with Power Grid Corporation of India Limited (PGCIL) to avail long term access (LTA) in respect of 910 MW on PGCIL's transmission system to transmit power to MEL's customers located in the Northern, Western and Southern regions (NR, WR and SR respectively). As per the terms of the BPTAs, the Company is required to pay PGCIL long term open access (LTOA)/transmission charges for the contracted transmission capacity from the scheduled date of commissioning of its generation units, provided that if the date of successful commissioning by PGCIL of its respective transmission elements necessary to provide the Company with LTA occurs later, then such payment obligation will arise on such later date in respect of the transmission element commissioned. The Company has been given to understand that PGCIL has commissioned the contracted elements of its transmission system only in the SR and the contracted elements of the transmission system in the WR and NR are yet to be commissioned.

The commissioning of the generation units of the Company in respect of its Phase II project has been delayed due to unforeseen circumstances (including changes in law) that were beyond the control of the Company and that are force majeure events under the BPTAs. Under the terms of the BPTAs, the Company is not liable for any claim for any loss or damage whatsoever arising out of a failure to perform that is due to force majeure events. The Company has communicated this to PGCIL on various occasions and sought an amendment of the scheduled commissioning dates for its generating units for Phase II in the BPTAs. PGCIL has taken note of the Company's revised scheduled commissioning dates. However, PGCIL has not taken cognizance of the force majeure events and has declined to amend the BPTAs, denying the Company relief under the force majeure clause of BPTAs. The Company believes that there is a nexus between the delay in the commissioning of its generating units for Phase II and the force majeure events, and therefore, there is no obligation to pay transmission charges for the period that the force majeure events subsisted and a reasonable time thereafter required to mitigate the effects of such force majeure events and achieve performance.

Further, the Company believes that it is a well-established legal principle that liability, if any, for delay in the commissioning of the Company's generating units, must be limited to the actual or reasonable damage suffered by PGCIL for any proven breach. Furthermore, such actual damages should be limited to that portion of PGCIL's transmission capacity that remains unused for the period of delay. The issue is currently before CERC and CERC's determination could have an impact.

(f) Subsequent to the year end, the Company received a demand from Krishnapatnam Port Company Limited (KPCL) claiming compensation of Rs. 48,01,79,100 for shortfall in meeting minimum guarantee tonnage (MGT) for the financial years 2012-13, 2014-15 and 2015-16, under the Port Service Agreement (PSA) entered into by the Company with KPCL. The Company strongly contested that under the PSA, the liability to pay compensation for shortfall in MGT does not arise prior to March 31, 2015; and after March 31, 2015, it will arise only once KPCL completes construction of the coal conveyer. KPCL has not commenced work on or commissioned the coal conveyer under the PSA till date. KPCL wrongly invoked and encashed the bank guarantee issued on behalf of the Company for Rs. 1,000.00 Lakh. KPCL then wrongfully sought a reinstatement of the bank guarantee and payment of the balance of the demand, failing which it would treat the PSA as cancelled. The Company initiated arbitration and filed an application for ad interim ex parte relief seeking restraint of termination of PSA and coercive actions by KPCL and repayment or deposit of Rs. 1,000.00 Lakh by KPCL. An interim injunction has been granted to the Company, while the legal proceedings for ad interim ex parte relief are pending.

g) An Arbitration proceeding is going on with Cethar Limited, the EPC contractor of Boiler for expansion project 2 X 350 MW. The EPC contractor has filed a claim of Rs. 18,098.82 Lakh and the Company has filed a counter claim of Rs. 34,543.00 Lakh. Both the amount have not recognised in the books of accounts.

h) Other claims against the Company by various parties not acknowledged by the Company is Rs. 1,100.12 Lakh.



	Rs. in Lakh	
	March 31, 2018	March 31, 2017
(B) Bank Guarantees	10,183.51	6,754.80

Notes :

- 1 - The customs duty claim is gross of a deposit of Rs. 98.13 Lakh made by the Company with the Customs authorities against such claim.
2. Seigniorage fee demand notices received from the The Assistant Directorate of Mines and Geology (Vigilance), Nellore in relation to the use of Road, Metals, Sand, Gravel etc. for construction activities. The Company has filed an appeal before the Director of Mines & Geology and the appeal has been disposed of, setting aside the original demands and instructing the Assistant Director of Mines & Geology (Vigilance) to issue fresh demands based on the process of reconciliation of the fee paid Challans. No fresh demands have been received as yet.

The amounts shown in the above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants, as the case may be and therefore cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

Commitments

Capital and other commitments

	Particulars	Rs. in Lakh	
		March 31, 2018	March 31, 2017
a	Estimated amount of contracts remaining to be executed on capital account and not provided for	20,554.96	59,640.16
b	Advance paid against above	2,299.98	9,515.35

Note 38: Movement for Provision for contingencies:

Particulars	Rs. in Lakh
Balance as on April 1, 2017	2,000.00
Provided during the year	-
Used during the year	-
Reversed during the year	1,500.00
Balance as on March 31, 2018	500.00

Provision for contingencies as referred to above represent provision for contingencies towards various claims etc. as disclosed in note 37 anticipated against the Company based on the Management's assessment.

It is not possible to estimate the timing/uncertainties relating to the utilisation/reversal from the provision for contingencies. Future cash outflow in respect of the above is determinable only upon Court decision/out of Court settlement/disposal of appeals etc.

The Company does not expect any reimbursements in respect of the above provisions.



Note 39: Disclosures Under Section 22 Of The Micro, Small And Medium Enterprises Development Act, 2006 And Schedule III To The Companies Act, 2013:

	Rs. In Lakh	
	March 31, 2018	March 31, 2017
Balance of Trade Payables as at the end of the year		
- Principal amount due to Micro Enterprises and Small Enterprises	2.37	32.65
- Interest amount due to Micro Enterprises and Small Enterprises	-	-
	2.37	32.65
Paid during the year		
Principal amount (including interest) paid to Micro Enterprises and Small Enterprises beyond the appointed date		
- Principal amount	29.69	152.67
- Interest thereon	-	-
Principal amount (excluding interest) paid to Micro Enterprises and Small Enterprises beyond the appointed date	-	-
Others		
- The amount of interest accrued and remaining unpaid during the year	-	-
- The amount of further interest remaining due and payable even in the succeeding years	-	-

Dues to Micro Enterprises and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note 40: Employee Benefit Obligations

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 group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs. 113.60 Lakh (March 31, 2017 Rs. 164.53 Lakh).

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 subject to maximum limit of Rs. 20 Lakh. For the funded plan the group makes contributions to recognised funds in India.

The weighted average duration of the defined benefit obligation as at March 31, 2018 is 21.50 to 21.95 years (March 31, 2017: 20.50 to 21.50 years).

Reconciliation of opening and closing balances of the present value of defined benefit obligations

Particulars	Rs. In Lakh	
	March 31, 2018	March 31, 2017
Present value obligation as at the start of the year	105.10	125.21
Interest cost	7.37	10.02
Current service cost	28.80	18.26
Benefits paid	-	(23.49)
Actuarial loss/(gain) on obligations	(67.58)	(24.90)
Present value obligation as at the end of the year	73.69	105.10

Reconciliation of opening and closing balance of the fair value of plan assets

Particulars	Rs. In Lakh	
	March 31, 2018	March 31, 2017
Fair value of plan assets as at the start of the year	80.61	90.66
Return on plan assets	7.57	7.18
Contribution	53.99	1.23
Benefits paid	(25.84)	(16.67)
Premium	(3.15)	(1.79)
Fair value of plan assets as at the end of the year	113.18	80.61



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Amount Recognised in Balance Sheet

Particulars	Rs. in Lakh	
	March 31, 2018	March 31, 2017
Present value obligation as at the end of the year	(73.69)	(105.10)
Fair value of plan assets as at the end of the year	113.18	80.61
Net asset recognized in Statement of Financial Position	39.49	(24.49)

Amount Recognised in the Statement of Profit and Loss

Particulars	Rs. in Lakh	
	March 31, 2018	March 31, 2017
Current service cost	28.80	18.26
Interest cost	7.37	10.02
Expected return on plan assets	(7.57)	(7.18)
Actuarial Losses / (gains)	(67.58)	(24.90)
Premium Expenses	(3.15)	1.79
Amount recognised in the statement of profit and loss	(42.13)	(2.01)

Experience adjustments on Plan Liabilities and Assets

Particulars	Rs. in Lakh	
	March 31, 2018	March 31, 2017
Defined benefit obligations	73.69	105.10
Plan assets	113.18	80.61
Surplus/(deficit)	39.49	(24.49)

Breakup of Actuarial gain/loss

Particulars	Rs. in Lakh	
	March 31, 2018	March 31, 2017
Amount recognized in Other Comprehensive Income		
Actuarial Losses / (gains) on arising from change in	(67.58)	(24.90)

Principal Actuarial Assumptions used for estimating the Company's Defined benefit obligations are set out below :

Particulars	March 31, 2018	March 31, 2017
Discount rate	8%	8%
Future salary increase	5%	5%
Expected rate of return on plan assets	7.50%	8.25%
Mortality Table	LIC (2006-08)	LIC (2006-08)
Estimate of amount of contribution in the immediate next year (Rs. in Lakh)	19.74	16.00

Sensitivity analysis

Particulars	Rs. in Lakh	
	March 31, 2018	March 31, 2017
Impact of the change in discount rate		
Present value of obligation at the end of the year	(73.69)	(105.10)
a) Impact due to increase of 1 %	68.12	93.14
b) Impact due to decrease of 1 %	80.29	119.55
Impact of the change in salary increase		
Present value of obligation at the end of the year	(73.69)	(105.10)
a) Impact due to increase of 1 %	80.90	111.21
b) Impact due to decrease of 1 %	67.51	97.89

Experience adjustments :

	Rs. in Lakh			
	Present value of DBO	Fair value of plan assets	Experience gain/ (loss) adjustments on plan liabilities	Experience gain/ (loss) adjustments on plan assets
2013-14	47.46	35.37	24.39	-
2014-15	73.99	47.30	(7.39)	-
2015-16	125.21	90.66	(11.69)	-
2016-17	105.11	80.61	(24.90)	-
2017-18	73.69	113.18	(67.58)	-



Note on composition of Plan assets :

The Gratuity Scheme is invested in a Group Gratuity policy offered by Life Insurance Corporation of India (LIC). The invested return earned on the policy comprises interest declared by LIC having regard to LIC's investment earnings. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available. We understand that LIC's overall portfolio of assets is well diversified and as such, the long-term return on the policy is expected to be comparable with the rate of return on Central Government bonds.

Note 41: Related Party Information

Description of relationship

Holding Company	India Power Corporation Ltd. (w.e.f 30.09.2016)
Fellow Subsidiaries	IPCL Power Trading Pvt. Ltd. (w.e.f 30.09.2016) IPCL Pte Ltd. (w.e.f 30.09.2016) Edision Power Ltd. (w.e.f 30.09.2016) India Power Green Utility Pvt. Ltd. (w.e.f 30.09.2016) PL Sunravs Power Ltd. (w.e.f 30.09.2016) PL Solar Renewable Ltd. (w.e.f 30.09.2016) PL Surva Vidvut Limited (w.e.f 23.06.2017) India Uniper Power Services Pvt. Ltd. (w.e.f 30.09.2016) India Power Corporation (Bodhgaya) Ltd. (w.e.f 30.09.2016)

a) Name of Key Managerial Personnel

Name of Key Managerial Personnel	Designation
Mr. Jyoti Kumar Poddar	Whole Time Director (w.e.f 03.03.2017)

Note: Related parties have been identified by the Management.

b) Key Managerial Personnel Compensation

Description	Rs. in Lakh	
	March 31, 2018	March 31, 2017
Short term employee benefits	150.92	131.74
Annual-employment benefits	10.00	8.18
Termination benefits	10.08	0.78
Total compensation	171.00	140.70



c) Transactions during the year

Rs. in Lakh

Description	Fellow Subsidiary / Holding	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Purchase of Fuel (Coal), Interest and Demurrage Charges.		
Fellow Subsidiaries		
GDF Suez Energy Management Trading SCRL - Coal	-	9,263.32
GDF Suez Energy Management Trading SCRL - Interest	-	22.51
GDF Suez Energy Management Trading SCRL - Demurrages	-	74.13
Laborelec SCRL, Belgium		
- Fee for Professional/Technical Services	-	12.30
Kahrabel Fze, Dubai		
- Instinct fee	-	3.16
IPCL Power Trading Pvt. Ltd.		
- Sale of Power	17,571.57	6,249.45
- Open access Charges/Curtailments	567.05	317.98
- Trading Margin	132.85	59.80
- Other charges	415.56	-
- Compensation	994.78	-
- Surcharge	93.46	-
- Advance Payment for Open Access Charges	-	60.00
- Refund of Advance for Open Access Charges	-	40.00
India Power Corporation Ltd.		
- Sale of Power	1,203.81	-
India Uniper Power Services Pvt. Ltd.		
- Operation and maintenance expenses	2,135.34	-
Reimbursement of expenses		
Fellow Subsidiaries		
Kahrabel FZE, Dubai - Salary Cost	-	492.90
Holding Company		
India Power Corporation Ltd.	182.65	52.51
Expenses Incurred by MEL		
India Power Corporation Ltd.	17.24	-
Shares issued		
Holding Company		
ENGIE Global Developments B V (Formerly known as GDF Suez Energy International Global Developments B V)		
- Equity shares	-	1,96,476.84
- Conversion of CCD into Equity shares	-	7,831.60
India Power Corporation Ltd.		
- Equity shares	-	0.01
- Conversion of ICD into Equity shares	10,023.40	-
BGs issued on behalf of the Company		
- India Power Corporation Ltd.	-	10,023.40
Interest on ICDs		
- India Power Corporation Ltd.	982.64	75.90
Inter Corporate Deposits		
India Power Corporation Ltd.-Received	7,103.40	6,364.00
India Power Corporation Ltd.- Payment	375.00	-



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Description	Rs. In Lakh	
	March 31, 2018	March 31, 2017
Directors sitting fee		
Mr. Amit Kiran Deb	7.61	2.30
Mr. Jyoti Kumar Poddar	-	1.73
Mr. PNS Bhaskar Rao	3.51	1.15
Mr. Vinesh Kumar Jalrath	6.43	2.30
Mr. Jyotirmay Bhaumik	5.87	1.15
Mr. Raghav Raj Kanoria	4.09	1.73
Mr. Asok Kumar Goswami	2.36	-
Mr. D. Suresh	2.33	-
Receiving of services		
Mr. D. Suresh - Rent Paid	-	10.85
Reimbursement of expenses		
Mr. D. Suresh	-	8.51

d) Balance at the end of the year (fellow subsidiaries)

	Rs. In Lakh	
	March 31, 2018	March 31, 2017
Trade/amount payables (net)		
-IPCL Power Trading Pvt. Ltd. - Open Access Charges	1,423.54	341.13
-India Power Corporation Ltd.	168.77	35.59
-India Uniper Power Services Private Limited	169.15	-
Trade/amount Receivables (net)		
-GDF Suez Energy Management Trading SCRL	-	2.94
-Kahrabel Fze, Dubai	-	0.67
-IPCL Power Trading Pvt. Ltd. - Open Access Charges	539.44	242.95
-IPCL Power Trading Pvt. Ltd. - Sale of Power	1,849.02	6,073.87
India Power Corporation Ltd. - Sale of Power	90.23	-
Mr. D. Suresh	-	6.61
Mr. Jyoti Kumar Poddar	-	9.54
Mr. Raghav Raj Kanoria	-	0.45
Mr. Asok Kumar Goswami	0.45	-
Mr. Jyotirmay Bhaumik	0.45	-
India Power Corporation Ltd. (Inter Corporate Deposits)	3,069.00	6,364.00
Bank Guarantees		
India Power Corporation Ltd.	-	4,523.40

Note 42: Leases

(A) Operating leases – Assets taken on lease

Description of the lease

The Company does not have any non-cancellable operating lease. The Company has paid Rs. 18.71 Lakh (March 31, 2017: 123.51 Lakh) during the year towards the minimum lease payments.



Note 43: Financial Risk Management Objectives and Policies

Risk	Exposure arising from
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.
Liquidity Risk	Borrowings and other liabilities
Market Risk	Future commercial transactions

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 the Power Purchase agreement (PPA) entered with the Customers. Customers outstandings are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivable as low as the electricity business.

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.

(i) Financing arrangements

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

	Rs. In Lakh	
	March 31, 2018	March 31, 2017
Floating rate		
- Expiring within one year	21,554	-
- Expiring beyond one year	-	17,710

(ii) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for: all non-derivative financial liabilities, and net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the

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.

	Rs. In Lakh			
Contractual maturities of financial liabilities	Less than 6 months	6 months to 1 year	More than 1 year	Total
March 31, 2018				
Non-derivatives				
Interest bearing Borrowings	23,735.00	25,900.81	2,54,579.10	3,04,214.91
Trade payables & Others	8,209.57	-	96.11	8,305.68
Other financial liabilities	13,198.60	-	16,231.17	29,429.77
Total non-derivative liabilities	45,143.17	25,900.81	2,70,906.38	3,41,950.36

	Rs. In Lakh			
Contractual maturities of financial liabilities	Less than 6 months	6 months to 1 year	More than 1 year	Total
March 31, 2017				
Non-derivatives				
Interest bearing Borrowings	8,287.18	17,971.10	2,83,114.92	3,09,373.20
Trade payables & Others	14,955.54	-	120.22	15,075.76
Other financial liabilities	7,997.44	-	16,424.40	24,421.84
Total non-derivative liabilities	31,240.16	17,971.10	2,99,659.54	3,48,870.80



(ii) Cash flow and fair value interest rate risk

(a) Interest rate risk exposure

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

	Rs. In Lakh	
	March 31, 2018	March 31, 2017
Variable rate borrowings	2,89,989.91	2,90,807.02
Fixed rate borrowings	14,225.00	18,566.18
Total borrowings	3,04,214.91	3,09,373.20

(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.

	Rs. In Lakh	
	Impact on profit after tax	
	March 31, 2018	March 31, 2017
Interest rates – increase by 50 basis points (50 bps)	(374.96)	(420.45)
Interest rates – decrease by 50 basis points (50 bps)	374.96	420.45

Market Risk

Foreign Currency Risk Management

The Company's functional currency is Indian rupees (INR). The Company undertakes denomination in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's imports in relation to raw material and capital goods the Company is exposed to exchange rate risk under its debt portfolio.

Adverse movement in the exchange rate between the rupee and any relevant foreign currency results in increase in the Company's overall debt position in rupee terms without the Company having incurred additional debt. In order to hedge exchange rate risk, the Company has a policy to hedge cash flow upto a specific tenure using forward exchange contracts. The Company hedges its estimated foreign currency exposure in respect of imports and other payables.

The Company exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

Particulars	Rs. In Lakh	
	March 31, 2018	March 31, 2017
	Currencies	Currencies
	USD	USD
Financial liabilities		
Non Current financial Liabilities	-	5,402.97
Other Current financial liabilities	6,439.56	7,536.31
Foreign exchange forward contracts		
Buy Foreign Currency	-	3,002.18
Net exposure to foreign currency risk (liabilities)	6,439.56	9,937.10

Sensitivity

The following table details the Company's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies net of hedge accounting impact. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 1% against the relevant currency. For a 1% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.



Particulars	Increase		Decrease	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Payable				
USD/ INR	64.40	99.37	(64.40)	(99.37)

Note 44: Capital Management

(a) Risk Management

For the purpose of the Company's capital management, capital includes issued share capital and all other equity reserves attributable to the equity holders of the Company. The primary object of the Company is to maximise the shareholder value.

The Company manages its capital structure and makes adjustment in light of changes in economic condition and requirement of the financial covenants. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

	Rs. in Lakh	
	March 31, 2018	March 31, 2017
Net debt	3,02,495.79	3,03,694.83
Total equity	3,88,506.35	3,78,382.28
Net debt to equity ratio	78%	80%

Note 45: Earnings Per Share

	Earning per share for the year	
	March 31, 2018	March 31, 2017
Net profit/(loss) for the year (Rs. in Lakh)	80.45	43.88
Weighted average number of equity shares – for Basic EPS	4,00,93,41,516	3,00,57,65,599
Effect of dilutive potential equity share equivalent (Refer Note 1 below)	2,75,16,432	6,63,52,585
Weighted average number of equity shares – for diluted EPS	4,03,68,57,948	3,07,21,18,185
Par value per share	10	10
Earnings per share – Basic	0.0020	0.0015
Earnings per share – Diluted	0.0020	0.0015

Note 1 - Since the effect of conversion of convertible debentures was anti-dilutive during the year, it has not been considered for the purpose of computing Diluted EPS.

Note 46: Details of Derivative Instruments and Unhedged Foreign Currency Exposures

The Company has entered into forward contracts during the year to hedge against firm commitments and highly probable forecast transactions for payments to be made for the import of Capital equipment to be used for construction of Phase-II of Power plant as indicated below:

	Rs. in Lakh	
	As on March 31, 2018	As on March 31, 2017
(i) Outstanding forward exchange contracts :		
Currency	US\$	US\$
Amount	-	46.38
Buy/Sell	Buy	Buy
Cross Currency	INR	INR

Short term provisions include net mark-to-market loss of Rs. Nil (Previous year: Rs. 170.23 Lakh) relating to forward contracts which are outstanding at year end.



(ii) Unhedged foreign currency exposure :

	As on March 31, 2018		As on March 31, 2017	
	Foreign currency	Rs.	Foreign currency	Rs.
Trade payables	USD 99.00	6,439.56	USD 153.26	9,937.10

Note 47: Segment information

The Company is engaged in the business of power generation. As the Company operates in a single business and geographical segment, the reporting requirements for primary and secondary segment disclosure prescribed by Indian Accounting Standard 108 on Segment Reporting are not required.

Note 48: Details Of Loans Given, Investments Made And Guarantee Given Covered U/S 186(4) Of The Companies Act, 2013:

A. Details of Loans given:

The Company has not given any loan.

B. Details of Investments made:

The relevant details are given in Note No.12.

C. Details of Guarantee given and security provided:

The Company has not given any guarantee or provided any security.

Note 49: Since the Company has made aggregate losses for the past three years, the provisions relating to expenditure on Corporate Social Responsibility is not applicable to the Company for the financial year 2017-18.

Note 50: The Company has requested the lenders of phase - I to give credit for the higher interest charged by them amounting to Rs. 3,749.38 Lakh (March 31, 2017: Rs.27,565.43 Lakh). The Company is confident of their favourable disposition because of which the credit has been taken in the books of accounts.



Note 51: Fair Value Measurements

	March 31, 2018			March 31, 2017		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Mutual Funds	36,871.64	-	-	1,07,007.17	-	-
Security Deposits	-	-	164.17	-	-	190.30
Fixed Deposits	-	-	-	-	-	-
Interest due on Fixed Deposits	-	-	47.47	-	-	249.14
Interest recoverable	-	-	31,314.81	-	-	27,565.43
Other receivables	-	-	500.00	-	-	500.00
Receivable against encashment of Bank	-	-	1,000.00	-	-	1,000.00
Trade Receivables	-	-	4,993.27	-	-	8,160.41
Unbilled Receivables	-	-	-	-	-	1,207.33
Loans and Advances	-	-	4.92	-	-	8.03
Cash and Cash Equivalents	-	-	1,068.95	-	-	4,940.64
Other Bank Balances	-	-	8,414.76	-	-	5,516.65
Total Financial Assets	36,871.64	-	47,508.35	1,07,007.17	-	49,337.93
Financial Liabilities						
Borrowings	-	-	2,66,937.49	-	-	2,93,325.14
Creditors for Retention Money	-	-	5,807.44	-	-	7,652.31
Trade Payables	-	-	7,471.20	-	-	12,387.85
Other Current Financial Liabilities	-	-	58,270.08	-	-	30,180.14
Total Financial Liabilities	-	-	3,38,486.21	-	-	3,43,545.44

(i) Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

	Date of Valuation	Level 1	Level 2	Level 3	Total
At March 31, 2018					
Financial Assets					
Financial Investment at FVTPL					
Mutual Funds	31.3.2018	36,871.64	-	-	36,871.64
Total Financial Assets		36,871.64	-	-	36,871.64
At March 31, 2017					
Financial Assets					
Financial Investment at FVTPL					
Mutual Funds	31.3.2017	1,07,007.17	-	-	1,07,007.17
Total Financial Assets		1,07,007.17	-	-	1,07,007.17

Fair Value Technique

Investments in liquid and short-term mutual funds are measured using quoted market prices at the reporting date multiplied by the quantity held.

(ii) Fair value of financial assets and liabilities measured at amortised cost

	March 31, 2018		March 31, 2017	
	Carrying	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Security Deposits	164.17	164.17	190.30	190.30
Fixed Deposits	-	-	-	-
Interest due on Fixed Deposits	47.47	47.47	249.14	249.14
Interest recoverable	31,314.81	31,314.81	27,565.43	27,565.43
Receivable against encashment of Bank	1,000.00	1,000.00	1,000.00	1,000.00
Other Receivables	500.00	500.00	500.00	500.00
Trade Receivables	4,993.27	4,993.27	8,160.41	8,160.41
Unbilled Receivables	-	-	1,207.33	1,207.33
Loans and Advances	4.92	4.92	8.03	8.03
Cash and Cash Equivalents	1,068.95	1,068.95	4,940.64	4,940.64
Other Bank Balances	8,414.76	8,414.76	5,516.65	5,516.65
Total Financial Assets	47,508.35	47,508.35	49,337.93	49,337.93
Financial Liabilities				
Borrowings	2,66,937.49	2,66,937.49	2,93,325.14	2,93,325.14
Creditors for Retention Money	5,807.44	5,807.44	7,652.31	7,652.31
Trade Payables	7,471.20	7,471.20	12,387.85	12,387.85
Other Current Financial Liabilities	58,270.08	58,270.08	30,180.14	30,180.14
Total Financial Liabilities	3,38,486.21	3,38,486.21	3,43,545.44	3,43,545.44



Note : 52 Explanatory notes to Balance Sheet :

a) Fair valuation of investments

Long-term investments are carried at cost less provision for other than temporary decline in the value of such investments. Current investments are carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value.

b) Deferred tax

Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences. In addition, the various transitional adjustments lead to temporary differences. In the absence of virtual certainty supported by convincing evidence of the availability of future taxable income, the Deferred tax asset has not been recognised.

c) Security Deposits

Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the group has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid lease rent.

d) Fully Convertible Debentures

Under IND AS 109, a financial instrument should be classified by the issuer upon initial recognition as a financial liability or an equity instrument according to the substance of the contractual arrangement rather than its actual form and the definitions of financial liability and as equity instrument. Accordingly the company has classified 0% Fully Convertible Debentures from liability to equity.

e) Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss.

f) Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans, foreign exchange differences arising on translation of foreign operations, effective portion of gains and losses on cash flow hedging instruments and fair value gains or (losses) on FVOCI equity instruments.

Note : 53 Standards issued but not yet effective :

The standard issued, but not yet effective up to the date of issuance of the Company financial statements is disclosed below. The Company intends to adopt this standard when it becomes effective.

Ind AS 115 Revenue from Contracts with Customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. This Ind AS establishes a five step model to account for revenue arising from contracts with customers. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This standard will come into force from accounting period commencing on or after 1st April 2018. The Company will adopt the new standard on the required effective date. During the current year, the Company performed a preliminary assessment of Ind AS 115, which is subject to changes arising from a more detailed ongoing analysis.

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

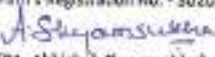
On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

Note 54: Previous Years Figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

See Accompanying Notes 1 to 54 forming part of the Financial Statements.

In Terms of Our Report Attached.

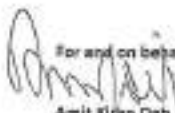
For G. P. AGRAWAL & CO.
Chartered Accountants
Firm's Registration No. - 302082E

(CA. Abhishek Shyamshukha)
Partner
Membership No. 302609


Place of Signature: Kolkata
Date: May 26, 2018





Kamal Kant
Chief Executive Officer

For and on behalf of the Board of Directors


Amit Kiran Deb
Director
DIN : 02107792


N.V. Raghunath
Chief Financial Officer


Jaydipmay Bhattacharya
Director
DIN : 06852162


R. Sambasiva Rao
Company Secretary