

FINANCIAL STATEMENT

2014-15

**TELING HYDRO POWER PRIVATE
LIMITED**

INDEPENDENT AUDITOR'S REPORT

TO,
THE MEMBERS,
Teling Hydro Power Private Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Teling Hydro Power Private Limited, which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. 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.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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,
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
 - b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date;and
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The company is not required to transfer amount to the Investor Education and Protection Fund of the Company.
- (g) As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, (hereinafter referred to as the "Order"), and on the basis of such checks of the books of accounts and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the Order.

For SHRIDHAR AND ASSOCIATES
Chartered Accountants
Firm's Register No. 134427W

Namrata Gandhi
(Partner)
(Membership No. 123140)

Place: Mumbai
Date: 22nd May, 2015

Annexure to the Auditors' Report

The Annexure referred to in our report to the members of TELING HYDRO POWER PRIVATE LIMITED for the year Ended on 31st March, 2015. We report that:

- i. The Company's project of Power Generation is under construction and development stage. The company does not have any fixed assets other than capital work in progress. Therefore provisions of Clause 3(i) (a) & (b) of the order are not applicable to the company.
- ii. The Company does not hold any inventory. Therefore, the provisions of clause 3(ii) of the Order are not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act. Therefore, the provisions of clause 3(iii)(a) and (b) 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 is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets (capital work in progress). During the year the Company did not undertake any activity of purchase of inventory, sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. In our opinion and explanation given to us, the Company has not accepted any deposits from the public and hence directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable.
- vi. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess on account of any dispute.

(c) The Company is not required to transfer to investor education and protection fund. Therefore, the provisions of clause 3(vii)(c) of the said Order are not applicable to the Company.

- viii. The accumulated losses of the Company did not exceed fifty per cent of its net worth as at March 31, 2015. The Company has incurred cash losses in the financial year ended on that date and in the immediately preceding financial year.
- ix. As the Company does not have any borrowings from any financial institution or bank nor has it issued any debenture as at the balance sheet date, the provisions of clause 3(ix) of the said Order are not applicable to the Company.
- x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 3(x) of the said Order are not applicable to the Company.
- xi. The Company has not raised any term loans. Accordingly, the provisions of Clause 3(xi) of the said Order are not applicable to the Company.
- xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For SHRIDHAR AND ASSOCIATES
Chartered Accountants
Firm's RegNo. 134427W

Place: Mumbai
Date: May, 2015

Namrata Gandhi
(Partner)
(Membership No.123140)

Teling Hydro Power Private Limited
Balance Sheet as at March 31, 2015

Particulars	Note	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3.1	1,190,900	1,190,900
Reserves and Surplus	3.2	195,082,015	195,086,095
Current liabilities			
Short-term borrowings	3.3	600,000	-
Other Current liabilities	3.4	101,124	689,314
Total		196,974,039	196,966,309
Assets			
Non-current assets			
Fixed assets			
Capital work-in-progress	3.5	196,947,642	196,815,881
Current assets			
Cash and Bank balance	3.6	26,397	150,428
Total		196,974,039	196,966,309

The notes are an integral part of these financial statements.

As per our attached report of even date

For Shridhar & Associates
Chartered Accountants
Firm Registration No. 134427W

Namrata Gandhi
Partner
Membership No. 123140

Kasturi Soundararajan
Director
DIN :03481637

Sunil Agarwal
Director
DIN :03636810

Place : Mumbai
Date : May 22, 2015

Place : Mumbai
Date : May 22, 2015

Teling Hydro Power Private Limited
Statement of Profit and Loss for the year ended March 31, 2015

Particulars	Note	Year Ended March 31, 2015 Rupees	Year Ended March 31, 2014 Rupees
Revenue		-	-
Total Revenue		-	-
Expenses			
Other Expenses	3.7	4,080	1,530
Total Expenses		4,080	1,530
Profit/(Loss) before tax		(4,080)	(1,530)
Tax expense		-	-
Profit/(Loss) for the year		(4,080)	(1,530)
Earnings per equity share (Face value Rs. 10 each)			
Basic and diluted (Refer Note 8)		(0.04)	(0.01)

The notes are an integral part of these financial statements.

As per our attached report of even date

For Shridhar & Associates
Chartered Accountants
Firm Registration No. 134427W

Namrata Gandhi
Partner
Membership No. 123140

Kasturi Soundararajan
Director
DIN :03481637

Sunil Agarwal
Director
DIN :03636810

Place : Mumbai
Date : May 22, 2015

Place : Mumbai
Date : May 22, 2015

Telling Hydro Power Private Limited
Cash Flow Statement for the year ended March 31, 2015

	Year ended March 31, 2015 Rupees	Year ended March 31, 2014 Rupees
A Cash Flow from/ (used in) Operating Activities		
Profit / (Loss) before Tax	(4,080)	(1,530)
other recoverable	-	-
Net Cash used in Operating Activities	(4,080)	(1,530)
B Cash Flow from/ (used in) Investing Activities		
Purchase of Fixed Assets /capital work-in-progress	(719,951)	(1,072,986)
Net Cash used in Investing Activities	(719,951)	(1,072,986)
C Cash Flow from/ (used in) Financing Activities		
Inter Corporate Deposits taken from Holding Company	600,000	-
Proceeds from Issue of Preference Share (including Premium)	-	1,100,000
Net Cash flow from Financing Activities	600,000	1,100,000
Net Increase in cash and cash equivalents (A+B+C)	(124,031)	25,484
Cash and Cash equivalents as at the Beginning of year		
Bank Balance with Schedule Bank in Current Account	150,428	124,944
Cash and Cash equivalents as at the end of the year		
Bank Balance with Schedule Bank in Current Account	26,397	150,428

Previous year figures have been regrouped and recast wherever necessary to the current year classification.

As per our attached report of even date

For Shridhar & Associates
Chartered Accountants
Firm Registration No. 134427W

For and on behalf of the Board of Directors

Namrata Gandhi
Partner
Membership No. 123140

Kasturi Soundararajan
Director
DIN :03481637

Sunil Agarwal
Director
DIN :03636810

Place: Mumbai
Date : May 22, 2015

Place: Mumbai
Date : May 22, 2015

Teling Hydro Power Private Limited
Notes to the financial statements for the year ended March 31, 2015

1. General Information

Teling Hydro Power Private Limited is a private company incorporated under the provisions of the Companies Act, 1956. It is a wholly owned subsidiary of Reliance Power Limited. The company has been set up as a special purpose vehicle to develop a 94 MW hydroelectric power project at Himachal Pradesh.

2. Significant Accounting Policies

a) Basis of Preparation

The Financial Statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the relevant provisions of the Companies Act, 2013 (The "Act") and the Accounting Standards notified under the Act. The Financial Statements are prepared on accrual basis under the historical cost convention and are presented in Indian Rupees round off to the nearest rupee.

b) Use of Estimates

The preparation and presentation of Financial Statements requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent liabilities as on the date of the Financial Statements and reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates is recognised in the period in which the results are known / materialised.

c) Tangible Assets and Capital Work-in-Progress

Tangible assets are stated at cost net of recoverable taxes, duties, trade discounts and rebates, less accumulated depreciation and impairment of loss, if any. The cost of Tangible Assets comprises of its purchase price, borrowing costs and adjustment arising for exchange rate variations attributable to the assets, including any cost directly attributable to bringing the assets to their working condition for their intended use. Subsequent expenditure related to an item of Tangible assets are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standards of performance.

Expenditure incurred on assets which are not ready for their intended used are disclosed under Capital-Work-In-Progress.

d) Impairment of 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 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 recognised in the Statement of Profit and Loss.

e) Depreciation / amortization

Tangible assets:

Depreciation on Tangible Assets is provided to the extent of depreciable amount on Straight Line Method (SLM) based on useful life of the assets as prescribed in Part C of Schedule II to the Companies Act, 2013.

f) Provisions, Contingent Liabilities and Contingent Assets:

Provisions: Provisions are recognised when there is present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation in respect of which reliable estimate can be made of the amount of the obligation.

Contingent liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that

Teling Hydro Power Private Limited

Notes to the financial statements for the year ended March 31, 2015 (continued)

arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made, is termed as contingent liability.

Where there is a possible obligation or a present obligation but the likelihood of outflow of resources is remote, no provision or disclosure is made as specified in Accounting standard 29 – "Provisions, Contingent Liability and Contingent Assets".

Contingent Assets: A contingent assets is neither recognised nor disclosed in the Financial Statements.

g) Foreign currency transactions

- (i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- (ii) All exchange differences arising on reporting of short term foreign currency monetary items at rates different from those at which they were initially recorded are recognised in the Statement of Profit and Loss.
- (iii) In respect of foreign exchange differences arising on revaluation or settlement of long term foreign currency monetary items, the Company has availed the option available in the Companies (Accounting Standards) (Second Amendment) Rules 2011, wherein
 - Foreign exchange differences on account of depreciable asset, is adjusted in the cost of depreciable asset and would be depreciated over the balance life of asset.
 - In other cases, foreign exchange difference is accumulated in "foreign currency monetary item translation difference account" and amortised over the balance period of such long term asset/liabilities.
 - An asset or liability is designated as a long term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of twelve months or more at the date of origination of the asset or the liability, which is determined taking into consideration the terms of the payment/settlement as defined under the respective agreement/memorandum of understanding.

h) Revenue recognition

Revenue from operations is recognised on an accrual basis.

i) Accounting for taxes on income

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

j) 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 date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Teling Hydro Power Private Limited
Notes to the financial statements for the year ended March 31, 2015 (continued)

k) Cash Flow Statement

Cash Flows are reported using the indirect method, whereby profit before 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.

l) Earnings per share

Basic earnings per share are computed by dividing the net profit or loss by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share are the net profit for the year. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

Teling Hydro Power Private Limited
Notes to the financial statements for the year ended March 31, 2015 (Continued)

	As At March 31, 2015 Rupees	As At March 31, 2014 Rupees
3.1 Share Capital		
Authorised Share Capital		
300,000 (Previous year : 300,000) equity shares of Rs. 10 each	3,000,000	3,000,000
2,000,000 (Previous year : 2,000,000) preference shares of Re. 1 each	2,000,000	2,000,000
	<u>5,000,000</u>	<u>5,000,000</u>
Issued, subscribed and fully paid up capital		
109,400 (Previous year : 109,400) equity shares of Rs.10 each fully paid up.	1,094,000	1,094,000
96,900 (Previous Year: 96,900) Preference shares of Re. 1 each fully paid up[refer note 3.1.2(b)]	96,900	96,900
	<u>1,190,900</u>	<u>1,190,900</u>

3.1.1 Reconciliation of number of shares

Equity shares		
Balance at the beginning of the year -109,400 (Previous year : 109,400) share of Rs.10 each	1,094,000	1,094,000
Balance at the end of the year - 109,400 (Previous year : 109,400) equity shares of Rs. 10 each	<u>1,094,000</u>	<u>1,094,000</u>
Preference shares [refer note no. 3.1.2(b)]		
Balance at the beginning of the year -96,900 (Previous year :95,800) share of Re. 1 each	96,900	95,800
Add: Issued during the year Nil (Previous year : 1,100) share of Re.1 each at premium of Rs.999 per share		1,100
Balance at the end of the year - 96,900 (Previous year : 96,900) shares of Re. 1 each	<u>96,900</u>	<u>96,900</u>

3.1.2 Terms/ rights attached to shares

a) Equity shares

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of the equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Preference Share

As on March 31, 2014 -7.5% non-cumulative non-convertible redeemable preference shares (NCRPS)

The Company has only one class of 7.5% Non-Cumulative Non-Convertible Redeemable Preference shares (NCRPS) having par value of Re. 1 per share which have been issued at a premium of Rs. 999 per share. These shares have a maturity period of twenty years from the date of issue. NCRPS, however, can be early redeemed on completion of 15 years at the option of the Company or shareholder at the issue price of Rs. 1,000 per share. Dividend on NCRPS is payable on the issue price of Rs. 1,000 per share.

As on March 31, 2015 -7.5% Compulsory Convertible Redeemable Non-Cumulative Preference Shares (CCRPS)

Pursuant to the special resolutions passed by the Preference Share Holders as also by the equity share holders, the Company has made modifications in the terms and conditions of the preference shares issued which are summarized below. Consequent to the modification/variations, NCRPS are termed now as 7.5% Compulsory Convertible Redeemable Non-Cumulative Preference Shares (CCRPS).

The Company shall have a call option on the shares which can be exercised by the Company in one or more tranches and in part or in full before the end of agreed tenure (20 years) of the said shares. In case the call option is exercised, the shares shall be redeemed at an issue price (i.e face value and premium). The holders of the preference shares however, shall have an option to convert the shares into equity shares at any time during the tenure of such shares. At the end of tenure and to the extent the Company or the share holder has not exercised their options, the preference shares shall be compulsorily converted into equity shares. On conversion, in either case, each preference share shall be converted into one fully paid equity share of Rs. 10 each at a premium of Rs. 990 share. If during the tenure of the preference shares, the Company declares equity dividend, the preference share holders shall also be entitled to dividend on their shares at the same rate as the equity dividend and this dividend will be over and above the coupon rate of 7.5%. These preference shares shall continue to be non cumulative.

Teling Hydro Power Private Limited

Notes to the financial statements for the year ended March 31, 2015 (Continued)

	As At March 31, 2015 Rupees	As At March 31, 2014 Rupees
3.1.3 Shares held by holding company		
Equity Shares		
Reliance Power Limited - 109,400 of Rs. 10 each fully paid up	1,094,000	1,094,000
(Of the above, 109,399 (Previous year : 109,399) Shares held by Reliance Power Limited, the Holding Company and the balance 1 Share is jointly held by Reliance Power Limited and its nominee)		
	<u>1,094,000</u>	<u>1,094,000</u>
Preference shares [refer note no. 3.1.2(b)]		
Reliance Power Limited - 96,900 (Previous year : 96,900) shares of Re. 1 each fully paid up	96,900	96,900
(Of the above, 96,900 (Previous year : 96,900) shares are held by Reliance Power Limited, the Holding Company)		
	<u>96,900</u>	<u>96,900</u>

3.1.4 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	Percentage of share holding	As At March 31, 2015	As At March 31, 2014
Equity Shares			
Reliance Power Limited (Equity Shares of Rs.10 each fully paid)	100%	109,400	109,400
	<u>100%</u>	<u>109,400</u>	<u>109,400</u>
Preference Shares [refer note no. 3.1.2(b)]			
Reliance Power Limited (Preference Shares of Re.1 each fully paid)	100%	96,900	96,900
	<u>100%</u>	<u>96,900</u>	<u>96,900</u>

Teling Hydro Power Private Limited

Notes to the financial statements for the year ended March 31, 2015 (Continued)

	As At March 31, 2015 Rupees	As At March 31, 2014 Rupees
3.2 Reserves and Surplus		
Securities Premium Account		
Balance as at beginning of the year	195,209,100	194,110,200
Add: Premium on Issue of Nil (Previous year: 1,100)		
Preference shares	-	1,098,900
Balance at the end of year	<u>195,209,100</u>	<u>195,209,100</u>
Surplus/(Deficit) in the statement of Profit and Loss		
Balance as at beginning of the period	(123,005)	(121,475)
Profit/(Loss) for the year	(4,080)	(1,530)
Balance at the end of the year	<u>(127,085)</u>	<u>(123,005)</u>
	<u>195,082,015</u>	<u>195,086,095</u>
3.3 Short-term borrowings		
Loan and Advances from related party.		
- Inter Corporate Deposits taken from Holding Company	600,000	-
(Interest free deposit for a period upto one year) (Refer note 7)		
	<u>600,000</u>	<u>-</u>
3.4 Other Current Liabilities		
Retention Money Payable	60,674	60,674
Creditors for expenses	36,850	622,472
Others (including Tax Deducted at Source)	3,600	6,168
	<u>101,124</u>	<u>689,314</u>

Teling Hydro Power Private Limited

Notes to the financial statements for the year ended March 31, 2015 (Continued)

3.5 Capital Work-in -progress

Particulars	Rupees		
	As at April 1, 2014	Incurred during the year	As At March 31, 2015
Expenditure pending allocation			
Electricity Expenses	8,871	-	8,871
Rent	999,984	41,666	1,041,650
Repairs and Maintenance - Others	6,001	-	6,001
Communication Expenses	1,800	-	1,800
Bank and Corporate Guarantee Charges	46	-	46
Legal and Professional Charges	1,130,234	83,104	1,213,338
Audit fees	69,663	24,719	94,382
Tender Fees	5,400,000	-	5,400,000
Premium Paid to State Government (Refer Note 4)	188,000,000	-	188,000,000
Printing and Stationary	1,254	-	1,254
Travelling and Conveyance	151,247	-	151,247
Site Expenses	870,855	(17,728)	853,127
Miscellaneous Expenses	175,926	-	175,926
Total Capital work-in-progress	196,815,881	131,761	196,947,642
Previous year	195,080,221	1,735,660	196,815,881

Teling Hydro Power Private Limited

Notes to the financial statements for the year ended March 31, 2015 (Continued)

	As At March 31, 2015 Rupees	As At March 31, 2014 Rupees
3.6 Cash and Bank Balances		
Cash and Cash Equivalents		
Bank balance in current account	26,397	150,428
	<u>26,397</u>	<u>150,428</u>
3.7 Other expenses		
Filing Fees	4,080	1,530
	<u>4,080</u>	<u>1,530</u>

Teling Hydro Power Private Limited

Notes to the financial statements for the year ended March 31, 2015 (continued)

4. Project status

The company was incorporated on May 19, 2011. Pursuant to Pre-Implementation Agreement with Government of Himachal Pradesh (GoHP) which was signed on June 01, 2011 Rs. 188,000,000 (Rupees Eighteen Crore Eighty Lacs Only) was paid to GoHP as Upfront fee for Development and commissioning of 94 MW Teling Hydro project on Built, Own, Operate and Transfer (BOOT) basis. Pre-Feasibility Report and Forest land diversion proposal has been submitted to GoHP. Application has been submitted to Ministry of Environment and Forest (MoEF) for approval of Terms of Reference (TOR) & pre-construction activity clearance. ToR approval & pre-construction activity clearance received from MoEF. Field & desk studies initiated; Topographical survey completed, Hydrological study report for the project has been approved by State for project planning purpose. Power Potential study have been submitted for approval.

5. Capital Commitments

Estimated amount of contracts remaining unexecuted on capital account and not provided for is Rs.1,483,152 (Previous year: Rs. 1,483,152).

6. Remuneration to Auditors

Particulars	Year ended March 31, 2015	Rupees Year ended March 31, 2014
As Statutory Auditor		
- Audit Fees (exclusive of service tax)	20,000	20,000
- Reimbursement of out-of-pocket expenses	2,247	2,247

7. Related Party Disclosure

As per Accounting Standard – 18 prescribed by Companies (Accounting Standards) Rules, 2006, the Company's related parties and transactions are disclosed below:

A. Parties where Control exists**Holding Company**

Reliance Power Limited (R Power)

B. Major Investing party/Promoters having significant influences on the Holding Company directly or indirectly**Companies**

Reliance Infrastructure Limited

Individual

Shri Anil D. Ambani

C. Related Parties with whom transactions have taken place during the year/ closing balance:

Particulars	2014-15	Rupees 2013-14
(i) Transactions during the year :		
Inter- corporate deposits received		
R Power	600,000	-
Proceeds for allotment of Preference shares		
R Power	-	1,100,000

Teling Hydro Power Private Limited

Notes to the financial statements for the year ended March 31, 2015 (continued)

Particulars	2014-15	2013-14
(ii) Closing Balance :		
Inter- corporate deposits payable		
- R Power	600,000	-
Equity share capital (excluding premium)		
- R Power	1,094,000	1,094,000
Preference share capital (excluding premium)		
- R Power	96,900	96,900

(iii) The above disclosure does not include transactions with public utility service providers, viz, electricity, telecommunications in the normal course of business.

8. Earning/(Loss) Per Share

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Profit / (Loss) for the year (Rupees) (A)	(4,080)	(1,530)
Weighted average Number of equity shares (B)	109,400	109,400
Earning/(Loss) per share – Basic and diluted (Rupees) (A/B)	(0.04)	(0.01)
Nominal value of an equity share (Rupees)	10	10

9. Segment Reporting

In accordance with Accounting Standard 17 "Segment Reporting" as prescribed under the Companies (Accounting Standard) Rules, 2006, the Company has determined its business segment as power generation. Since, there are no other business segments in which the Company operates, and further the power generated would be sold in India, there are no other primary reportable segments. Therefore, the segment revenue, segment results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as reported in the financial statements.

10. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Disclosure of amounts payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

11. Previous Year figures have been regrouped / recast wherever necessary to the current year classification.

For Shridhar & Associates
Chartered Accountants
Firm Registration No: 134427W

For and on behalf of the Board of Directors

Namrata Gandhi
Partner
Membership No. : 123140

Kasturi Soundararajan
Director
DIN : 03481637

Sunil Agarwal
Director
DIN : 03636810

Place : Mumbai
Date : May 22, 2015

Place : Mumbai
Date : May 22, 2015