

INDEPENDENT AUDITOR'S REPORT

To the Members of Chitrangi Power Private Limited Report on the Financial Statements

1. We have audited the accompanying financial statements of Chitrangi Power Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, 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 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows 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. 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, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

INDEPENDENT AUDITOR'S REPORT
To the Members of Chitrangi Power Private Limited
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Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', Issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and in terms of the information and explanations sought by us and given by the Company and the books and the records examined by us in the normal course of audit and to the best of our knowledge and belief, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. Further to our comments in the Annexure A, and 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, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Chaturvedi and Shah
Chartered Accountants
Firm Registration No. 101720W

Vijay Napawallya
Partner
Membership No. 109859

Place: Mumbai
Date: May 25, 2016

Annexure 'A' to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Chitrangl Power Private Limited on the financial statements as of and for the year ended March 31, 2016
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- (i) In respect of its fixed assets: -
- a) The Company has maintained proper records, showing full particulars including quantitative details and situation of its fixed assets.
 - b) The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies between book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
 - c) According to the information and explanations given to us and records examined by us, the title deeds of immovable properties as disclosed in note no. 3.9 of the Financial Statements are in the name of company except leasehold hold which is pending for execution of lease deed in favour of the Company.
- (ii) The Company does not have any inventory. Therefore the provisions of clause 3 (ii) of the Companies (Auditors' Report) Order, 2016 is not applicable.
- (iii) According to the information and explanations given to us, during the year the Company has not granted any loans secured/unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Thus, paragraph 3 (iii) of the Order is not applicable to the Company.
- (iv) The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- (v) The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the rules framed there under to the extent notified. During the year under audit, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve bank of India or any other tribunal.
- (vi) The Central Government of India pursuant to the Companies (Cost Records and Audit) Amendment Rules, 2014, ('Rules') has prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act to the Company. However, the Rules are not applicable to the Company, as the Company has not started commercial operations.
- (vii) In respect of statutory dues:
- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues. Further, there are no undisputed amounts payable outstanding as at March 31, 2016 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no dues of income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, and based on our audit procedures, we are of the opinion that the Company has not taken any loan from a financial institution, bank, Government, nor it has issued debentures. Therefore, the provisions of the Clause 3 (viii) of the said order are not applicable to the Company.

Annexure 'A' to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Chltrangi Power Private Limited on the financial statements as of and for the year ended March 31, 2016
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- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year under audit. Therefore, the provisions of the Clause 3 (ix) of the said order are not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) The Company has not paid managerial remuneration, accordingly, paragraph 3 (xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company, accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in accordance with the provisions of Section 177 and Section 188 of the Companies Act, 2013. The details of related party transactions have been disclosed in the financial statements as required under Accounting Standard 18, Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.
- (xiv) In our opinion and according to the information and explanations given to us, during the year under audit, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Hence the provisions of clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered any non-cash transactions with directors and persons connected with him. Hence the provisions of clause 3 (xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, therefore clause 3 (xvi) of the Order is not applicable to the Company.

For Chaturvedi and Shah
Chartered Accountants
Firm Registration No. 101720W

Vijay Napawaliya
Partner
Membership No. 109859

Place: Mumbai
Date: May 25, 2016

Annexure 'B' to Independent Auditors' Report

Referred to in paragraph 10 (f) of the Independent Auditors' Report of even date to the members of Chitrangi Power Private Limited on the financial statements for the year ended March 31, 2016.
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Report on the Internal Financial Controls under Clause (f) 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 Chitrangi Power Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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.

Annexure 'B' to Independent Auditors' Report

Referred to in paragraph 10 (f) of the Independent Auditors' Report of even date to the members of Chitrangl Power Private Limited on the financial statements for the year ended March 31, 2016.
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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, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting Issued by the Institute of Chartered Accountants of India.

For Chaturvedi and Shah
Chartered Accountants
Firm Registration No. 101720W

Vijay Napawaliya
Partner
Membership No. 109859

Place: Mumbai
Date: May 25, 2016

Chitrangi Power Private Limited
Balance Sheet as at March 31, 2016

Particulars	Note	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3.1	1,100,000	1,100,000
Reserves and Surplus	3.2	977,997,980	1,002,294,994
Non-Current Liabilities			
Long-term borrowings	3.3	-	12,700,000,000
Other Long Term Liabilities	3.4	32,641,395	32,641,395
Long Term Provisions	3.5	-	783,549
Current Liabilities			
Short Term Borrowings	3.6	12,860,950,000	145,050,000
Other Current Liabilities	3.7	5,913,469	229,758,280
Short Term Provisions	3.8	-	101,549
Total		<u>13,878,602,844</u>	<u>14,111,729,767</u>
Assets			
Non-Current Assets			
Fixed Assets			
Tangible Assets	3.9	766,865,690	775,737,076
Intangible Assets	3.9	-	387,414
Capital Work-in-Progress	3.10	876,548,657	876,548,657
Long Term Loans and Advances	3.11	12,234,798,447	12,458,452,649
Other Non-Current Assets	3.12	147,576	134,696
Current Assets			
Cash and Cash Equivalents	3.13	242,474	439,502
Short Term Loans and Advances	3.14	-	29,773
Total		<u>13,878,602,844</u>	<u>14,111,729,767</u>

The notes are an integral part of these financial statements.

As per our attached report of even date.

Chitrangi Power Private Limited

As per our Report of even date.

For Chaturverdi & Shah
Firm Registration No.101720W
Chartered Accountants

Vijay Napawallya
Partner
Membership No.109859

For and on behalf of the Board of Directors

Venkata Rachakonda
Director
DIN 07014032

S Sankaran
Director
DIN 01765310

Shrikant D Kulkarni
Director
DIN 05136399

Ashwin Purohit
Director
DIN 07062599

Date : May 25, 2016
Place : Mumbai

Date : May 25, 2016
Place : Mumbai

Chitrangi Power Private Limited**Statement of Profit and Loss for the year ended March 31, 2016**

Particulars	Note	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
Revenue			
Other Income	3.15	12,880	8,000
Total Revenue		<u>12,880</u>	<u>8,000</u>
Expenses			
Employee benefits expense	3.16	3,804,377	-
Finance Charges	3.17	10,716,042	113,836
Depreciation		9,258,801	-
Other Expenses	3.18	528,194	11,526
Total Expenses		<u>24,307,414</u>	<u>125,362</u>
Profit Before Tax		(24,294,534)	(117,362)
Tax Expense			
Current Tax		-	2,742
Income Tax for earlier year		2,480	-
(Loss) / Profit for the year		<u>(24,297,014)</u>	<u>(120,104)</u>
Earnings /(Loss) per equity share: (Face value of Rs. 10 each)			
Basic and Diluted (Refer Note No. 9)		(2,429.70)	(12.01)

The notes are an integral part of these financial statements.

Chitrangi Power Private Limited

As per our Report of even date.

For Chaturverdi & Shah
Firm Registration No.101720W
Chartered Accountants

Vijay Napawallya
Partner
Membership No.109859

For and on behalf of the Board of Directors

Venkata Rachakonda
Director
DIN 07014032

S Sankaran
Director
DIN 01765310

Shrikant D Kulkarni
Director
DIN 05136399

Ashwin Purohit
Director
DIN 07062599

Date : May 25, 2016
Place : Mumbai

Date : May 25, 2016
Place : Mumbai

Chitrangi Power Private Limited
Cash Flow Statement for the year ended March 31, 2016

	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
(A) Cash Flow from/(used in) Operating Activities		
Profit / (Loss) Before Tax	(24,294,534)	(117,362)
Adjustments for:		
Depreciation	9,258,801	-
Interest Income	(12,880)	(8,000)
Finance Cost	-	113,836
Changes in working Capital		
Current liabilities	(1,421,539)	
Current Assets	362,724	
Net Cash used in Operating Activities	(16,107,428)	(11,526)
(B) Cash Flow from/(used in) Investing Activities		
Purchase of Fixed Assets (including Capital Work in Progress and Capital Advances)	-	(25,978,344)
Interest Received	12,880	-
Income Tax (Paid) / Refund Received (Net)	(2,480)	-
Net Cash used in Investing Activities	10,400	(25,978,344)
(C) Cash Flow from/(used in) Financing Activities		
Inter Corporate Deposits Received	15,900,000	134,180,000
Refund of Inter Corporate Deposits Given	-	(143,400,000)
Refund of intercorporate deposit from related parties	-	47,720,000
Interst on ICD paid	-	(13,159,396)
Net Cash from Financing Activities	15,900,000	25,340,604
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(197,028)	(649,266)
Cash and Cash Equivalents at the beginning of the Year		
Bank Balances in Current Accounts	439,502	1,088,768
Cash and Cash Equivalents at the end of the Year		
Bank Balances in Current Accounts	242,474	439,502

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

Chitrangi Power Private Limited

As per our Report of even date.

For Chaturverdi & Shah
Firm Registration No.101720W
Chartered Accountants

Vijay Napawallya
Partner
Membership No.109859

For and on behalf of the Board of Directors

Venkata Rachakonda
Director
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S Sankaran
Director
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Director
DIN 05136399

Ashwin Purohit
Director
DIN 07062599

Date : May 25, 2016
Place : Mumbai

Date : May 25, 2016
Place : Mumbai

Chitrangi Power Private Limited

Notes to the financial statements as of and for the year ended March 31, 2016

1. General Information:

Chitrangi Power Private Limited, a wholly owned subsidiary of Reliance Power Limited, has been set up to develop a 3,960 MW (6X660 MW) super critical coal fired thermal power project at Chitrangi Tehsil, District Singrauli in the State of Madhya Pradesh, based on the Memorandum of Understanding entered into between Reliance Power Limited (Holding Company) and the Government of Madhya 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, comprising direct cost, related incidental expenses and attributable borrowing cost are disclosed as Capital Work in Progress.

All project related expenditure viz, civil works, machinery under erection, construction and erection materials, pre-operative expenditure incidental / directly attributable to construction of project, borrowing cost, are disclosed as Capital Work-in-Progress.

Deposit, payments/ liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.

Chitrangi Power Private Limited

Notes to the financial statements as of and for the year ended March 31, 2016 (continued)

d) Intangible Assets:

- (i) Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises of purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use and adjustment arising from exchange rate variation attributable to the intangible assets.
- (ii) Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under Capital Work-in-Progress.

e) 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.

f) Depreciation / Amortization:

- (i) Tangible Assets:
Tangible Assets are depreciated on pro rata basis as per useful life on the Straight Line Method (SLM) as prescribed in part C of Schedule II to the Companies Act, 2013.
- (ii) Intangible Assets:
Software expenses are amortised on a straight line basis over a period of three years.

g) Investments:

Long term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined of value of long-term investments and made for each investment individually. Current investments are valued at lower of cost and fair value.

h) Provisions, Contingent Liabilities and Contingent Assets

- (i) 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.
- (ii) 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 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”.

- (iii) Contingent Assets:
A contingent asset is neither recognised nor disclosed in the Financial Statements.

Chitrangi Power Private Limited

Notes to the financial statements as of and for the year ended March 31, 2016 (continued)

i) Borrowing Costs:

Borrowing cost that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

j) Foreign currency transactions:

- (i) Transactions 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.

k) Revenue recognition:

Profit on sale/redemption of investment is accounted on sale/redemption of such investments. Dividend on investment is accounted when the right to receive payment is established in the entity's favour. Interest on deposits is accounted for on an accrual basis.

l) Employee benefits:

Employee benefits consist of Provident Fund, Superannuation Fund, Gratuity Scheme and Leave Encashment.

- (i) Defined contribution plans:
Contributions to defined contribution schemes such as provident fund and superannuation are charged off to the Statement of Profit and Loss/ Capital Work-In-Progress, as applicable, during the year in which the employee renders the related service.

Chitrangi Power Private Limited

Notes to the financial statements as of and for the year ended March 31, 2016 (continued)

(ii) **Defined Benefit Plans:**

The Company also provides employee benefits in the form of gratuity and leave encashment, the liability for which as at the year-end is determined by independent actuaries based on actuarial valuation using the projected unit credit method. Such defined benefits are charged off to the Statement of Profit and Loss / capital work-in-progress, as applicable. Actuarial gain / losses are recognised in the year in which they arise.

(iii) **Short term/ long term employee benefits:**

All employee benefits payable wholly within twelve months of rendering the service including performance incentives and compensated absences are classified as short term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are charged off to the Statement of Profit and Loss / capital work-in-progress, as applicable. The employee benefits which are not expected to occur within twelve months are classified as long term benefits and are recognised as liability at the net present value.

m) 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.

n) 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.

o) 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.

p) 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 after deducting preference share dividend and attributable tax 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.

Chitrangi Power Private Limited

Notes to the financial statements as of and for the year ended March 31, 2016 (continued)

3.1 Share Capital

	As At March 31, 2016 Rupees	As At March 31, 2015 Rupees
Authorised Share Capital		
2,40,00,000 (Previous Year : 2,40,00,000) Equity Shares of Rs.10	240,000,000	240,000,000
1,00,00,000 (Prevoius Year : 1,00,00,000) Preference Shares of Re. 1	10,000,000	10,000,000
	250,000,000	250,000,000
Issued Capital		
10,000 (Previous Year: 37,25,770) Equity Shares of Rs. 10 each	100,000	37,257,700
1,00,00,000 (Previous Year: 1,00,00,000) preference shares Re. 1 each	10,000,000	10,000,000
[Refer Note 3.1.2 (b) below]	10,100,000	47,257,700
Subscribed and Paid up Capital		
10,000 (Previous Year: 10,000) Equity Shares of Rs. 10 each fully paid up	100,000	100,000
1,00,00,000 (Previous Year: 1,00,00,000) preference shares Re. 1 each full paid up	1,000,000	1,000,000
[Refer Note 3.1.2 (b) below]	1,100,000	1,100,000

3.1.1 Reconciliation of number of Shares**Equity Shares**

Balance at the beginning of the year - 10,000 (Previous year - 10,000) shares of Rs. 10 each	100,000	100,000
Balance at the end of the year - 10,000 (Previous year - 10,000) shares of Rs. 10 each	100,000	100,000

Preference Shares

Balance at the beginning of the year - 10,00,000 (Previous year - 10,00,000) shares of Re. 1 each	1,000,000	1,000,000
Balance at the end of the year - 10,00,000 (Previous year - 10,00,000) shares of Re. 1 each	1,000,000	1,000,000

3.1.2 Rights, preferences and restrictions attached to shares**a) Equity Shares**

The Company has only one class of equity shares having face 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.

Chitrangi Power Private Limited

Notes to the financial statements as of and for the year ended March 31, 2016 (continued)

b) Preference Shares

7.5% Compulsory Convertible Redeemable Non-Cumulative Preference Shares (CCRPS)

" The Company shall have a call option on CCRPS 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, CCRPS shall be redeemed at an issue price (i.e face value and premium). The holders of CCRPS however, shall have an option to convert CCRPS 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 shareholder has not exercised their options, CCRPS shall be compulsorily converted into equity shares. On conversion, in either case, each CCRPS 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 CCRPS, the Company declares equity dividend, CCRPS 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."

c) Shares held by holding company

	As At March 31, 2016 Rupees	As At March 31, 2015 Rupees
Equity Shares		
Reliance Power Limited 10,000 (Previous year : 10,000) Equity Shares of Rs.10 each fully paid (Out of the above, 1 (Previous Year: 1) share is jointly held by Reliance Power Limited and its nominees)	100,000	100,000
	100,000	100,000
Preference Shares [Refer Note 3.1.2 (b)]		
Reliance Power Limited 10,00,000 (Previous Year : 10,00,000) preference shares Rs.1 each fully paid	1,000,000	1,000,000
	1,000,000	1,000,000

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

	Percentage of Shareholding	As At March 31, 2016 No. of Shares	As At March 31, 2015 No. of Shares
Equity Shares			
Reliance Power Limited	100%	10,000	10,000
		10,000	10,000
Preference Shares [Refer Note 3.1.2 (b)]			
Reliance Power Limited	100%	1,000,000	1,000,000
		1,000,000	1,000,000

Chitrangi Power Private Limited

Notes to the financial statements as of and for the year ended March 31, 2016 (continued)

	As At March 31, 2016 Rupees	As At March 31, 2015 Rupees
3.2 Reserves and Surplus		
Securities Premium Account		
Balance as per last Balance Sheet	999,000,000	999,000,000
Balance as at the end of the year	999,000,000	999,000,000
Surplus/(Deficit) in the Statement of Profit and Loss		
Balance as per last Balance Sheet	3,294,994	3,415,098
Add : (Loss) / Profit for the year	(24,297,014)	(120,104)
Balance as at the end of the year	(21,002,020)	3,294,994
	977,997,980	1,002,294,994
3.3 Long Term Borrowings		
Unsecured :		
Nil (Previous Year : 12,700) 0 % Unsecured Compulsorly Convertible Debentures of Rs. 10,00,000 each (refer note 12)	-	12,700,000,000
	-	12,700,000,000
3.4 Other Long Term Liabilities		
Retention Money Payable	32,641,395	32,641,395
	32,641,395	32,641,395
3.5 Long Term Provisions		
Provision for Gratuity (refer note 10)	-	248,415
Provision for Leave Encashment (refer note 10)	-	535,134
	-	783,549
3.6 Short Term Borrowings		
Unsecured :		
Inter Corporate Deposits from related parties (refer note 12) (Unsecured, interest free and repayable on demand)	12,860,950,000	145,050,000
	12,860,950,000	145,050,000
3.7 Other Current Liabilities		
Creditors for Capital Expenditure (refer note 7)	4,480,287	227,748,402
Retention Money Payable	1,387,481	1,387,481
Others (including Provident Fund and Tax Deducted at Source and other miscellaneous payables)	45,701	622,397
	5,913,469	229,758,280
3.8 Short Term Provisions		
Provision for Gratuity (refer note 10)	-	76,751
Provision for Leave Encashment (refer note 10)	-	24,798
	-	101,549

Chitrangi Power Private Limited
Notes to the financial statements as of and for the year ended March 31, 2016 (continued)

3.9 Tangible Assets

Rupees

Particulars	Gross Block (at cost)			Depreciation			Net Block	
	As at April 1, 2015	Additions during the year	As at March 31, 2016	As at April 1, 2015	For the Year	Upto Mar 31, 2016	As at March 31, 2016	As at March 31, 2015
Freehold Land	245,579,637	-	245,579,637	-	-	-	245,579,637	245,579,637
Leasehold Land	528,751,608	-	528,751,608	19,875,856	5,551,892	25,427,748	503,323,860	508,875,752
Buildings	5,343,116	-	5,343,116	5,343,116	-	5,343,116	-	-
Plant and Equipment	24,628,656	-	24,628,656	5,471,104	3,119,855	8,590,959	16,037,697	19,157,552
Furniture and Fixtures	334,696	-	334,696	278,976	9,637	288,613	46,083	55,720
Motor Vehicles	809,875	-	809,875	419,870	90,537	510,407	299,468	390,005
Office Equipments	1,928,594	-	1,928,594	821,187	40,669	861,856	1,066,738	1,107,407
Computers	1,639,582	-	1,639,582	1,068,579	58,796	1,127,375	512,207	571,003
Total Tangible Assets	809,015,764	-	809,015,764	33,278,688	8,871,386	42,150,074	766,865,690	775,737,076
Previous Year	809,015,764	-	809,015,764	24,105,092	9,173,596	33,278,688	775,737,076	

* Leasehold Land has been capitalised on the basis of advance possession received from the Government of Madhya Pradesh on payment of all dues against the land. However, this is pending execution of lease deed in favor of the Company.

3.9 Intangible Assets

Rupees

Particulars	Gross Block (at cost)			Amortisation			Net Block	
	As at April 1, 2015	Additions during the year	As at March 31, 2016	As at April 1, 2015	For the Year	Upto Mar 31, 2016	As at March 31, 2016	As at March 31, 2015
Computer Software	1,162,186		1,162,186	774,772	387,414	1,162,186	-	387,414
Total Tangible Assets	1,162,186	-	1,162,186	774,772	387,414	1,162,186	-	387,414
Previous Year	1,162,186	-	1,162,186	387,357	387,415	774,772	387,414	

Chitrangi Power Private Limited

Notes to the financial statements as of and for the year ended March 31, 2016 (continued)

3.10 Capital Work-in-Progress

Rupees

Particulars	As at April 1, 2015	Incurred during the year	As at March 31, 2016
A. Assets under Construction	350,809,282	-	350,809,282
B. Expenditure pending allocation			
Interest and Finance Charges	255,013,600	-	255,013,600
Rent	921,100	-	921,100
Repairs and Maintenance - Others	6,610,079	-	6,610,079
Employee Benefit Expenses			
- Salaries and other costs	50,004,120	-	50,004,120
- Contribution to Provident and Other Funds	2,305,382	-	2,305,382
- Gratuity and Leave Encashment	1,238,631	-	1,238,631
Staff Welfare	874,509	-	874,509
Depreciation /Amortisation	34,063,030	-	34,063,030
Insurance Charges	510,355	-	510,355
Rates and Taxes	105,800	-	105,800
Tender and Application Fees	2,305,000	-	2,305,000
Bank and Corporate Guarantee Charges	44,187,043	-	44,187,043
Printing and Stationary	285,893	-	285,893
Legal and Professional Charges (including shared service charges)	36,087,808	-	36,087,808
Social Welfare Expenses	19,484,202	-	19,484,202
Communication Expenses	1,243,887	-	1,243,887
Travelling and Conveyance	33,969,908	-	33,969,908
Administration Expenses	2,697,389	-	2,697,389
Expenditure towards Acquisition of Land	30,625,512	-	30,625,512
Miscellaneous Expenses	3,206,127	-	3,206,127
	525,739,375	-	525,739,375
Total Capital Work in Progress (A+B)	876,548,657	-	876,548,657
Previous Year	846,519,844	30,028,813	876,548,657

Chitrangi Power Private Limited

Notes to the financial statements as of and for the year ended March 31, 2016 (continued)

	As At March 31, 2016 Rupees	As At March 31, 2015 Rupees
3.11 Long Term Loans and Advances		
(Unsecured and considered good unless stated otherwise)		
Capital Advances	12,177,748,803	12,401,086,524
Security Deposit	29,915,250	29,915,250
Advance Recoverable in Cash or Kind	27,112,415	27,112,416
Advance Income Tax (Net of Provision for taxes : Rs. 5,222) (Previous year: Rs. 8,58,446)	21,979	338,459
	<u>12,234,798,447</u>	<u>12,458,452,649</u>
3.12 Other Non-Current Assets		
(Unsecured and considered good unless stated otherwise)		
Non-Current Bank Balances Rs. 1,00,000 (Previous Year Rs. 1,00,000) lien with Sales Tax Department)	100,000	100,000
Interest Accrued on Deposits	47,576	34,696
	<u>147,576</u>	<u>134,696</u>
3.13 Cash and Cash Equivalents		
Balance with Banks - in Current Account	242,474	439,502
	<u>242,474</u>	<u>439,502</u>
3.14 Short Term Loans and Advances		
(Unsecured and considered good unless stated otherwise)		
Advance to Employees	-	10,000
Prepaid Expenses	-	19,773
	<u>-</u>	<u>29,773</u>

Chitrangi Power Private Limited**Notes to the financial statements as of and for the year ended March 31, 2016 (continued)**

	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
3.15 Other Income		
Interest Income from Bank Deposits	12,880	8,000
	<u>12,880</u>	<u>8,000</u>
3.16 Employee benefit expenses		
Salaries, Bonus and Other Allowances	3,592,264	-
Contribution to Provident Fund and other Funds	202,113	-
Welfare Expenses	10,000	-
Total	<u>3,804,377</u>	<u>-</u>
3.17 Finance charges		
Bank Guarantee Commission	10,716,042	-
Interest on Inter Corporate Deposits	-	113,836
	<u>10,716,042</u>	<u>113,836</u>
3.18 Other Expenses		
Legal and Professional Charges	277,935	-
Postage and Courier	950	-
Travelling and Conveyance	149,910	-
Insurance	39,191	-
Rates and taxes	2,500	-
Miscellaneous Expenses	57,708	11,526
	<u>528,194</u>	<u>11,526</u>

Chitrangi Power Private Limited**Notes to the financial statements as of and for the year ended March 31, 2016 (continued)****4. Project Status:**

The Company is setting up a 6x660 MW (3,960 MW) super critical coal-fired thermal power project at Chitrangi Tehsil in Singrauli District of Madhya Pradesh. It has already received all the major clearances and approvals required for the implementation of the project.

The Company is in possession of entire Government and Private land required for the project and has commenced work of area grading, boundary wall construction and early enabling works at the project site. The Engineering, Procurements and Construction (EPC) contract has already been awarded on a turnkey basis and the Company has paid capital advances.

The Company would be using coal as the primary fuel which would be obtained from various foreign and domestic sources through linkage, e-auction and other supply arrangements.

5. Capital commitment

Estimated amount of contracts (net of capital advance) remaining to be executed on capital account and not provided for Rs. 155,864,819,276 (Previous year: Rs. 151,060,736,828).

6. Details of Remuneration to Auditors:

Particulars	Rupees	
	Year ended March 31, 2016	Year ended March 31, 2015
As Statutory Auditors (Excluding Service tax) - For Statutory Audit	1,50,000	1,50,000

7. Micro and Small Scale Business Entities:

Disclosure of 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, as per the information available with the Company. 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.

Chitrangi Power Private Limited**Notes to the financial statements as of and for the year ended March 31, 2016 (continued)****8. Related Party Disclosures:**

As per Accounting Standard - 18 "Related Party Disclosures" as prescribed under the Companies (Accounting Standard) 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. Fellow Subsidiary

Reliance Cleangen Limited (RCGL)

Sasan Power Limited (SPL)

C. Details of transactions during the year and closing balance at the end of the year

Particulars	Year ended March 31, 2016	Rupees Year ended March 31, 2015
(i) Transactions during the year :		
Reimbursement of expenses		
R Power	10,985,845	12,498,011
SPL	816,105	-
Debentures		
R Power	-	12,700,000,000
Inter-corporate deposits received		
R Power	15,900,000	145,050,000
RCGL	-	4,900,000
Inter-corporate deposits refunded		
R Power	-	47,720,000
RCGL	-	4,900,000
(ii) Closing Balance		
Equity share capital (excluding premium)		
R Power	100,000	100,000
Preference shares		
R Power	1,000,000	1,000,000
Debentures		
R Power (Refer Note 12)	-	12,700,000,000
Inter-corporate deposits received		
R Power (Refer Note 12)	12,860,950,000	145,050,000
Guarantees		
R Power	1,150,824,000	1,150,824,000

Chitrangi Power Private Limited**Notes to the financial statements as of and for the year ended March 31, 2016 (continued)****9. Earnings per Share (EPS):**

	Year ended March 31, 2016	Rupees Year ended March 31, 2015
Profit / (Loss) attributable to equity shareholders (Rupees) (A)	(24,297,014)	(1,20,104)
Weighted average number of equity shares for basic earnings per share (B)	10,000	10,000
Earnings / (Loss) per share- basic (Rupees) (A/B)	2429.70	(12.01)
Nominal value of an equity share (Rupees)	10	10

7.5% Compulsory Convertible Redeemable Non-Cumulative Preference Shares had an anti-dilutive effect on earnings per share and hence have not been considered for the purpose of computing dilutive earnings per share.

10. Disclosure under Accounting Standard (revised 2005) "Employee Benefit" (AS-15):

The Company has classified various employee benefits as under:

(A) Defined contribution plans

- a) Provident fund
- b) Superannuation fund
- c) State defined contribution plans
 - Employers' Contribution to Employees' Deposit Linked Insurance
 - Employers' Contribution to Employees' Pension Scheme 1995

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner and the superannuation fund is administered by the Trust. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The Company has recognized the following balances as capital work in progress, for the year:

	Year ended March 31, 2016	Rupees Year ended March 31, 2015
Contribution to Provident Fund	120,540	1,94,576
Contribution to Employee's Superannuation Fund	49,998	99,996
Contribution to Employee's Deposit Linked Insurance Scheme	1,575	2,373
Contribution to Employee's Pension Scheme 1995	30,000	76,132

(B) Defined Benefit Plans

- a) Gratuity
- b) Leave Encashment

Leave encashment is payable to eligible employees who have earned leave, during the employment and/or on separation as per the Company's policy.

Valuations in respect of gratuity and leave encashment have been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

Chitrangi Power Private Limited

Notes to the financial statements as of and for the year ended March 31, 2016 (continued)

	Rupees			
	Year ended March 31, 2016		Year ended March 31, 2015	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
a) Discount Rate (Per annum)	-	-	7.85%	7.85%
b) Rate of increase in Compensation levels	-	-	7.50%	7.50%
c) Rate of Return on Plan Assets	-	-	-	-
d) Expected average remaining working lives of employees in number of years	-	-	9.69	-
(i) Changes in present Value of Obligation				
Opening balance of present value of obligation	325,166	559,932	2,30,319	500,473
Interest cost	-	-	21,605	55,288
Current Service cost	-	-	44,848	1,83,719
Actuarial (Gain) / Loss	-	-	28,414	(84,973)
Benefits Paid	(70293)	-	-	(94,575)
Liabilities settled on divestiture	(254873)	(559,932)	-	-
Closing balance of present value of obligation	-	-	3,25,166	5,59,932
(ii) Changes in Fair Value of Plan Assets				
Employers' Contributions	-	-	-	94,575
Benefits Paid	-	-	-	(94,575)
(iii) Reconciliation of the Present Value of Defined present obligations and the Fair value of Assets				
Present value of Unfunded Obligation	-	-	3,25,166	5,59,932
Unfunded Net Liability recognised in the Balance Sheet	-	-	3,25,166	5,59,932
(iv) Amounts recognized in the Balance Sheet				
Present Value of Obligation (Asset)/ Liability recognised in the Balance Sheet	-	-	3,25,166	5,59,932
(v) Expenses recognized in Capital Work-in-Progress				
Current Service Cost	-	-	44,828	1,83,719
Interest Cost	-	-	21,605	55,288
Expected Return on Plan Assets	-	-	-	-
Net Actuarial(Gain)/Loss	-	-	28,414	(84,973)
Total Expenses recognized in Capital Work-in-Progress	-	-	94,847	1,54,034
(vi) Expected Employer's contribution for the next year				
	-	-	76,751	24,798

Chitrangi Power Private Limited**Notes to the financial statements as of and for the year ended March 31, 2016 (continued)****Disclosure as required under Para 120 (n) of AS -15:****Gratuity**

Sr.No.	Particulars	2015-16	2014-15	2013-14	2012-13	Rupees 2011-12
(i)	Present Value of the Defined Benefit Obligation	-	3,25,166	2,30,319	1,73,792	1,63,076
	Fair Value of the Plan Assets	-	-	-	-	-
	(Surplus)/ Deficit in the Plan	-	(3,25,166)	(2,30,319)	(1,73,792)	(1,63,076)
ii)	Experience Adjustments					
	On Plan liabilities	-	(5,402)	10,126	1,00,470	2,88,829
	On Plan Assets	-	-	-	-	-
	Net Experience Adjustment (Gain)/(Loss)	-	(5,402)	10,126	1,00,470	2,88,829

Leave Encashment

Sr.No.	Particulars	2015-16	2014-15	2013-14	2012-13	Rupees 2011-12
(i)	Present Value of the Defined Benefit Obligation	-	5,59,932	5,00,473	4,00,453	2,85,152
	Fair Value of the Plan Assets	-	-	-	-	-
	(Surplus)/ Deficit in the Plan	-	(5,59,932)	(5,00,473)	(4,00,453)	(2,85,152)
ii)	Experience Adjustments					
	On Plan liabilities	-	1,27,018	92,762	33,773	2,46,459
	On Plan Assets	-	-	-	-	-
	Net Experience Adjustment (Gain)/(Loss)	-	1,27,018	92,762	33,773	2,46,459

11. In accordance with Accounting Standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standards) 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 the power generated would be sold within 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 is reflected in the financial statement.

12. Based on approval of the Board of Directors of the Company in their meeting held on March 30, 2016 the Company has converted 12700 Compulsory Convertible Unsecured Debentures of Rs. 10,00,000 each into unsecured loan.

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

Chitrangi Power Private Limited

As per our Report of even date.

For Chaturverdi & Shah
Firm Registration No.101720W
Chartered Accountants

Vijay Napawallya
Partner
Membership No.109859

For and on behalf of the Board of Directors

Venkata Rachakonda
Director
DIN 07014032

S Sankaran
Director
DIN 01765310

Shrikant D Kulkarni
Director
DIN 05136399

Ashwin Purohit
Director
DIN 07062599

Date : May 25, 2016
Place : Mumbai

Date : May 25, 2016
Place : Mumbai