

**FINANCIAL STATEMENT**  
**2014-15**

**CHITRANGI POWER PRIVATE LIMITED**

## **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 31<sup>st</sup> 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 ("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. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. 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.

5. 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**

6. 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 31<sup>st</sup> March, 2015, 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  
Report on the Financial Statements  
Page 2 of 2

**Report on Other Legal and Regulatory Requirements**

7. 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 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 paragraphs 3 and 4 of the Order.
8. 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 of the Company.
    - 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 Napawaliya  
Partner  
Membership No. 109859

Place: Mumbai  
Date: May 23, 2015

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT**

Re: Chitrangi Power Private Limited

Referred to in Paragraph 7 of our report of even date

Page 1 of 2

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
- (ii) The Company does not have any inventory. Therefore the provisions of clause 3 (ii) of the Companies (Auditor's Report) Order, 2015 are not applicable.
- (iii) 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 Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(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. 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) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified. During the year under audit, no order has been passed by 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)(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 the 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 material statutory dues, as applicable, with the appropriate authorities. There are no outstanding statutory dues as at the last day of financial year for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth-tax, service-tax, duty of customs, duty of excise, value added tax or cess which has not been deposited on account of any dispute.
- (c) According to the information and explanations given to us, there is no outstanding amount, which is required to be transferred to investor education and protection fund in accordance with the relevant provision of the Companies Act, 1956 and rules made thereunder.
- (viii) The accumulated losses of the Company did not exceed fifty percent of its net worth as at March 31, 2015. The Company has incurred cash losses in the financial year ended on that date, as well as in the immediately preceding financial year.



**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT**

Re: Chitrangi Power Private Limited

Referred to in Paragraph 9 of our report of even date

Page 2 of 2

- (ix) According to the records of the Company examined by us and the information and explanation given to us, the company has not defaulted in repayment of dues to debentures holders. The company has no dues to financial institutions and banks; hence, question of default in repayment does not arise.
- (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 Order are not applicable to the Company.
- (xi) According to the information and explanations given to us, no term loans have been raised by the Company during the year.
- (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 Chaturvedi & Shah  
Chartered Accountants  
Firm Registration Number: 101720W

Vijay Napawaliya  
Partner  
Membership Number: 109859

Place: Mumbai  
Date: May 23, 2015

Chitrangi Power Private Limited  
Balance Sheet as at March 31, 2015

Particulars	Note	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
<b>Equity and Liabilities</b>			
<b>Shareholders' Funds</b>			
Share Capital	3.1	1,100,000	1,100,000
Reserves and Surplus	3.2	1,002,294,994	1,002,415,098
<b>Share Application Money Pending Allotment</b> (Refer Note 3.1 (e))			12,715,770,000
<b>Non-Current Liabilities</b>			
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	540,031
<b>Current Liabilities</b>			
Short Term Borrowings	3.6	145,050,000	138,500,000
Other Current Liabilities	3.7	229,758,280	248,770,402
Short Term Provisions	3.8	101,549	190,761
<b>Total</b>		<u>14,111,729,767</u>	<u>14,139,927,687</u>
<b>Assets</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	3.9	775,737,076	784,910,672
Intangible Assets	3.9.1	387,414	774,829
Capital Work-in-Progress	3.10	876,548,657	846,519,844
Long Term Loans and Advances	3.11	12,458,452,049	12,458,520,562
Other Non-Current Assets	3.12	134,696	126,696
<b>Current Assets</b>			
Cash and Cash Equivalents	3.13	439,502	1,088,768
Short Term Loans and Advances	3.14	29,773	47,986,316
<b>Total</b>		<u>14,111,729,767</u>	<u>14,139,927,687</u>

The notes are an integral part of these financial statements.

As per our attached report of even date.

For Chaturvedi & Shah  
Firm Registration No.: 101720W  
Chartered Accountants

For and on behalf of the Board of Directors

Vijay Napawalia  
Partner  
Membership No.: 109859

Kasturi Soundararajan  
Director  
(DIN: 03481637)

Ashwin Purohit  
Director  
(DIN: 07062599)

Place: Mumbai  
Date: May 23, 2015

Place: Mumbai  
Date: May 23, 2015

**Chitrangi 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			
Other Income	3.15	8,000	8,000
<b>Total Revenue</b>		<b>8,000</b>	<b>8,000</b>
Expenses			
Finance Charges	3.16	113,836	13,869,312
Other Expenses	3.17	11,526	5,393,528
<b>Total Expenses</b>		<b>125,362</b>	<b>19,262,840</b>
<b>Loss Before Tax</b>		<b>(117,362)</b>	<b>(19,254,840)</b>
Tax Expense			
Current Tax		2,742	
Income Tax for earlier year			202,376
<b>Loss for the year</b>		<b>(120,104)</b>	<b>(19,457,216)</b>
Earnings per equity share: (Face value of Rs. 10 each)			
Basic and Diluted	9	(12.01)	(1,925.48)

The notes are an integral part of these financial statements.

As per our attached report of even date.

For Chaturvedi & Shah  
Firm Registration No.: 101720W  
Chartered Accountants

For and on behalf of the Board of Directors

Vijay Napawalia  
Partner  
Membership No.: 109859

Kasturi Soundararajan  
Director  
(DIN: 03481637)

Ashwin Purohit  
Director  
(DIN: 07062599)

Place: Mumbai  
Date: May 23, 2015

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**Chitrangi 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
<b>(A) Cash Flow from/(used in) Operating Activities</b>		
Loss Before Tax	(117,362)	(19,254,840)
Adjustments for:		
Interest Income	(8,000)	(8,000)
Finance Cost	113,836	-
<b>Net Cash used in Operating Activities</b>	<b>(11,526)</b>	<b>(19,262,840)</b>
<b>(B) Cash Flow from/(used in) Investing Activities</b>		
Purchase of Fixed Assets (including Capital Work in Progress and Capital Advances)	(25,978,344)	(7,975,398)
Income Tax (Paid) / Refund Received (Net)	-	168,031
<b>Net Cash used in Investing Activities</b>	<b>(25,978,344)</b>	<b>(7,807,367)</b>
<b>(C) Cash Flow from/(used in) Financing Activities</b>		
Inter Corporate Deposits Received	134,180,000	-
Refund of Inter Corporate Deposits Given	(143,400,000)	28,050,000
Refund of intercorporate deposit from related parties	47,720,000	-
Interest on ICD paid	(13,159,396)	-
<b>Net Cash from Financing Activities</b>	<b>25,340,604</b>	<b>28,050,000</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(649,266)</b>	<b>979,793</b>
<b>Cash and Cash Equivalents at the beginning of the Year</b>		
Bank Balances in Current Accounts	1,088,768	108,975
<b>Cash and Cash Equivalents at the end of the Year</b>		
Bank Balances in Current Accounts	439,502	1,088,768

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

As per our attached report of even date.

**For Chaturvedi & Shah**  
Firm Registration No.: 101720W  
Chartered Accountants

**For and on behalf of the Board of Directors**

**Vijay Napawalia**  
Partner  
Membership No.: 109859

**Kasturi Soundararajan**  
Director  
(DIN: 03481637)

**Ashwin Purohit**  
Director  
(DIN: 07062599)

Place: Mumbai  
Date: May 23, 2015

Place: Mumbai  
Date: May 23, 2015



**Chitrangi Power Private Limited**

**Notes to the financial statements as of and for the year ended March 31, 2015**

**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.

**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.

**Chitrangi Power Private Limited**

**Notes to the financial statements as of and for the year ended March 31, 2015 (continued)**

**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.

**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.

**Chitrangi Power Private Limited**  
**Notes to the financial statements as of and for the year ended March 31, 2015 (continued)**

**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.
- (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.



**Chitrangi Power Private Limited**

**Notes to the financial statements as of and for the year ended March 31, 2015 (continued)**

**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.

## 3.1 Share Capital

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
<b>Authorised Share Capital</b>		
24,000,000 (Previous Year : 24,000,000) Equity Shares of Rs.10 each	240,000,000	240,000,000
10,000,000 (Previous Year : 10,000,000) Preference Shares of Re. 1 each	10,000,000	10,000,000
	<u>250,000,000</u>	<u>250,000,000</u>
<b>Issued Capital</b>		
3,725,770 (Previous Year: 3,725,770) Equity Shares of Rs. 10 each	37,257,700	37,257,700
10,000,000 (Previous year : 10,000,000) preference shares of Re.1 each	10,000,000	10,000,000
[Refer Note 3.1.2 (b) below]	<u>47,257,700</u>	<u>47,257,700</u>
<b>Subscribed and Paid up Capital</b>		
10,000 (Previous Year: 10,000) Equity Shares of Rs. 10 each fully paid up	100,000	100,000
1,000,000 (Previous year : 1,000,000) preference shares of Re.1 each fully paid up	1,000,000	1,000,000
[Refer Note 3.1.2 (b)]	<u>1,100,000</u>	<u>1,100,000</u>

## 3.1.1 Reconciliation of number of Shares

<b>Equity Shares</b>	<b>As at March 31, 2015 Rupees</b>	<b>As at March 31, 2014 Rupees</b>
Balance at the beginning of the year - 10,000 (Previous year - 10,000) shares of Rs. 10 each	100,000	100,000
Add: Issued and allotted during the year	-	-
Balance at the end of the year - 10,000 (Previous year - 10,000) shares of Rs. 10 each	<u>100,000</u>	<u>100,000</u>
<b>Preference Shares [Refer Note 3.1.2 (b)]</b>	<b>As at March 31, 2015 Rupees</b>	<b>As at March 31, 2014 Rupees</b>
Balance at the beginning of the year - 1,000,000 (Previous year - 1,000,000) shares of Re. 1 each	1,000,000	1,000,000
Add: Issued and allotted during the year	-	-
Balance at the end of the year - 1,000,000 (Previous year - 1,000,000) shares of Re. 1 each	<u>1,000,000</u>	<u>1,000,000</u>

## 3.1.2 Rights, preference and restriction 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.



## b) Preference Shares

As on March 31, 2014 - 7.5% Non-Cumulative Non-Convertible Redeemable Preference Shares (NCRPS)

The Company has only one class of NCRPS having face value of Re. 1 per share which have been issued at a premium of Rs. 999 per share. These shares are redeemable within twenty years from the date of their issue. NCRPS, however can be redeemed early after fifteen years at the option of the Company or the shareholder at an issue price of Rs. 1,000 per share. Dividend on NCRPS is payable on the issue price of Rs. 1,000.

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

Pursuant to the special resolutions passed by the Preference Share Holders and the equity share holders on March 28, 2015, the Company has made modifications in the terms and conditions of NCRPS 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 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 Re. 10 each at a premium of Rs. 990 per 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, 2015 Rupees	As at March 31, 2014 Rupees
<b>Equity Shares</b>		
Reliance Power Limited	100,000	100,000
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)		
	<u>100,000</u>	<u>100,000</u>
<b>Preference Shares [Refer Note 3.1.2 (b)]</b>		
Reliance Power Limited	1,000,000	1,000,000
10,00,000 (Previous Year : 10,00,000) preference shares of Re.1 each fully paid		
	<u>1,000,000</u>	<u>1,000,000</u>

## 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, 2015 No. of Shares	As at March 31, 2014 No. of Shares
<b>Equity Shares</b>			
Reliance Power Limited	100%	10,000	10,000
		<u>10,000</u>	<u>10,000</u>
<b>Preference shares [Refer Note 3.1.2 (b)]</b>			
Reliance Power Limited	100%	1,000,000	1,000,000
		<u>1,000,000</u>	<u>1,000,000</u>

e) As per the terms of the Share Purchase Agreement dated February 21 2012, the Company's Board of Directors had approved the issue of 37,15,770 equity shares of Rs. 10 each at a premium of Rs. 990 per share and 90,00,000 preference share of Re. 1 each at a premium of Rs. 999 per share to Reliance Power Limited. These shares would be allotted prior to the start of the commercial operations of the Company or any other date to be mutually agreed, whichever is earlier. Based on the said issue of shares and terms of the Share Purchase Agreement, the share application money has been disclosed in the previous year.

Chitrangl Power Private Limited  
Notes to the financial statements as of and for the year ended March 31, 2015 (continued)

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
<b>3.2 Reserves and Surplus</b>		
Balance as per last Balance Sheet	999,000,000	999,000,000
	<u>999,000,000</u>	<u>999,000,000</u>
Balance as at the end of the year		
Surplus/(Deficit) in the Statement of Profit and Loss	3,415,098	22,872,314
Balance as per last Balance Sheet	(120,104)	(19,457,216)
Add : Loss for the year		
	<u>3,294,994</u>	<u>3,415,098</u>
Balance as at the end of the year	<u>1,002,294,994</u>	<u>1,002,415,098</u>
<b>3.3 Long Term Borrowings</b>		
Unsecured :		
12,700 (Previous Year: NIL) 0 % Unsecured Compulsorily Convertible Debentures of Rs. 10,00,000 each	12,700,000,000	-
	<u>12,700,000,000</u>	<u>-</u>
<b>Maturity profile in respect of Debentures allotted to Reliance Power Limited:</b>		
The amounts received by the Company in the earlier years as Share Application Money has been appropriated towards allotment of 12,700 Zero percent Unsecured Compulsorily Convertible Debentures of Rs. 10 Lacs each, vide approval accorded by the Board of Directors. The balance amount of Rs. 15,770,000 has been retained as Inter-corporate deposits from the parent Company.		
At the expiry of the tenure of the Debentures i.e, 10 years from the date of allotment, the Debentures shall be compulsorily converted into Equity Shares of the Company. As per the terms and conditions of issue, the exchange ration and the premium at which the conversion shall take place shall be decided by the mutual consent of both the parties.		
<b>3.4 Other Long Term Liabilities</b>		
Retention Money Payable (Refer Note 8)	32,641,395	32,641,395
	<u>32,641,395</u>	<u>32,641,395</u>
<b>3.5 Long Term Provisions</b>		
Provision for Gratuity (Refer Note 10)	248,415	165,523
Provision for Leave Encashment (Refer Note 10)	535,134	374,508
	<u>783,549</u>	<u>540,031</u>
<b>3.6 Short Term Borrowings</b>		
Unsecured :		
Inter Corporate Deposits from related parties (Refer Note 8)	145,050,000	138,500,000
	<u>145,050,000</u>	<u>138,500,000</u>
<b>3.7 Other Current Liabilities</b>		
Interest accrued and due on borrowings (Refer Note 8)	-	12,464,998
Interest accrued but not due on borrowings (Refer Note 8)	-	580,562
Payable to holding company (Refer Note 8)	-	78,422
Creditors for Capital Expenditure (Refer Note 7 & 8)	227,748,402	228,200,763
(includes due to related party 22,33,08,371 (Previous Year : Rs. 22,33,08,371))		
Retention Money Payable	1,387,481	3,293,557
Others (including Provident Fund and Tax Deducted at Source and other miscellaneous payables)	622,397	4,152,100
	<u>229,758,280</u>	<u>248,770,402</u>
<b>3.8 Short Term Provisions</b>		
Provision for Gratuity (Refer Note 10)	76,751	64,705
Provision for Leave Encashment (Refer Note 10)	24,798	125,965
	<u>101,549</u>	<u>190,761</u>

## 3.8 Tangible Assets

Particulars	Gross Block (at cost)			Depreciation		Net Block	
	As at April 1, 2014	Additions during the year	As at March 31, 2015	As at April 1, 2014	For the Year March 31, 2015	As at March 31, 2015	As at March 31, 2014
Freehold Land	245,579,637	-	245,579,637	-	-	245,579,637	245,579,637
Leasehold Land	528,751,608	-	528,751,608	44,323,964	5,551,892	508,875,752	514,427,644
Buildings	5,343,116	-	5,343,116	5,343,116	-	-	-
Plant and Equipment	24,628,656	-	24,628,656	2,808,427	2,662,677	19,157,552	21,820,229
Furniture and Fixtures	334,696	-	334,696	266,154	12,822	55,720	68,542
Motor Vehicles	809,875	-	809,875	329,333	90,537	390,005	480,542
Office Equipments	1,928,594	-	1,928,594	304,912	516,275	1,107,407	1,623,682
Computers	1,639,582	-	1,639,582	729,186	339,393	571,003	940,396
Total Tangible Assets	809,015,764	-	809,015,764	24,105,092	9,173,596	775,737,076	784,910,672
Previous Year	394,916,850	414,098,914	809,015,764	18,693,091	5,412,001	784,910,672	

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.

## 3.9.1 Intangible Assets

Particulars	Gross Block (at cost)			Amortisation		Net Block	
	As at April 1, 2014	Additions during the year	As at March 31, 2015	As at April 1, 2014	For the Year March 31, 2015	As at March 31, 2015	As at March 31, 2014
Computer Software	1,162,186	-	1,162,186	887,357	387,415	387,415	774,829
Total Intangible Assets	1,162,186	-	1,162,186	887,357	387,415	387,415	774,829
Previous Year	-	1,162,186	1,162,186	-	387,357	774,829	

Chitrangi Power Private Limited

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

3.10 Capital Work-in-Progress

Rupees

Particulars	As at April 1, 2014	Incurred during the year	Capitalised/ Adjusted	As at March 31, 2015
<b>A. Assets under Construction</b>	350,809,282	-	-	350,809,282
<b>B. Expenditure pending allocation</b>				
Interest and Finance Charges	255,013,600	-	-	255,013,600
Rent	763,600	157,500	-	921,100
Repairs and Maintenance - Others	6,608,722	1,357	-	6,610,079
Employee Benefit Expenses				
- Salaries and other costs	45,050,955	4,953,165	-	50,004,120
- Contribution to Provident and Other Funds (Refer Note 10)	1,932,305	373,077	-	2,305,382
- Gratuity and Leave Encashment (Refer Note 10)	989,750	248,881	-	1,238,631
Staff Welfare	874,509	-	-	874,509
Depreciation /Amortisation	24,502,019	9,561,011	-	34,063,030
Insurance Charges	457,064	53,291	-	510,355
Rates and Taxes	105,800	-	-	105,800
Tender and Application Fees	2,305,000	-	-	2,305,000
Bank and Corporate Guarantee Charges	34,487,869	9,699,174	-	44,187,043
Printing and Stationary	284,685	1,208	-	285,893
Legal and Professional Charges (including shared service charges)	33,023,385	3,064,423	-	36,087,808
Social Welfare Expenses	18,664,645	819,557	-	19,484,202
Communication Expenses	1,183,183	60,704	-	1,243,887
Travelling and Conveyance	33,006,906	963,002	-	33,969,908
Administration Expenses	2,638,871	58,518	-	2,697,389
Expenditure towards Acquisition of Land	30,625,512	-	-	30,625,512
Miscellaneous Expenses	3,192,182	13,945	-	3,206,127
	495,710,562	30,028,813	-	525,739,375
<b>Total Capital Work in Progress (A+B)</b>	<b>846,519,844</b>	<b>30,028,813</b>	<b>-</b>	<b>876,548,657</b>
Previous Year	916,958,711	30,071,724	100,510,591	846,519,844



Chitrangi Power Private Limited

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

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
<b>3.11 Long Term Loans and Advances</b> (Unsecured and considered good unless stated otherwise)		
Capital Advances (Refer Note 8 )	12,401,086,524	12,401,151,693
(Includes advance to Related Party Rs. 12,39,73,69,287 (Previous year : Rs.12,39,73,69,287))		
Security Deposit	29,915,250	29,915,250
Advance Recoverable in Cash or Kind	27,112,416	27,112,415
Advance Income Tax (Net of Provision for taxes : Rs. 8,58,446 (Previous year : 16,81,509)	338,459	341,204
	<u>12,458,452,649</u>	<u>12,458,520,562</u>
<b>3.12 Other Non-Current Assets</b> (Unsecured and considered good unless stated otherwise)		
Non-Current Bank Balances	100,000	100,000
Rs. 1,00,000 (Previous Year Rs. 1,00,000) lien with Sales Tax Department)		
Interest Accrued on Deposits	34,696	26,696
	<u>134,696</u>	<u>126,696</u>
<b>3.13 Cash and Cash Equivalents</b>		
Balance with Banks - in Current Account	439,502	1,088,768
	<u>439,502</u>	<u>1,088,768</u>
<b>3.14 Short Term Loans and Advances</b> (Unsecured and considered good unless stated otherwise)		
Advance to Employees	10,000	266,316
Prepaid Expenses	19,773	-
Inter Corporate Deposits to related party (Refer Note 8) (Interest free deposits)	-	47,720,000
	<u>29,773</u>	<u>47,986,316</u>



Chitrangi Power Private Limited

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

	Year ended March 31, 2015 Rupees	Year ended March 31, 2014 Rupees
<b>3.15 Other Income</b>		
Interest Income from Bank Deposits	8,000	8,000
	<u>8,000</u>	<u>8,000</u>
<b>3.16 Finance charges</b>		
Interest on Inter Corporate Deposits	113,836	13,869,312
	<u>113,836</u>	<u>13,869,312</u>
<b>3.17 Other Expenses</b>		
Interest accrued on deposits written off	-	5,369,528
Miscellaneous Expenses	11,526	24,000
	<u>11,526</u>	<u>5,393,528</u>

**Chitrangi Power Private Limited****Notes to the financial statements as of and for the year ended March 31, 2015 (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. 151,060,736,828 (Previous year: Rs.1,47,887,390,189).

**6. Details of Remuneration to Auditors:**

Particulars	Rupees	
	Year ended March 31, 2015	Year ended March 31, 2014
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, 2015 (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:

(i) Holding Company

Reliance Power Limited (R.Power)

(ii) Investing Parties/Promoters having significant influences on the Holding Company directly or indirectly

Companies

Reliance Infrastructure Limited (RInfra)

Individual

Shri Anil D. Ambani

(iii) Fellow Subsidiary

Reliance CleanGen Limited (RCGL)

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

Particulars	Year ended March 31, 2015	Rupees Year ended March 31, 2014
(i) Transactions during the year :		
Material / services received under EPC Contract		
R Infra		6,745,316
Reimbursement of expenses		
R Power	12,498,011	8,594,547
R Infra		728
Interest paid		
R Infra	1,648,012	13,850,000
Debentures		
R Power	12,700,000,000	
Inter-corporate deposits received		
R Power	145,050,000	-
RCGL	4,900,000	-
Inter-corporate deposits refunded		
R Power	47,720,000	28,050,000
R Infra	138,500,000	-
RCGL	4,900,000	-

**Chitrangi Power Private Limited**

**Notes to the financial statements as of and for the year ended March 31, 2015 (continued)**

**(ii) Closing Balance**

**Equity share capital (excluding premium)**

R Power	100,000	100,000
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**Preference shares**

R Power	1,000,000	1,000,000
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**Debentures**

R Power (Refer Note 3.3)	12,700,000,000	-
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**Share application money pending allotment**

R Power	-	12,715,770,000
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**Capital advances**

R Infra	12,397,369,286	12,397,369,286
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**Retention money payable towards EPC contract**

R Infra	32,641,396	32,641,396
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**Creditors for Capital Expenditure**

R Infra	223,308,378	223,308,378
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**Inter corporate deposits given**

R Power	-	47,720,000
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**Inter-corporate deposits received**

R Power	145,050,000	-
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**Short-term borrowings**

R Infra	-	138,500,000
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**Other current liabilities**

R Infra	-	78,422
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**Guarantees**

R Power	1,150,824,000	1,150,824,000
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**Interest**

R Infra	-	13,045,561
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(iii) The above disclosure does not include transactions with public utility service providers, viz. electricity, telecommunications in the normal course of business.

**Chitrangi Power Private Limited**

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

**9. Earnings per Share (EPS):**

	Year ended March 31, 2015	Rupees Year ended March 31, 2014
Profit attributable to equity shareholders (Rupees) (A)	(1,20,104)	(1,94,57,216)
Weighted average number of equity shares		
For Basic Earnings per Share (B)	10,000	10,000
Add: Adjustment on account of Share Application Money		37,15,770
For Diluted Earnings per Share (C)	10,000	37,25,770
Earnings per Share- Basic ( Rupees) (A/B)	(12.01)	(1,945.72)
Earnings per Share- Diluted (Rupees) (A/C)	(12.01)	(5.22)
Nominal value of an Equity Share (Rupees)	10	10

- (i) Share application money, allotment of which is pending and 7.5% Compulsory Convertible Non-Cumulative Redeemable 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.
- (ii) Since 0% Compulsorily Convertible Debentures shall be compulsorily converted to Equity at the expiry of 10 years from the date of allotment, as per the terms and conditions of issue, the exchange ratio and the premium at which the conversion shall take place shall be decided by the mutual consent of both the parties. Hence it has not been considered for the calculation of 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**

- Provident fund
- Superannuation fund
- 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, 2015	Rupees Year ended March 31, 2014
Contribution to Provident Fund	1,94,576	2,24,308
Contribution to Employee's Superannuation Fund	99,996	99,996
Contribution to Employee's Deposit Linked Insurance Scheme	2,373	1,631
Contribution to Employee's Pension Scheme 1995	76,132	32,460



**Chitrangi Power Private Limited**

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

**(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:

	Year ended March 31, 2015		Year ended March 31, 2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
(a) Discount Rate (Per annum)	7.85%	7.85%	8.90%	8.90%
(b) Rate of increase in Compensation levels	7.50%	7.50%	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	-	9.52	-

**(i) Changes in present Value of Obligation**

Opening balance of present value of obligation	2,30,319	500,473	1,73,792	4,00,453
Interest cost	21,605	55,288	15,637	43,013
Current Service cost	44,848	1,83,719	53,583	1,87,132
Actuarial (Gain) / Loss	28,414	(84,973)	(12,693)	(1,30,125)
Benefits Paid	-	(94,575)	-	-
Closing balance of present value of obligation	3,25,166	5,59,932	2,30,319	5,00,473

**(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**

	Year ended March 31, 2015		Year ended March 31, 2014	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present value of Unfunded Obligation	3,25,166	5,59,932	2,30,319	5,00,473
Unfunded Net Liability recognised in the Balance Sheet	3,25,166	5,59,932	2,30,319	5,00,473

**(iv) Amounts recognized in the Balance Sheet**

Present Value of Obligation	3,25,166	5,59,932	2,30,319	5,00,473
(Asset)/ Liability recognised in the Balance Sheet	3,25,166	5,59,932	2,30,319	5,00,473

**Chitrangl Power Private Limited**

**Notes to the financial statements as of and for the year ended March 31, 2015 (continued)**

**(v) Expenses recognized in Capital Work-in-Progress**

	Year ended March 31, 2015		Year ended March 31, 2014		Rupees
Current Service Cost	44,828	1,83,719	53,583	1,87,132	
Interest Cost	21,605	55,288	15,637	43,013	
Expected Return on Plan Assets	-	-	-	-	
Net Actuarial(Gain)/Loss	28,414	(84,973)	(12,693)	(1,30,125)	
Total Expenses recognized in Capital Work-in-Progress	94,847	1,54,034	56,527	1,00,020	

**(vi) Expected Employer's contribution for the next year**

76,751	24,798	64,796	1,25,965
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Disclosure as required under Para 120 (n) of AS -15:

**Gratuity**

Sr.No.	Particulars	2014-15	2013-14	2012-13	2011-12	Rupees 2010-11
(i)	Present Value of the Defined Benefit Obligation	3,25,166	2,30,319	1,73,792	1,63,076	2,07,800
	Fair Value of the Plan Assets	-	-	-	-	-
	(Surplus)/ Deficit in the Plan	(3,25,166)	(2,30,319)	1,73,792	(1,63,076)	(2,07,800)
ii)	Experience Adjustments					
	On Plan liabilities	(5,402)	10,126	1,00,470	2,88,829	1,21,494
	On Plan Assets	-	-	-	-	-
	Net Experience Adjustment (Gain/(Loss))	(5,402)	10,126	1,00,470	2,88,829	1,21,494

**Leave Encashment**

Sr.No.	Particulars	2014-15	2013-14	2012-13	2011-12	Rupees 2010-11
(i)	Present Value of the Defined Benefit Obligation	5,59,932	5,00,473	4,00,453	2,85,152	2,15,066
	Fair Value of the Plan Assets	-	-	-	-	-
	(Surplus)/ Deficit in the Plan	(5,59,932)	(5,00,473)	(4,00,453)	(2,85,152)	(2,15,066)
ii)	Experience Adjustments					
	On Plan liabilities	1,27,018	92,762	33,773	2,46,459	1,93,880
	On Plan Assets	-	-	-	-	-
	Net Experience Adjustment (Gain/(Loss))	1,27,018	92,762	33,773	2,46,459	1,93,880

The actuarial valuation of gratuity liability does not include liability of seconded employees, as the gratuity will be paid by the Holding Company as per the terms of secondment.

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.

**Chitrangi Power Private Limited**

**Notes to the financial statements as of and for the year ended March 31, 2015 (continued)**

12. Consequent to the Companies Act, 2013, being effective from April 1, 2014, the Company has provided depreciation based useful life as prescribed under Part A and Part C of Schedule II of the Act. Had the Company continued the earlier accounting policy, depreciation for the year would have been lower by Rs.1,997,955.
13. Previous year figures have been regrouped and recast wherever necessary to the current year classification.

As per our attached report of even date.

**For Chaturvedi & Shah**  
Firm Registration No: 101720W  
Chartered Accountants

**For and on behalf of the Board of Directors**

**Vijay Napawaliya**  
Partner  
Membership No. 109859

**Kasturi Soundararajan**  
Director  
(DIN: 03481637)

**Ashwin Purohit**  
Director  
(DIN: 07062599)

Place: Mumbai  
Date: May 23, 2015

Place: Mumbai  
Date: May 23, 2015