

## Independent Auditors' Report

To The Members of  
**Moher Power Limited**

We have audited the accompanying financial statements of **Moher Power Limited** (the Company) comprising the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind As) 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017; its Loss, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) Section 143 of Act, we give in the "Annexure A", a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. 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, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid Ind AS financial statements comply with the applicable Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2017 from being appointed as Director in terms of section 164(2) of the Act.
  - f. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - 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) There are no ongoing litigations as at the reporting date that would have a material impact on its financial position;
    - ii) Based upon the assessment made by the Company, there are no long-term contracts resulting in 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.
    - iv) The Company did not have any cash on hand during the year hence disclosure requirement regarding specified bank notes pursuant to MCA notification G.S.R. 308(E) dated March 30, 2017 is not applicable.

**For S M A & Co.**  
Chartered Accountants  
Regn.No.018452C

**Nitika Jain**  
Partner  
Membership No. 427716

Place: Mumbai  
Date: April 10, 2017

referred to in our Report of even date on the Accounts of **Mohar Power Limited** for the year ended March 31, 2017

- i) The Company has no fixed assets therefore paragraph 3(i) of the Order is not applicable
- ii) As explained to us, the Company has no inventory therefore paragraph 3(ii) of the Order is not applicable
- iii) According to the information and explanations given, the Company has not granted any loan to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained pursuant to section 189 of the Act. Hence clause 3(iii) of the Order is not applicable.
- iv) According to the information and explanations given to us, the Company has no loans and investments made hence clause 3(iv) of the Order is not applicable.
- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi) According to the information and explanations given to us, no cost records have been prescribed by the Central Government of India under section 148(1) of the Act
- vii) (a) Based on our examination of the books and records, the Company has generally been regular in depositing with appropriate authority undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues wherever applicable, during the year. Further no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.  
  
(b) As per the information and explanations given to us, there are no disputed statutory dues pending to be deposited with the respective authorities by the Company.
- viii) The Company has not raised any funds from financial institutions or banks or by issue of debentures during the year, hence, question of repayment of dues to them does not arise.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly paragraph 3 (ix) of the Order is not applicable.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) The Company has not paid any managerial remuneration. Hence paragraph 3(xi) of the Order is not applicable.
- 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
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For **S M A & Co.**  
Chartered Accountants  
Regn.No.018452C

**Nitika Jain**  
Partner  
Membership No. 427718

Place Mumbai  
Date April 10, 2017

We have audited the internal financial controls over financial reporting ("Financial Controls") of **Moher Power Limited** ("the Company") in conjunction with our audit of the Company for the year ended March 31, 2017.

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's Financial Controls 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 proscribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Financial Controls are 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 Financial Controls includes obtaining an understanding of Financial Controls, 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 judgment, 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.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's Financial Controls 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 Financial Controls includes those policies and procedures that (1) pertain to 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 Financial Controls, 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 Financial Controls to future periods are subject to the risk that the Financial Controls 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 Financial Controls system and such Financial Controls are operating effectively as at March 31, 2017, based on the Financial Controls 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 ICAI.

For **SMA & Co.**  
Chartered Accountants  
Regn.No.018452C

**Nitika Jain**  
Partner  
Membership No. 427716

Place: Mumbai  
Date: April 10, 2017

Moher Power Limited  
Balance Sheet as at March 31, 2017

Particulars	Note	Rupees in Thousands		
		As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>ASSETS</b>				
<b>Current Assets</b>				
Financial assets				
Cash and cash equivalents	4.1	69	105	12
<b>Total Assets</b>		<b>69</b>	<b>105</b>	<b>12</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	4.2	500	500	500
Other equity				
Instrument Entirely equity in nature	4.3	3	3	3
Reserves and surplus	4.4	(643)	(604)	(575)
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Financial liabilities				
Borrowings	4.5(a)	125	125	25
Other financial liabilities	4.5(b)	84	81	58
Other current liabilities	4.6	-	-	1
<b>Total Equity and Liabilities</b>		<b>69</b>	<b>105</b>	<b>12</b>

Significant Accounting Policies 2  
Notes on financial statements 1 to 15

The accompanying notes are an integral part of these financial statements.  
As per our Report of even date

For SMA & Co.  
Chartered Accountants  
Regn. No.018452C

For and on behalf of the Board of Directors

Nitika Jain  
Partner  
Membership No.427716

Sameer Gupta  
Director  
DIN : 03486281

Manju Kumar Ghosh  
Director  
DIN : 07644889

Place: Mumbai  
Date : April 10, 2017

Moher Power Limited  
Statement of Profit and Loss for the year ended March 31, 2017

Particulars	Note	Rupees in Thousands	
		Year ended March 31, 2017	Year ended March 31, 2016
Other Income		-	-
<b>Total Income</b>		<b>-</b>	<b>-</b>
<b>Expenses</b>			
Other expenses	4.7	39	29
<b>Total expenses</b>		<b>39</b>	<b>29</b>
<b>Profit/(Loss) before tax</b>		<b>(39)</b>	<b>(29)</b>
<b>Income tax expense</b>			
Current tax		-	-
<b>Total Comprehensive Income for the year</b>		<b>(39)</b>	<b>(29)</b>
<b>Earnings per equity share: (Face value of Rs. 10 each)</b>			
Basic and Diluted (Rupees)	8	(0.77)	(0.58)

Significant Accounting Policies  
Notes on financial statements

2  
1 to 15

The accompanying notes are an integral part of these financial statements

As per our Report of even date

**For SMA & Co.**  
Chartered Accountants  
Regn. No.018452C

For and on behalf of the Board of Directors

**Nitika Jain**  
Partner  
Membership No.427716

**Sameer Gupta**  
Director  
DIN : 03486281

**Mantu Kumar Ghosh**  
Director  
DIN : 07644889

Place: Mumbai  
Date : April 10, 2017

Mohor Power Limited  
Cash Flow Statement for the year ended March 31, 2017

Particulars	Rupees in Thousands	
	Year ended March 31, 2017	Year ended March 31, 2016
<b>(A) Cash flow from/ (used in) Operating activities</b>		
Net Profit/ (Loss) before tax	(39)	(29)
Adjustments for:		
Increase/(Decrease) in Current Liabilities	3	22
Net cash generated (used in) Operating activities	<u>(36)</u>	<u>(7)</u>
<b>(B) Cash flow from/ (used in) Investing activities</b>	<u>-</u>	<u>-</u>
<b>(C) Cash flow from/ (used in) Financing activities</b>		
Inter corporate deposit received	-	100
Net cash generated from Financing activities	<u>-</u>	<u>100</u>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(36)</b>	<b>93</b>
<b>Cash and cash equivalents at the beginning of the year:</b>		
Bank balance - current account	105	12
<b>Cash and cash equivalents at the end of the year:</b>		
Bank balance - current account	69	105

The accompanying notes are an integral part of these financial statements

**Notes:**

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows

As per our Report of even date

For SMA & Co.  
Chartered Accountants  
Regn. No.018452C

For and on behalf of the Board of Directors

Nitika Jain  
Partner  
Membership No.427716

Sameer Gupta  
Director  
DIN : 03486281

Mantu Kumar Ghosh  
Director  
DIN : 07644889

Place: Mumbai  
Date : April 10, 2017

**Moher Power Limited**  
Statement of changes in Equity

A. Equity Share Capital		Rupees in Thousands
Particulars		Amount
As at April 01, 2015		500
Changes in equity share capital		-
As at March 31, 2016		500
Changes in equity share capital		-
As at March 31, 2017		500

Particulars	Instruments entirely equity in nature			Reserves and Surplus		Total other equity
	Compulsory Convertible Preference Shares	Total	Securities Premium Account	Retained Earnings	Total	
As at April 01, 2015	3	3	2,622	(3,197)	(575)	(572)
Profit/(Loss) for the year	-	-	-	(29)	(29)	(29)
Other Comprehensive Income for the year	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	(29)	(29)	(29)
Balance as at March 31, 2016	3	3	2,622	(3,226)	(604)	(601)
Profit/(Loss) for the year	-	-	-	(39)	(39)	(39)
Other Comprehensive Income for the year	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	(39)	(39)	(39)
Balance as at 31 March 2017	3	3	2,622	(3,265)	(643)	(640)

The accompanying notes are an integral part of these financial statements.

As per our Report of even date

For SMA & Co.  
Chartered Accountants  
Regn. No.016452C

For and on behalf of the Board of Directors

Nitika Jain  
Partner  
Membership No.427716

Sameer Gupta  
Director  
DIN : 03486281

Mantu Kumar Ghosh  
Director  
DIN : 07644889

Place: Mumbai  
Date : April 10, 2017



1) General Information

Mohar Power Limited is a wholly owned subsidiary of Reliance Cleangen Limited and is incorporated under the provisions of the Companies Act, 1956. The Company is developing Jambusar gas based project (7,200 MW) at village Khanpur Deh, Bharuch, Gujarat.

These financial statements were authorised for issue by the board of directors on April 10, 2017.

2) Significant Accounting Policies, critical accounting estimate and judgments:

2.1 Basis of preparation, measurement and significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

**Compliance with Ind AS**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act"). These are the Company's first Ind AS financial statements and Ind AS 101, 'First-time Adoption of Indian Accounting Standards' has been applied. The policies set out below have been consistently applied during the years presented.

For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act ("Previous GAAP").

These financial statements for the year ended March 31, 2017 are the first financial statements which the Company has prepared in accordance with Ind AS. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows including reconciliations and descriptions of the effect of the transition are provided in note 3 below.

**Historical cost convention**

The financial statements have been prepared under the historical cost convention, as modified by the following:

- Certain financial assets and financial liabilities at fair value;
- Defined benefit plans – plan assets that are measured at fair value;

**Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

**Current vis-à-vis non-current classification**

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and liabilities. Current assets, which include cash and cash equivalents, are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company or in the 12 months following the balance sheet date; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Company or within the 12 months following the close of the financial year. The deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Recent accounting pronouncements:

Standards issued but not yet effective

**Amendment to Ind AS 7:**

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

(c) Impairment of non-financial assets

Assets which are subject to depreciation or amortisation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

(d) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity.

i. Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii. Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through other comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

**iii. Impairment of financial assets:**

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

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**iv. Derecognition of financial assets**

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**(e) Offsetting financial instruments:**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**(f) Contributed equity:**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**(g) Financial liabilities:**

**i. Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

**ii. Initial recognition and measurement:**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**iii. Subsequent measurement:**

The measurement of financial liabilities depends on their classification, as described below:

**Borrowings:** Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be draw-down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be draw-down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

**Trade and other payable:** These amounts represents obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and payables are subsequently measured at amortised cost using the effective interest method.

**iv. Derecognition:**

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/ (losses).

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

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**(h) Borrowing costs:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

**(i) Provisions, Contingent Liabilities and Contingent Assets:**

**Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

**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. 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.

**Contingent Assets:**

A contingent asset is disclosed, where an inflow of economic benefits is probable.

**(j) Foreign currency translation:**

**I. Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Indian Rupees' (Rs.), which is the Company's functional and presentation currency.

**ii. Transactions and balances**

- (i) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.
- (ii) All exchange differences arising on reporting on 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) Non-monetary items denominated in foreign currency are stated at the rates prevailing on the date of the transactions / exchange rate at which transaction is actually effected.

**(k) Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**(l) Cash and cash equivalents:**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institution, other short term highly liquid investment with an original maturity of three months or less that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**(m) Earnings per share**

**Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

**Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(n) 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.

**2.2 Critical accounting estimates and judgements**

The Preparation of financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent liabilities at the balance sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

**(a) Provisions**

Estimates of the amounts of provisions recognised are based on current legal and constructive requirements, technology and price levels. Because actual outflows can differ from estimates due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are regularly reviewed and adjusted to take account of such changes.

3) Transition to Ind AS:

These are the Company's first financial statements prepared in accordance with Ind AS. The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 01, 2016, with a transition date of April 01, 2015. These financial statements for the year ended March 31, 2017 are the first the Company has prepared under Ind AS. For all periods upto and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with the previously applicable Indian GAAP (previous GAAP).

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended March 31, 2017, together with the comparative information as at and for the year ended March 31, 2016. The Company's opening Ind AS Balance Sheet has been prepared as at April 01, 2015, the date of transition to Ind AS

3.1 Exemptions and exceptions availed

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its previous GAAP financial statements, including the Balance Sheet as at April 01, 2015 and the financial statements as at and for the year ended March 31, 2016.

(a) Ind AS optional exemptions

i. Deemed cost

Ind AS 101 permits a first-time adopter to measure all of its property, plant and equipment including CWIP as recognised in the financial statements as at the date of transition to Ind AS at fair value or previous GAAP carrying value and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities.

Accordingly, the company has elected to measure all of its property, plant and equipment (PPE) including CWIP at their fair values.

(b) Ind AS mandatory exemptions

The company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

i. Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Impairment of financial assets based on expected credit loss model

ii. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Consequently, the Company has applied the above assessment based on facts and circumstances exist at the transition date.

3.2 Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The regrouped previous GAAP information is derived based on the audited financial statements of the Company for year ended March 31, 2016.

The following tables represent the reconciliations from previous GAAP to Ind AS.

**B.1 Reconciliation of total equity as at March 31, 2016 and April 01, 2015**

Particulars	Note	Rupees in Thousands	
		March 31, 2016	April 01, 2015
Total equity (shareholder's funds) as per previous GAAP		3,090	3,093
<b>Adjustments</b>			
Fair valuation of PPE as deemed cost	3.3(i)	(3,165)	(3,165)
Decapitalisation of pre-operative expenditures	3.3(i)	(27)	-
<b>Total adjustments</b>		<b>(3,191)</b>	<b>(3,165)</b>
<b>Total equity as per Ind AS</b>		<b>(102)</b>	<b>(72)</b>

**B.2 Reconciliation of total comprehensive income for the year ended 31 March 2016**

Particulars	Note	March 31, 2016
Profit/(Loss) after tax as per previous GAAP		(3)
<b>Adjustments:</b>		
Decapitalisation of pre-operative expenditures	3.3(i)	(27)
<b>Total adjustments</b>		<b>(27)</b>
<b>Profit after tax as per Ind AS</b>		<b>(29)</b>



**3.3 Notes to first-time adoption of Ind AS:**

**i. Deemed cost - Property, Plant and Equipments (PPE)**

Under the Previous GAAP, property, plant and equipment including Capital work-in-progress, were carried at cost. Under Ind AS, the Company has opted the policy to carry such property, plant and equipment including Capital work-in-progress at fair value on the date of transition as deemed cost. Accordingly, the Company has recognized fair value changes of Rs. 3,164,880 in such assets on the date of transition. On account of the aforesaid adjustments, the Company has charged pre operative expenditure of Rs. 26,527 in the Statement of Profit and Loss during the year 2015-16.

**ii. Retained earnings**

Retained earnings as at April 01, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

**Moher Power Limited****Notes to the financial statements as of and for the year ended March 31, 2017 (continued)****Rupees in Thousands**

<u>Particulars</u>	<u>As at</u>	<u>As at</u>	<u>As at</u>
	<u>March 31, 2017</u>	<u>March 31, 2016</u>	<u>April 01, 2015</u>
<b>4.1 Cash and cash equivalents</b>			
Balance with banks: in current account	69	105	12
	<u>69</u>	<u>105</u>	<u>12</u>

**Moher Power Limited**  
Notes to the financial statements as of and for the year ended March 31, 2017 (continued)

**4.2 Equity share capital**

**Authorised share capital**  
60,000 (March 31, 2016: 60,000; April 01, 2015: 60,000) Equity Shares of Rs. 10 each

**Issued, subscribed and fully paid up capital**  
50,000 (March 31, 2016: 50,000; April 01, 2015: 50,000) equity shares of Rs. 10 each fully paid up

**4.2.1 Reconciliation of number of equity shares**

**Equity shares**

Balance at the beginning of the year - 50,000 (March 31, 2016: 50,000; April 01, 2015: 50,000) shares of Rs. 10 each

Balance at the end of the year - 50,000 (March 31, 2016: 50,000; April 01, 2015: 50,000) shares of Rs. 10 each

**4.2.2 Terms/ rights attached to equity 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 share 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 the remaining assets of the Company, after distribution of all preferential amounts.

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

Equity shares	As at March 31, 2017		As at March 31, 2015		As at April 01, 2015	
	No. of Shares	Percentage of share holding	No. of Shares	Percentage of share holding	No. of Shares	Percentage of share holding
Reliance Cleangem Limited (Equity shares of Rs. 10 each fully paid up)	50,000	100%	50,000	100%	50,000	100%
	<b>50,000</b>	<b>100%</b>	<b>50,000</b>	<b>100.00%</b>	<b>50,000</b>	<b>100.00%</b>

**4.2.4 Shares held by Holding Company**

**Equity Shares**

Reliance Cleangem Limited - 50,000 (March 31, 2016: 50,000; April 01, 2015: 50,000) equity shares of Rs. 10 each fully paid up.

(Of the above, 49,984 (March 31, 2016: 50,000; April 01, 2015: 50,000) shares are held by Reliance Cleangem Limited, the holding company and 6 shares are jointly held by Reliance Cleangem and its nominees)

	Rupees in Thousands	
	As at March 31, 2017	As at April 01, 2015
	600	600
	<b>600</b>	<b>600</b>
	500	500
	<b>500</b>	<b>500</b>

	As at March 31, 2016	As at April 01, 2015
	600	600
	<b>600</b>	<b>600</b>
	500	500
	<b>500</b>	<b>500</b>

	500	500
	<b>500</b>	<b>500</b>

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
	500	500	500
	<b>500</b>	<b>500</b>	<b>500</b>

Other equity	Rupees in Thousands					
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015			
<b>Instruments entirely equity in nature</b>						
<b>4.3 Preference Shares</b>						
<b>Authorised share capital</b>						
400,000 (March 31, 2016: 40,000; April 01, 2015: 40,000) Preference Shares of Re. 1 each	400	400	400			
	<u>400</u>	<u>400</u>	<u>400</u>			
<b>Issued, subscribed and paid up capital</b>						
2,625 (March 31, 2016: 2,625; April 01, 2015: 2,625) 7.5% Non Cumulative Non Convertible Redeemable Preference Shares of Re. 1 each fully paid up	3	3	3			
	<u>3</u>	<u>3</u>	<u>3</u>			
<b>4.3.1 Reconciliation of number of equity shares</b>						
<b>Preference shares [refer note no. 4.3.2(a)]</b>						
Balance at the beginning of the year - 2,625 (March 31, 2016: 2,625; April 01, 2015: 2,625) preference shares of Re. 1 each	3	3				
Balance at the end of the year - 2,625 (March 31, 2016: 2,625; April 01, 2015: 2,625) preference shares of Re. 1 each	<u>3</u>	<u>3</u>				
<b>4.3.2 Terms/ rights attached to equity shares</b>						
<b>a) Preference shares</b>						
<b>7.5% Compulsory Convertible Redeemable Non-Cumulative Preference Shares (CCRPS)</b>						
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.						
<b>4.3.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company</b>						
	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	No. of Shares	Percentage of share holding	No. of Shares	Percentage of share holding	No. of Shares	Percentage of share holding
<b>Preference shares [refer note no. 4.3.2(a)]</b>						
Reliance Cleangen Limited (Preference Shares of Re. 1 each fully paid up)	2,625	100%	2,625	100%	2,625	100%
	<u>2,625</u>	<u>100%</u>	<u>2,625</u>	<u>100%</u>	<u>2,625</u>	<u>100%</u>
<b>4.3.4 Shares held by Holding Company</b>						
	<b>As at</b>	<b>As at</b>	<b>As at</b>			
	March 31, 2017	March 31, 2016	April 01, 2015			
<b>Preference shares [refer note no. 4.3.2(a)]</b>						
Reliance Cleangen Limited - 2,625 (March 31, 2016: 2,625; April 01, 2015: 2,625) Preference shares of Re. 1 each fully paid up.	3	3	3			
	<u>3</u>	<u>3</u>	<u>3</u>			
<b>4.3.5 Movement of instruments entirely equity in nature</b>						
<b>Preference shares</b>						
Balance at the beginning of the year	3	3				
Add : issued during the year	-	-				
Less : redeemed during the year	-	-				
Closing balance	<u>3</u>	<u>3</u>				

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>4.4 Reserves and surplus</b>			
<b>Balance at the end of the year</b>			
Securities premium account	2,622	2,622	2,622
Retained earnings	(3,265)	(3,226)	(3,197)
<b>Total</b>	<b>(643)</b>	<b>(604)</b>	<b>(575)</b>
<b>4.4.1 Securities premium account</b>			
Balance at the beginning of the year	2,622	2,622	
Balance at the end of the year	<b>2,622</b>	<b>2,622</b>	
<b>4.4.2 Retained earnings</b>			
Balance at the beginning of the year	(3,226)	(3,197)	
Profit/(Loss) for the year	(39)	(29)	
Balance at the end of the year	<b>(3,265)</b>	<b>(3,226)</b>	
	<b>(643)</b>	<b>(604)</b>	
<b>Nature and purpose of other reserves:</b>			
<b>Securities premium account</b>			
Securities premium account is created to record premium received on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013			
<b>4.5 Financial liabilities</b>			
<b>4.5(a) Current borrowings</b>			
Loans and Advances from related party			
- Inter Corporate Deposits (Refer note 7)	125	125	25
(Interest free deposits, repayable on demand)			
	<b>125</b>	<b>125</b>	<b>25</b>
<b>4.5(b) Other current financial liabilities</b>			
Creditors for services	64	61	68
	<b>64</b>	<b>61</b>	<b>68</b>
<b>4.6 Other current liabilities</b>			
Other payables	-	-	1
	<b>-</b>	<b>-</b>	<b>1</b>

Particulars	Rupees in Thousands	
	Year ended March 31, 2017	Year ended March 31, 2016
<b>4.7 Other expenses</b>		
Stamp duty and filing fees	1	3
Legal and professional charges (including shared service charges)	38	26
	<b>39</b>	<b>29</b>

Mohar Power Limited  
Notes to the financial statements as of and for the year ended March 31, 2017 (Continued)

5) Project Status:

The site for Jambusar Gas based Power Project (7,200 MW) is located within the limits of village Khanpur Deh, Bharuch Gujarat. The Transfer of land from the government of Gujarat is under process. Environmental clearance from Ministry of Environment & Forest being obtained shortly. The Company has received the offers for the power block from reputed bidder and same is under finalisation.

6) Details of remuneration to auditors:

	Rupees in Thousands	
	Year ended March 31, 2017	Year ended March 31, 2016
(a) As auditors		
For statutory audit	15	15
For others	10	-
	25	15

7) Related party transactions:

A. Parties where control exists:

Holding Company:  
Reliance Cleangen Limited (RCGL)  
Ultimate holding Company – Reliance Power Limited (RPower)

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

Particulars	Rupees in Thousands	
	March 31, 2017	March 31, 2016
Transactions during the year:		
Inter- corporate deposits received		
RCGL	-	100
Reimbursement of expenses - paid by		
R Power	1	3

Particulars	Rupees in Thousands		
	March 31, 2017	March 31, 2016	April 1, 2015
Closing balance			
Equity share capital (excluding premium)			
RCGL	500	500	500
Preference share capital			
RCGL	3	3	3
Inter corporate deposits payable			
RCGL	125	125	25

8) Earnings per share:

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Profit available to equity shareholders		
Profit/(Loss) after tax (A)(Rupees in thousands)	(39)	(29)
Number of equity shares		
Weighted average number of equity shares outstanding (Basic) (B)	50,000	50,000
Basic and diluted earnings per share (A / B) (Rs.)	(0.77)	(0.58)
Nominal value of an equity share (Rs.)	10	10

9) Income taxes

Particulars	Rupees in Thousands	
	March 31, 2017	March 31, 2016
The reconciliation of tax expense and the accounting profit multiplied by tax rate :		
Profit/(Loss) before tax	(39)	(29)
Tax at the Indian tax rate of 29.87% (2015-16: 30.90%)	(12)	(9)
Tax losses for which no deferred income tax was recognised	(12)	(9)
Income tax expense	-	-

10) Fair value measurements

(a) Financial instruments by category

The Company does not have any financial assets or liabilities which are measured at FVTPL or FVOCI.

Rupees in Thousands

	March 31, 2017	March 31, 2016	April 1, 2015
<b>Financial instruments at amortised cost</b>			
Cash and cash equivalents	69	105	12
<b>Total financial assets</b>	<b>69</b>	<b>105</b>	<b>12</b>
<b>Financial liabilities</b>			
Inter corporate deposits	125	125	25
Creditors for supplies and services	64	81	58
Others	-	-	1
<b>Total financial liabilities</b>	<b>209</b>	<b>206</b>	<b>84</b>

(b) Fair value hierarchy

There are no long term financial assets and financial liabilities which are measured at amortised cost or fair value.

11) Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets measured at amortised cost.	Aging analysis	Diversification of bank deposits.
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

(a) Credit risk

The company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the company. Credit risk arises from cash and cash equivalents and financial assets carried at amortised cost

**Credit risk management**

Credit risk is managed at company level depending on the policy surrounding credit risk management. For banks and financial institutions, only high rated banks/institutions are accepted. Generally all policies surrounding credit risk have been managed at company level.

(b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the company in accordance with practice and limits set by the company.

**Maturities of financial liabilities**

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



Rupees in Thousands

March 31, 2017	Less than 1 years	Between 1 year and 5 years	More than 5 years	Total
<b>Financial liabilities</b>				
Inter corporate deposits	125	-	-	125
Creditors for supplies and services	84	-	-	84
<b>Total financial liabilities</b>	<b>209</b>	<b>-</b>	<b>-</b>	<b>209</b>

March 31, 2016	Less than 1 years	Between 1 year and 5 years	More than 5 years	Total
<b>Financial liabilities</b>				
Inter corporate deposits	125	-	-	125
Creditors for supplies and services	81	-	-	81
<b>Total financial liabilities</b>	<b>206</b>	<b>-</b>	<b>-</b>	<b>206</b>

April 01, 2015	Less than 1 years	Between 1 year and 5 years	More than 5 years	Total
<b>Financial liabilities</b>				
Inter corporate deposits	25	-	-	25
Creditors for supplies and services	58	-	-	58
Other	1	-	-	1
<b>Total financial liabilities</b>	<b>84</b>	<b>-</b>	<b>-</b>	<b>84</b>

## 12) Capital Management

### Risk Management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on basis of total equity and total debts on a periodic basis. Equity comprises all components of equity includes the fair value impact. Debt comprises of long term borrowing and short term borrowing. The following table summarizes the capital of the company:

Rupees in thousands

	March 31, 2017	March 31, 2016
Equity	(140)	(101)
Debts	125	125
<b>Total</b>	<b>(15)</b>	<b>24</b>

## 13) Segment reporting

Presently, the Company is engaged in only one segment viz 'Generation of Power' and as such there is no separate reportable segment as per Ind AS 108 'Operating Segments'. Presently, the Company's operations are predominantly confined in India.

## 14) Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

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

**Mohar Power Limited**  
**Notes to the financial statements as of and for the year ended March 31, 2017 (Continued)**

- 15) During the year, the Company had no specified bank notes or no other denomination note as defined in the MCA notification G.S.R. 306(E) dated March 31, 2017 and there were no transaction during the period from November 8, 2016 to December 30, 2016.

**For SMA & Co.**  
Chartered Accountants  
Regn. No.018452C

For and on behalf of the Board of Directors

**Nitika Jain**  
Partner  
Membership No.427716

**Sameer Gupta**  
Director  
DIN : 03486281

**Manju Kumar Ghosh**  
Director  
DIN : 07644889

Place: Mumbai  
Date : April 10, 2017