

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SIMBHAOLI POWER PRIVATE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **SIMBHAOLI POWER PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone 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 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 prescribed under section 133 of the Act, as applicable.

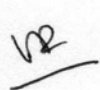
This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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**

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 and the CARO 2016 under section 143 (11) of the Act.

We conducted our audit of the 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.

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

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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

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 March 31, 2016, and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. 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 prescribed under section 133 of the Act, as applicable.
  - e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial positions;
    - ii. The Company did not have any material foreseeable losses on long-term contracts. The Company does not have any derivatives contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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2. As required by the Companies (Auditor's Report) Order, 2016 ("CARO 2016") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No. 015125N)



**Jaideep Bhargava**  
Partner  
(Membership No. 090295)

Gurgaon, May 28, 2016



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

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **SIMBHAOLI POWER PRIVATE LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No. 015125N)



**Jaideep Bhargava**  
Partner  
(Membership No. 090295)

Gurgaon, May 28, 2016



**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT  
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements'  
section of our report of even date)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a programme of physically verifying all its fixed assets over a period of three years, which in our opinion is reasonable having regard to the size of the Company and nature of its fixed assets. In accordance with this programme, some of the fixed assets were physically verified by the management during the year. The discrepancies noticed on such verification between the physical balances and the fixed assets records were not material and have been properly dealt with in the books of account.
- (c) The Company does not have any immovable properties of freehold land and building. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence reporting under clause (v) of the CARO 2016 is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

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- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Service Tax, Value Added Tax, cess and other material statutory dues applicable to it to with the appropriate authorities. We have been informed that the operations of the Company during the year did not give rise to any Employee's State Insurance, Sales tax, Customs Duty and Excise Duty.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Service Tax, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
  - (c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax as on March 31, 2016 on account of disputes.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and dues to debenture holders, except as under:

Particulars	Amount of default of repayment (Rs.)		Period of default
	Principal	Interest	
<b>Dues to Banks:</b>			
Uttar Pradesh Co-operative Bank Ltd.	-	133.35	30-60 days
	565.00	163.32	Not paid till date

The Company has not taken any loan or borrowings from financial institutions (other than scheduled banks) and government.

- (ix) In our opinion and according to the information and explanations given to us, money raised by the way of the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.



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- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No. 015125N)



**Jaideep Bhargava**  
Partner  
(Membership No. 090295)

Gurgaon, May 28, 2016





**SIMBHAOLI POWER PRIVATE LIMITED**

**BALANCE SHEET AS AT MARCH 31, 2016**

	Notes	As at March 31, 2016 Rs. lacs	As at March 31, 2015 Rs. lacs
<b>A EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3.01	1,086.03	443.68
Reserves and surplus	3.02	7,227.70	1,389.63
		<u>8,313.73</u>	<u>1,833.31</u>
<b>Non-current liabilities</b>			
Long-term borrowings	3.03	22,303.61	14,318.65
Other long-term liabilities	3.04	45.00	45.00
Long-term provisions	3.05	24.84	34.12
		<u>22,373.45</u>	<u>14,397.77</u>
<b>Current liabilities</b>			
Trade payables			
Total outstanding dues of:			
- Micro enterprises and small enterprises	6	-	0.14
- Creditors other than micro enterprises and small enterprises		2,605.51	2,266.14
Other current liabilities	3.06	7,780.90	10,474.45
Short-term provisions	3.07	31.35	5.44
		<u>10,417.76</u>	<u>12,746.17</u>
<b>Total</b>		<u><b>41,104.94</b></u>	<u><b>28,977.25</b></u>
<b>B ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	3.08		
Tangible assets		33,011.23	21,983.32
Intangible assets		19.53	21.42
Capital work-in-progress - Tangible		-	1,923.32
Pre-operative expenditure pending allocation	3.09	-	521.60
Deferred tax assets (net)	3.10	-	-
Long-term loans and advances	3.11	12.89	601.77
		<u>33,043.65</u>	<u>25,051.43</u>
<b>Current assets</b>			
Current investments	3.12	1,813.53	214.08
Inventories	3.13	400.06	349.42
Trade receivables	3.14	4,136.75	2,194.71
Cash and cash equivalents	3.15	112.07	687.62
Short-term loans and advances	3.16	52.20	109.93
Other current assets	3.17	1,546.68	370.06
		<u>8,061.29</u>	<u>3,925.82</u>
<b>Total</b>		<u><b>41,104.94</b></u>	<u><b>28,977.25</b></u>

See accompanying notes forming parts of the financial statements 1 to 16

In terms of our report attached.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants

*Jaideep Bhargava*

Jaideep Bhargava  
Partner



Place: Gurgaon

Date: 28 MAY 2016

For and on behalf of the Board of Directors

*Gurpal Singh* *Amrendra Prasad Singh*

Gurpal Singh Director  
DIN - 00064807

Amrendra Prasad Singh  
Managing Director  
DIN - 03512958

*Devinder Raj Narang*  
Director  
DIN - 00870801

*Pitambar Kumar*  
Pitambar Kumar  
Chief Finance Officer

*Company Secretary*  
Company Secretary

Place: New Delhi

Date: 28 MAY 2016



**SIMBHAOLI POWER PRIVATE LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

	Notes	Year ended March 31, 2016 Rs. lacs	Year ended March 31, 2015 Rs. lacs
<b>Revenue from operations</b>			
Sale of Products		5,566.33	5,560.05
Other operating revenues	3.18	1,307.63	302.90
		<b>6,873.96</b>	<b>5,862.95</b>
Other income	3.19	123.24	86.06
<b>Total Revenue</b>		<b>6,997.20</b>	<b>5,949.01</b>
<b>Expenses</b>			
Cost of materials consumed - indigenous		1,720.99	1,755.48
Changes in inventories of finished goods, work-in-progress and stock-in-trade	3.20	(29.55)	17.37
Employee benefits expense	3.21	461.82	488.62
Finance costs	3.22	2,620.50	2,807.76
Depreciation	3.08	844.58	792.53
Other expenses	3.23	1,083.02	1,623.69
<b>Total Expenses</b>		<b>6,701.36</b>	<b>7,485.45</b>
<b>Profit/(loss) before exceptional item and tax</b>		<b>295.84</b>	<b>(1,536.44)</b>
Exceptional item (Net)	3.08	-	1,846.75
<b>Profit/(loss) before tax</b>		<b>295.84</b>	<b>310.31</b>
Tax expense:-			
Current tax (MAT charged off)		60.32	10.13
Deferred tax charge/(benefit)		-	915.50
<b>Profit/(loss) after tax</b>		<b>235.52</b>	<b>(615.32)</b>
<b>Earnings per equity share - basic/diluted (Rs.10 each)</b>			
	12		
Basic/Diluted before exceptional item		2.71	(56.06)
Basic/Diluted after exceptional item		2.71	(14.01)

See accompanying notes forming parts of the financial statements 1 to 16

In terms of our report attached.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants

*Jandeep Bhargava*  
Jandeep Bhargava  
Partner

Place Gurgaon  
Date 28 MAY 2016



For and on behalf of the Board of Directors

*Gurpal Singh*  
Gurpal Singh  
Director  
DIN - 00064807

*Amrendra Prasad Singh*  
Amrendra Prasad Singh  
Managing Director  
DIN - 03512958

*Pitambar Kumar*  
Pitambar Kumar  
Chief Finance Officer

*Devinder Raj Narang*  
Devinder Raj Narang  
Director  
DIN - 00870801

*Company Secretary*  
Company Secretary

Place : New Delhi

Date 28 MAY 2016



**SIMBHAOLI POWER PRIVATE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016**

Particulars	For the year ended March 31, 2016 Rs. laacs	For the year ended March 31, 2015 Rs. Laacs
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit/(loss) before exceptional item and tax	295.84	(1,536.44)
Adjustments for:		
Depreciation	844.58	792.53
Finance costs	2,620.50	2,807.76
Profit on sale of current investments	(59.28)	(7.08)
Interest income	(41.10)	(76.60)
<b>Operating profit/(loss) before working capital changes</b>	<b>3,660.54</b>	<b>1,980.17</b>
Changes in working capital:		
Adjustments for (increase)/decrease in operating assets:		
Inventories	(50.62)	(15.31)
Trade receivables	(1,942.04)	(1,383.12)
Short-term loans and advances	49.54	(55.93)
Other current Assets	(1,181.71)	(1.48)
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	339.23	740.66
Other current liabilities	(58.11)	(12.75)
Short-term provisions	25.91	1.28
Long-term provisions	(9.28)	11.38
<b>Cash (used)/generated from operations</b>	<b>833.46</b>	<b>1,264.90</b>
<b>Direct taxes (paid)/refund</b>	<b>(45.35)</b>	<b>(8.60)</b>
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>788.11</b>	<b>1,256.30</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(7,739.22)	(3,042.24)
Purchase of investments	(4,228.05)	(620.00)
Sale of investments	2,687.88	413.00
Consideration paid under Business Transfer Agreement	(704.01)	(4,939.00)
Interest received	39.40	89.66
Margin money	-	(2.00)
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(9,944.00)</b>	<b>(8,100.58)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity shares and share premium	4,500.00	320.00
Proceeds from long-term borrowings	7,871.54	6,617.00
Repayment of long-term borrowings	-	(507.57)
Finance costs paid	(3,791.20)	(1,220.31)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>8,580.34</b>	<b>5,209.12</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(575.55)</b>	<b>(1,635.16)</b>
Cash and cash equivalents at the beginning of the year (Refer note 3.15)	665.62	2,300.78
<b>Cash and cash equivalents at the end of the year (Refer note 3.15)</b>	<b>90.07</b>	<b>665.62</b>

The above cash flow statement has been prepared under the indirect method set out in Accounting Standard -3 'Cash Flow Statement'.

In terms of our report attached,  
For **DELOITTE HASKINS & SELLS**  
Chartered Accountants

*Jaideep Bhargava*  
Jaideep Bhargava  
Partner



Place : Gurgaon  
Date : May 28, 2016

For and on behalf of the Board of Directors

*Gurpal Singh*      *Amrendra Prasad Singh*      *Devinder Raj Narang*  
Gurpal Singh      Amrendra Prasad Singh      Devinder Raj Narang  
Director      Managing Director      Director  
DIN - 00064807      DIN - 03512958      DIN - 00870801

*Pitambar Kumar*  
Pitambar Kumar  
Chief Finance Officer

*Company Secretary*  
Company Secretary

Place : New Delhi  
Date : May 28, 2016



**SIMBHAOLI POWER PRIVATE LIMITED**  
Notes forming parts of the financial statements

**1. Corporate Information**

Simbhaoli Power Private Limited ("the Company") was incorporated on 21st June, 2011. The Company has been promoted by Simbhaoli Sugars Limited ("SSL"), which is engaged in the production of sugar, alcohol and biomass based power. SSL entered into a joint venture agreement (JVA) with Sindicatum Captive Energy Singapore PTE Ltd ("SCES"), a dedicated private equity fund set up to finance the development of non-conventional energy projects in South East Asia. As per the JVA, SSL transferred all the assets related to power generation into the Company under Business Transfer Agreements on 25th January, 2013 (effective date) and SCES has subscribed to 49% of the stake in the Company.

The Company is engaged in the business of generating power and selling to utility companies. The Company had acquired 52 MW Bagasse based Cogeneration Power Project adjacent to the Sugar Factories of SSL in Simbhaoli and Chilwaria, in the state of Uttar Pradesh.

The Company had entered into various Commercial Agreements in terms of JVA with SSL and SCES (its Joint Venturers), for the Bagasse Based Cogeneration Power Business. The main terms of such agreements are as under:

- a. SSL will provide sufficient bagasse generated to the Company and the Company will convert the same into power and steam to supply to sugar plants after such conversion. SSL shall meet the cost of conversion.
- b. SSL is obligated to give all the bagasse additionally produced by it, after the supply of bagasse for conversion, under the long term Bagasse Supply Agreement to the Company. The Company will pay price for this purchased bagasse as agreed between the two parties.
- c. The Company will sell surplus power to utility companies from the effective date.
- d. The expansion project at Simbhaoli of 28 MW is commissioned during the year. The total power generation capacity of the Company post expansion is 100 MW.

**2. Significant accounting policies**

**i) Accounting convention**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**ii) Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires the Management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Example of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, provision for income taxes and the useful lives of fixed assets. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialize.



**SIMBHAOLI POWER PRIVATE LIMITED**  
Notes forming parts of the financial statements

iii) **Fixed assets (Tangible)**

Fixed assets are valued at cost less accumulated depreciation.

Cost of acquisition or construction is inclusive of freight, duties, taxes, other incidental expenses and, in case of capital projects, financing cost relating to borrowed funds attributable to construction or acquisition of fixed assets, up to the date of their commissioning.

**Capital Work in progress**

Projects under tangible fixed assets which are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

**Pre operative expenditure pending allocation**

Expenses directly related to construction activities or incidental thereto, are allocated to fixed assets at the time of completion of project.

iv) **Cash and cash equivalents (for purposes of Cash Flow Statement )**

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

v) **Cash flow statement**

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

vi) **Depreciation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the following method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the plant and machinery acquired under Business Transfer Agreement, in this case the life of the assets has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset etc.

Building	Written down value
Plant and machinery	Straight line method
Computer Equipment	Straight line method
Furniture and fixtures	Straight line method
Vehicles	Written down value
Office equipment	Straight line method

Intangible assets are amortized over a period of ten years being their estimated useful life on straight line method.

vii) **Inventories**

Inventories are valued at the lower of cost and net realizable value. The basis of determining cost for different categories of inventory is as follows:

Stores and spare parts	- Monthly weighted average.
Raw materials / Fuel	- First in first out (FIFO)
Finished goods	- FIFO material cost plus appropriate share of labour and manufacturing overheads.



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viii) **Investments**

Current investments are carried at cost or net realizable value whichever is lower. Investment in Mutual fund valued at lower of cost or fair value.

ix) **Leases**

Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss.

x) **Borrowing Cost**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

xi) **Employee benefits**

Employee benefits include provident fund, superannuation fund, gratuity fund and compensated absences.

**Defined contribution plans**

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

**Defined benefit plans**

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

**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 recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and



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(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

xii) **Revenue recognition**

Revenue from power generation is recognised on accrual basis as per terms of Power Purchase Agreement with Uttar Pradesh Power Corporation Limited.

Bagasse conversion income is recognized when services are rendered as per contracted terms with the customers.

Income from REC is recognized to the extent approved and credited in company's favour by concerned authority in the account maintained with Renewable Energy Certificate Registry of India at the minimum expected realizable value, determined based on the rates specified under the relevant regulations. Since there is no uncertainty in realizing the same. The difference between the amount recognized initially and the amount realized on sale of such RECs at the Power Exchange are accounted for as and when such sale happens.

xiii) **Other Income**

Interest income is accounted on accrual basis.

xiv) **Foreign Currency Transactions**

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing on the date of transaction.

Monetary items (i.e. receivables, payables, loans etc.) denominated in foreign currency are reported using the closing exchange rate on each balance sheet date and exchange differences are recognised as income or expense in the Statement of Profit and Loss.

xv) **Taxation**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which does not gives future economic benefits in the form of adjustment to future income tax liability, is expensed off.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

xvi) **Earnings per Share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary/ exceptional items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of



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extraordinary/exceptional items, if any) as adjusted for dividend, interest and other charges to expense (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

xvii) **Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.





**SIMBHAOLI POWER PRIVATE LIMITED**

Notes forming part of the financial statements

**3.01 SHARE CAPITAL**

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Rs. lacs	Number of shares	Rs. lacs
<b>(a) Authorised</b>				
Equity shares of Rs. 10 each with voting rights	21,000,000	2,100.00	6,500,000	650.00
	21,000,000	2,100.00	6,500,000	650.00
<b>(b) Issued</b>				
Equity shares of Rs. 10 each with voting rights	10,860,284	1,086.03	4,436,816	443.68
	10,860,284	1,086.03	4,436,816	443.68
<b>(c) Subscribed and paid up</b>				
Equity shares of Rs. 10 each with voting rights fully paid up	10,860,284	1,086.03	4,436,816	443.68
<b>TOTAL</b>	<b>10,860,284</b>	<b>1,086.03</b>	<b>4,436,816</b>	<b>443.68</b>

**A) Reconciliation of number of ordinary Shares and amount outstanding at the beginning and at the end of the year**

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Rs. lacs	Number of shares	Rs. lacs
<b>Equity shares with voting right (one per share)</b>				
As at beginning of the year	4,436,816	443.68	3,783,755	378.38
Add. Issue of Share	6,423,468	642.35	653,061	65.30
As at end of the year	10,860,284	1,086.03	4,436,816	443.68

**B) Rights, preference and restriction attached to shares: Equity shares of Rs.10 each:**

- In respect of equity shares, voting right shall be in same proportion as the capital paid upon such equity share.
- The dividend proposed by the Board of Directors which is subject to the approval of the shareholders in the Annual General Meeting shall be in the same proportion as the capital paid upon such equity share.
- In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to capital paid upon such equity share.

**C) Shareholders holding more than 5% of the Equity Shares in the Company**

Name of Shareholder	As at March 31, 2016		As at March 31, 2015	
	Number of shares held	% holding in that class of shares	Number of shares	% holding in that class of shares
1 Simbhaoli Sugars Limited (along with nominee shareholder)	5,538,744	51.00	2,262,766	51.00
2 Sindicatum Captive Energy Singapore Pte Limited	5,321,540	49.00	2,174,040	49.00

**D) Equity shares held by Holding Company**

Name of Shareholder	As at March 31, 2016		As at March 31, 2015	
	Number of shares held	% to total	Number of shares	% to total
1 Simbhaoli Sugars Limited (along with nominee shareholder)	5,538,744	51.00	2,262,766	51.00

Note:

- 3,147,500 (previous year 320,000) equity shares of Rs. 10 each were issued and allotted during year out of which 9,60,000 were issued at premium of Rs. 90 per share and 2,187,500 equity shares were issued and allotted during the year at premium of Rs. 86 per share to Sindicatum Captive Energy Singapore Pte Limited (Joint venturer).
- 2,276,785 (previous year Nil) equity shares of Rs. 10 each were issued and allotted to Simbhaoli Sugars Limited (Holding Company) at a premium of Rs. 86 each by way of conversion of interest outstanding of BTA.
- Aggregate number of equity shares of Rs.10 each to Simbhaoli Sugars Limited (holding company) allotted as fully paid-up pursuant to Joint Venture Agreement dated December 13, 2012 and Business Transfer Agreements dated January 25, 2013 and subsequent amendments thereto, without payments being received in cash in the last five financial years:

Particulars	Aggregate number of shares	
	As at March 31, 2016	As at March 31, 2015
Equity shares with voting rights	3,211,959 *	2,212,776

\* Includes 999,183 equity shares of Rs.10 each issued at a premium of Rs.90 per share.

- 9,594,001 (previous year 6,655,225) equity shares were reserved for issuance towards compulsorily convertible debentures [Refer Note 3.3 and Note 10]



**SIMBHAOLI POWER PRIVATE LIMITED**

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**3.02 RESERVES AND SURPLUS**

	As at March 31, 2016 Rs. lacs	As at March 31, 2015 Rs. lacs
<b>Securities premium reserve</b>		
Opening Balance	3,948.13	3,360.38
Add: Premium on shares issued during the year	5,602.55	587.75
	<b>9,550.68</b>	<b>3,948.13</b>
<b>Surplus/(Deficit) in Statement of Profit and Loss</b>		
Opening Balance	(2,558.50)	(1,943.18)
Add: Profit/(Loss) for the year	235.52	(615.32)
Closing Balance	<b>(2,322.98)</b>	<b>(2,558.50)</b>
	<b>7,227.70</b>	<b>1,389.63</b>

**3.03 LONG-TERM BORROWINGS**

	As at March 31, 2016 Rs. lacs	As at March 31, 2015 Rs. lacs
<b>Secured</b>		
Term Loans - from banks [refer note 8] #	15,253.80	7,005.39
Less: Current maturities	2,826.85	1.50
	12,426.95	7,003.89
<b>Unsecured</b>		
Compulsorily Convertible Debentures [refer note 10]		
Simbhaoli Sugars Limited [4,892,941 (3,394,165) CCDs of Rs.100 each]	4,892.94	3,394.17
Sindicatum Captive Energy Singapore Pte Limited [4,701,060 (3,261,060) CCDs of Rs.100 each]	4,701.06	3,261.06
Long-term maturities of finance lease obligations [refer note 9]	282.66	659.53
	<b>22,303.61</b>	<b>14,318.65</b>

# Period and amount of continuing defaults as on the balance sheet date in respect of principal and interest on borrowings:

Particulars	As at March 31, 2016		As at March 31, 2015		Period of default
	Amount of default in repayment (Rs.lacs)		Amount of default in repayment (Rs.lacs)		
	Principal	Interest	Principal	Interest	
Dues to Bank					
Uttar Pradesh Co-operative Bank	565.00	163.32	-	-	30 - 60 days Not paid till date



**SIMBHAOLI POWER PRIVATE LIMITED**

Notes forming part of the financial statements

**3.04 OTHER LONG TERM LIABILITIES**

	As at March 31, 2016 Rs. lacs	As at March 31, 2015 Rs. lacs
Liabilities under Business Transfer Agreement [refer note 4]	45.00	45.00
	<b>45.00</b>	<b>45.00</b>

**3.05 LONG-TERM PROVISIONS**

	As at March 31, 2016 Rs. lacs	As at March 31, 2015 Rs. lacs
Provision for employee benefits: Compensated absences	24.84	34.12
	<b>24.84</b>	<b>34.12</b>

**3.06 OTHER CURRENT LIABILITIES**

	As at March 31, 2016 Rs. lacs	As at March 31, 2015 Rs. lacs
Current maturities of long-term borrowing		
- Term Loan (Secured) - From bank [refer note 8]	2,826.85	1.50
Current maturities of finance lease obligations [refer note 9]	376.88	376.88
Interest accrued but not due on borrowings	2,746.54	1,338.09
Interest accrued and due on borrowings	296.67	-
Interest accrued and due on Business Transfer Agreement	-	2,875.81
Liabilities under Business Transfer Agreement [refer note 4]	-	5,387.69
Payables on purchase of capital goods	1,281.74	184.15
Statutory dues payable	252.22	307.13
Others miscellaneous payable	-	3.20
	<b>7,780.90</b>	<b>10,474.45</b>

**3.07 SHORT-TERM PROVISIONS**

	As at March 31, 2016 Rs. lacs	As at March 31, 2015 Rs. lacs
Provision for employee benefits		
Compensated absences	4.56	5.44
Provision for tax (net of advance tax of Rs. 48.19 lacs)	26.79	-
	<b>31.35</b>	<b>5.44</b>



**SIMBHAOLI POWER PRIVATE LIMITED**

Notes forming part of the financial statements

**3.68 FIXED ASSETS**

Tangible Asset	As at April 1, 2015		Gross Block		As at March 31, 2016		Accumulated Depreciation		As at March 31, 2016		Net Block At March 31, 2016
	As at April 1, 2015	Additions	Disposals	As at March 31, 2016	For the year	On disposals	Other Adjustments#	As at March 31, 2016	At March 31, 2016		
<b>Building-Factory</b>	2,872.17 (1,827.93)	549.00 (1,049.24)	-	3,426.17 (2,877.17)	452.89 (212.09)	239.40 (240.80)	-	692.29 (452.80)	2,733.88 (2,424.28)		
Own (Previous year)	2,872.17 (1,827.93)	549.00 (1,049.24)	-	3,426.17 (2,877.17)	452.89 (212.09)	239.40 (240.80)	-	692.29 (452.80)	2,733.88 (2,424.28)		
<b>Plant &amp; Machinery</b>	21,069.04 (15,172.00)	11,292.04 (4,897.04)	-	32,361.08 (21,069.04)	1,544.82 (2,852.27)	590.40 (539.14)	-	2,135.22 (1,544.82)	30,225.86 (19,524.22)		
Own (Previous year)	19,059.04 (14,162.00)	11,292.04 (4,897.04)	-	30,351.08 (19,059.04)	1,367.13 (2,497.68)	337.73 (486.47)	-	1,904.86 (1,367.13)	28,446.22 (17,691.91)		
Taken under finance lease (Previous year)	2,010.00 (2,010.00)	-	-	2,010.00 (2,010.00)	177.69 (354.59)	52.67 (52.67)	-	230.36 (177.69)	1,779.64 (1,832.31)		
<b>Computer Equipment</b>	6.09 (1.22)	4.16 (4.87)	-	10.25 (6.09)	1.34 (0.28)	2.18 (1.23)	-	3.52 (1.34)	6.73 (4.75)		
Own (Previous year)	6.09 (1.22)	4.16 (4.87)	-	10.25 (6.09)	1.34 (0.28)	2.18 (1.23)	-	3.52 (1.34)	6.73 (4.75)		
<b>Furniture &amp; Fixtures</b>	8.42 (0.26)	15.39 (8.16)	-	23.81 (8.42)	0.04 (0.01)	0.95 (0.03)	-	0.99 (0.04)	22.82 (8.38)		
Own (Previous year)	8.42 (0.26)	15.39 (8.16)	-	23.81 (8.42)	0.04 (0.01)	0.95 (0.03)	-	0.99 (0.04)	22.82 (8.38)		
<b>Vehicles</b>	36.80 (28.54)	8.31 (8.26)	-	45.11 (36.80)	15.33 (5.68)	9.31 (9.64)	-	24.64 (15.33)	20.47 (21.47)		
Own (Previous year)	36.80 (28.54)	8.31 (8.26)	-	45.11 (36.80)	15.33 (5.68)	9.31 (9.64)	-	24.64 (15.33)	20.47 (21.47)		
<b>Office Equipments</b>	0.26 (0.07)	1.37 (0.19)	-	1.63 (0.26)	0.04 (0.04)	0.12 (0.04)	-	0.16 (0.04)	1.47 (0.22)		
Own (Previous year)	0.26 (0.07)	1.37 (0.19)	-	1.63 (0.26)	0.04 (0.04)	0.12 (0.04)	-	0.16 (0.04)	1.47 (0.22)		
<b>Total Tangible Assets (Current year)</b>	23,997.78 (18,030.02)	11,870.27 (5,967.70)	-	35,868.05 (23,997.78)	2,014.46 (3,070.33)	842.86 (790.88)	-	2,856.82 (2,014.46)	33,011.23 (21,983.32)		
<b>Total Tangible Assets (Previous year)</b>	23,997.78 (18,030.02)	11,870.27 (5,967.70)	-	35,868.05 (23,997.78)	2,014.46 (3,070.33)	842.86 (790.88)	-	2,856.82 (2,014.46)	33,011.23 (21,983.32)		
<b>Intangible Assets</b>	23.07 -	0.33 (23.07)	-	23.40 (23.07)	1.65 -	2.22 (1.65)	-	3.87 (1.65)	19.53 (21.42)		
Own (Previous year)	23.07 -	0.33 (23.07)	-	23.40 (23.07)	1.65 -	2.22 (1.65)	-	3.87 (1.65)	19.53 (21.42)		
<b>Total Intangible Assets (Current year)</b>	23.07 -	0.33 (23.07)	-	23.40 (23.07)	1.65 -	2.22 (1.65)	-	3.87 (1.65)	19.53 (21.42)		
<b>Total Intangible Assets (Previous year)</b>	23.07 -	0.33 (23.07)	-	23.40 (23.07)	1.65 -	2.22 (1.65)	-	3.87 (1.65)	19.53 (21.42)		
<b>Total (Current year)</b>	24,020.85 (18,030.02)	12,170.60 (5,990.83)	-	35,891.45 (24,020.85)	2,016.11 (3,070.33)	845.08 (792.53)	-	3,860.69 (2,016.11)	33,030.76 (22,004.74)		
<b>Total (Previous year)</b>	24,020.85 (18,030.02)	12,170.60 (5,990.83)	-	35,891.45 (24,020.85)	2,016.11 (3,070.33)	845.08 (792.53)	-	3,860.69 (2,016.11)	33,030.76 (22,004.74)		
<b>Capital Work-in-progress -Tangible</b>	-	-	-	-	-	-	-	-	-		
Own (Previous year)	-	-	-	-	-	-	-	-	-		
<b>Total (Current year)</b>	-	-	-	-	-	-	-	-	-		
<b>Total (Previous year)</b>	-	-	-	-	-	-	-	-	-		



**SIMBHAOLI POWER PRIVATE LIMITED**

Notes forming part of the financial statements

**3.09 PRE-OPERATIVE EXPENDITURES PENDING ALLOCATION**

	As at March 31, 2016 Rs. lacs	As at March 31, 2015 Rs. lacs
Cost of Material Consumed	520.06	257.59
Salaries, wages, bonus etc.	93.00	-
Stores and spares	-	18.83
Power and fuel	19.56	-
Repair and maintenance- others	-	10.34
Insurance	1.27	25.62
Rates and taxes	15.30	-
Travelling and conveyance	8.39	41.90
Printing and stationery	-	0.08
Freight	17.77	9.90
Legal and professional	100.01	19.79
Finance cost	887.32	365.48
Other borrowing costs	3.87	87.74
Miscellaneous expenses	0.44	16.45
Add: Brought forward from previous year	521.60	988.82
Subtotal	<u>2,188.59</u>	<u>1,842.54</u>
Less: Power Sale	252.57	248.91
Less: Interest received on fixed deposits	62.34	100.37
	1,873.68	1,493.26
Less: Capitalised during the year	1,873.68	971.66
Total pre-operative expenses	<u>-</u>	<u>521.60</u>

**3.10 DEFERRED TAX ASSETS (NET)**

	As at March 31, 2016 Rs. lacs	As at March 31, 2015 Rs. lacs
<b>Deferred tax assets</b>		
Unabsorbed depreciation/business loss [refer note 15]	6,409.40	4,528.03
Provision for gratuity and compensated absences	15.35	22.77
	<u>6,424.75</u>	<u>4,550.80</u>
<b>Deferred tax liabilities</b>		
Depreciation	6,424.75	4,550.80
	<u>6,424.75</u>	<u>4,550.80</u>
<b>Deferred tax assets (net)</b>	<u>-</u>	<u>-</u>

**SIMBHAOLI POWER PRIVATE LIMITED**

Notes forming part of the financial statements

**3.11 LONG-TERM LOANS AND ADVANCES**

	As at March 31, 2016 Rs. lacs	As at March 31, 2015 Rs. lacs
(Unsecured considered good unless otherwise stated)		
Capital advances	12.89	601.77
	<b>12.89</b>	<b>601.77</b>

**3.12 CURRENT INVESTMENTS**

	As at March 31, 2016 Amount (Rs.)	As at March 31, 2015 Amount (Rs.)
<b>Current investments</b>		
Investment in Mutual Fund (unquoted)		
- Nil units (previous year 65450.799) in Birla Sunlife Mutual Funds	-	214.08
- 77169.882 units (previous year Nil) in SBI Mutual Funds	1,813.53	-
	<b>1,813.53</b>	<b>214.08</b>
- Aggregate amount of unquoted investments	1,813.53	214.08
- Aggregate market value of unquoted investment	1,833.62	219.83

**3.13 INVENTORIES #**

	As at March 31, 2016 Rs. lacs	As at March 31, 2015 Rs. lacs
Raw materials	210.67	189.71
Finished goods	67.77	38.22
Stores and spares	121.62	121.49
	<b>400.06</b>	<b>349.42</b>

# (At lower of cost and net realisable value)



**SIMBHAOLI POWER PRIVATE LIMITED**

Notes forming part of the financial statements

**3.14 TRADE RECEIVABLES**

	As at March 31, 2016 Rs. lacs	As at March 31, 2015 Rs. lacs
Other trade receivable (less than six months) Unsecured - considered good	4,136.75	2,194.71
	<b>4,136.75</b>	<b>2,194.71</b>

**3.15 CASH AND CASH EQUIVALENTS**

	As at March 31, 2016 Rs. lacs	As at March 31, 2015 Rs. lacs
<b>Cash and cash equivalents (As per AS 3 - Cash Flow Statements)</b>		
Balances with banks on		
-current account	87.79	514.15
-deposit account upto 12 months maturity	-	150.00
Cash on hand	2.28	1.47
	<b>90.07</b>	<b>665.62</b>
<b>Other bank balances - Margin Money/Cash Collateral</b>		
- With original maturity of more than 3 months but less than 12 months	2.00	-
- With original maturity of more than 12 months	20.00	22.00
	<b>112.07</b>	<b>687.62</b>



**SIMBHAOLI POWER PRIVATE LIMITED**

Notes forming part of the financial statements

**3.16 SHORT-TERM LOANS AND ADVANCES**

	As at March 31, 2016 Rs. lacs	As at March 31, 2015 Rs. lacs
<i>(Unsecured considered good, unless otherwise stated)</i>		
Advances recoverable in cash or in kind or for value to be received		
Considered good	4.11	57.11
Prepaid expenses	36.57	30.10
Loans and advances to employees	8.00	4.23
Security deposits	3.52	3.52
Tax payments (previous year net of provision of tax Rs.10.13 lacs))	-	14.97
	<b>52.20</b>	<b>109.93</b>

**3.17 OTHER CURRENT ASSETS**

	As at March 31, 2016 Rs. lacs	As at March 31, 2015 Rs. lacs
<i>(Unsecured considered good, unless otherwise stated)</i>		
Unbilled revenue	703.93	367.61
REC income receivable	827.04	-
Interest accrued on bank deposits	4.14	2.45
Claim receivable	11.57	-
	<b>1,546.68</b>	<b>370.06</b>





SIMBHAOLI POWER PRIVATE LIMITED

Notes forming part of the financial statements

3.18 OTHER OPERATING REVENUE

	Year ended March 31, 2016 Rs. lacs	Year ended March 31, 2015 Rs. lacs
Baggasse conversion income	281.87	302.90
REC income	1,025.76	-
	1,307.63	302.90

3.19 OTHER INCOME

	Year ended March 31, 2016 Rs. lacs	Year ended March 31, 2015 Rs. lacs
Interest on bank deposits	103.44	176.97
Profit on sale of current investments	59.28	7.08
Liability/provisions no longer required written back	0.33	-
Scrap sale	19.94	-
Miscellaneous income	2.59	2.38
Less: Interest income netted from capitalisation	(62.34)	(100.37)
	123.24	86.06



**SIMBHAOLI POWER PRIVATE LIMITED**

Notes forming part of the financial statements

**3.20 (INCREASE)/DECREASE IN STOCK OF FINISHED GOODS AND PROCESS STOCK AND STOCK-IN-TRADE**

	Year ended March 31, 2016 Rs. lacs	Year ended March 31, 2015 Rs. lacs
Opening stock		
Finished goods	38.22	55.59
	<u>38.22</u>	<u>55.59</u>
Closing stock		
Finished goods	67.77	38.22
	<u>67.77</u>	<u>38.22</u>
	<u>(29.55)</u>	<u>17.37</u>

**3.21 EMPLOYEE BENEFIT EXPENSES**

	Year ended March 31, 2016 Rs. lacs	Year ended March 31, 2015 Rs. lacs
Salaries, wages, bonus, etc.	488.67	426.57
Provident and other funds	58.86	57.32
Welfare expenses	7.29	4.73
Less : Salary capitalised	(93.00)	-
	<u>461.82</u>	<u>488.62</u>

**3.22 FINANCE COSTS**

	Year ended March 31, 2016 Rs. lacs	Year ended March 31, 2015 Rs. lacs
Interest expense on:		
• Finance lease	68.77	95.76
• Secured borrowings	1,431.40	868.92
• Unsecured borrowings	1,672.98	1,016.19
• Interest on others		
on BTA consideration	332.41	1,189.68
on delayed payments of tax deduction at source	1.33	1.77
Other borrowing costs	4.80	0.92
Less: Borrowing costs capitalised	(891.19)	(365.48)
	<u>2,620.50</u>	<u>2,807.76</u>



**SIMBHAOLI POWER PRIVATE LIMITED**

Notes forming part of the financial statements

**3.23 OTHER EXPENSES**

	Year ended March 31, 2016 Rs. lacs	Year ended March 31, 2015 Rs. lacs
Consumption of stores and spare parts	45.44	54.94
Power and fuel	26.56	34.67
Repairs		
- Machinery	193.33	311.09
- Buildings	3.66	3.52
- Others	0.35	2.47
Insurance	36.67	34.78
Rent	66.38	72.84
Rates and taxes	15.09	14.77
Travelling and conveyance	25.19	27.50
Doubtful advances written off	12.00	-
Printing and stationery	1.03	1.80
Facility Charges	308.60	332.85
Management and Technical services	114.50	372.76
Royalty	-	125.06
Contractor & Security Charges	173.56	189.50
Legal and professional	10.35	6.69
Auditors' remuneration (including service tax)		
- Statutory Audit fee	12.00	9.55
- Limited review	-	3.37
- Taxation service (TP)	-	2.81
- Out-of-pocket expenses	-	0.31
Directors' fees	3.66	-
Miscellaneous expenses	34.65	22.41
	<b>1,083.02</b>	<b>1,623.69</b>



**SIMBHAOLI POWER PRIVATE LIMITED**  
Notes forming parts of the financial statements

4. Pursuant to the Business Transfer Agreements (BTA) dated January 25, 2013 and subsequent amendments thereto, executed between the Company and Simbhaoli Sugars Limited (SSL), SSL has transferred the Power Cogeneration divisions at Simbhaoli and Chilwaria with all properties, assets, liabilities, rights and obligations which have vested in the Company for an aggregate consideration of Rs. 15,978.63 lacs. In terms of the JV Agreement, the residual consideration outstanding of Rs. 45 lacs shall remain outstanding as "Non Interest Bearing Amount" disclosed under "Other current liabilities".

Out of BTA consideration amounting to Rs.5387.69 lacs outstanding as at the beginning of the year, Rs. 5387.69 lacs has been settled partly by issue of equity shares, compulsorily convertible debentures and cash payment.

5. Estimated amount of contracts (net of advances) remaining to be executed on capital account of Rs. 386.76 lacs (previous year Rs. 4,637.09 lacs)

The Company has other commitments, for purchase / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services, employee benefits including union agreements in normal course of business.

6. Based on the information available with the Company, the balance due to Micro and Small Enterprises as defined under the "The Micro, Small and Medium Enterprises Development Act, (MSMED) 2006" is Rs. Nil (previous year Rs. 0.14 lacs) and no interest during the year has been paid or is payable under the terms of the MSMED Act, 2006. The above information has been relied upon by the auditors.

7. Employee Benefits

The Company has classified the various benefits provided to employees as under:-

- a) Defined contribution plans:

- i) Superannuation fund  
 ii) Provident fund

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss:

	Amount (Rs. lacs)	
	Current Year	Previous Year
- Employers' Contribution to Provident Fund	36.00	31.13
- Employers' Contribution to Superannuation Fund	1.60	1.88

- b) Defined benefits plans

- a) Gratuity  
 b) Compensated absences – Earned Leave/ Sick Leave/ Casual Leave



**SIMBHAOLI POWER PRIVATE LIMITED**  
Notes forming parts of the financial statements

In accordance with the Accounting Standard 15 (revised 2005), actuarial valuation was done in respect of the aforesaid defined benefit plans and details of the same are given below:

Particulars	Amount (Rs. lacs)			
	Gratuity (Funded)		Compensated Absences (Unfunded)	
	2015-2016	2014-2015	2015-2016	2014-2015
Discount rate (per annum)	8%	8%	8%	8%
Future salary increase	5%	5%	5%	5%
Expected rate of return on plan assets	8%	8%	NA	NA
In service mortality	*	*	*	*
<b>I. Expense recognized in Statement of profit and loss</b>				
Current service cost	13.50	11.86	3.18	6.51
Interest cost	8.66	6.17	2.73	1.98
Expected return on plan assets	(7.83)	(5.28)	-	-
Net actuarial (gain)/loss recognized in the year	6.93	11.56	(5.31)	8.50
<b>Total expense</b>	<b>21.26</b>	<b>24.31</b>	<b>0.60</b>	<b>16.99</b>
<b>II Net asset/(liability) recognized in the balance sheet as at the end of the year</b>				
Present value of Defined benefits obligation	130.74	110.64	29.40	39.56
Fair value of plan assets	(115.78)	(80.04)	-	-
Funded status [surplus/(deficit)]	(14.96)	(30.60)	(29.40)	(39.56)
<b>Net asset /(liability) as at the end of the year</b>	<b>(14.96)</b>	<b>(30.60)</b>	<b>(29.40)</b>	<b>(39.56)</b>
<b>Non Current asset / ( liability )</b>	<b>-</b>	<b>-</b>	<b>(24.84)</b>	<b>(34.12)</b>
<b>Current asset / ( liability )</b>	<b>(14.96)</b>	<b>(30.60)</b>	<b>(4.56)</b>	<b>(5.44)</b>
<b>III Change in the present value of obligation during the year</b>				
Present value of the obligation as at the beginning of the year	110.64	77.18	39.56	26.90
Interest cost	8.66	6.17	2.73	1.98
Current service cost	13.50	11.86	3.18	6.51
Benefits paid	(4.67)	-	(10.76)	(4.33)
Actuarial (gains)/ losses on obligation	2.61	15.43	(5.31)	8.50
<b>Present value of obligation as at the end of the year</b>	<b>130.74</b>	<b>110.64</b>	<b>29.40</b>	<b>39.56</b>
<b>IV Change in present value of fair value of plan Assets</b>				
Fair value of plan assets as at the beginning of the year	80.04	52.01	-	-
Expected return on plan assets	7.83	5.28	-	-
Contributions	36.90	18.88	-	-
Benefits paid	(4.67)	-	-	-
Actuarial gains/(losses)	(4.32)	3.87	-	-
<b>Fair value of plan assets as at the end of the year</b>	<b>115.78</b>	<b>80.04</b>	<b>-</b>	<b>-</b>
<b>V Detail of plan Assets</b>	Funded with ICICI #		Not Applicable	

\* Indian Assured Lives Mortality (2006-08) Ultimate



**SIMBHAOLI POWER PRIVATE LIMITED**

Notes forming parts of the financial statements

# The plan assets are maintained with ICICI Prudential Life Insurance Company. The details of investments maintained by them have not been available to the Company and have therefore not been disclosed.

Disclosure relating to present value of defined obligation and fair value of plan assets and net actuarial gain/loss:-

Particulars	Amount (Rs. lacs)							
	Gratuity				Compensated Absences			
	2015-2016	2014-15	2013-14	2012-13	2015-2016	2014-15	2013-14	2012-13
Present value of obligation as at the end of the year	130.74	110.64	77.18	47.61	29.40	39.56	26.90	19.24
Fair value of plan assets as at the end of the year	115.78	80.04	52.01	46.73	-	-	-	-
Net asset/ (liability) recognized in the balance sheet	(14.96)	(30.60)	(25.18)	(0.89)	(29.40)	(39.56)	(26.90)	(19.24)
Net actuarial (gain)/ loss recognized	6.93	11.56	15.55	(0.58)	(5.31)	8.50	5.02	3.56

**8. Secured loan**

**(a) Term Loan from banks**

Nature of security	Terms of repayment
<p>(i) Term loan of Rs. 15250.00 lacs (previous year Rs. 7000 lacs) from Uttar Pradesh Cooperative Bank is secured by way of:</p> <p>First charge on all the present and future fixed assets and current assets of the Company.</p> <p>Assignment of leasehold rights over land, taken on lease by the Company situated at Simbhaoli and Chilwaria, where its power plants are located, in favour of the bank.</p> <p>Pledge of 1929695 equity shares held by Simbhaoli Sugars Limited in the Company.</p> <p>An irrevocable and unconditional gurantee(s) from Mr. Gurmeet Singh Mann and Mr. Gурpal Singh, the Directors of the holding company.</p> <p>First Charge on receivables from Uttar Pradesh Power Corporation Limited by way of escrow account Mechanism. [Due within one year Rs. 2825 lacs (previous year Rs. Nil)]</p>	<p>- Rs.2825 lacs repayable in FY 2016-17</p> <p>- Rs.2260 lacs repayable each year from 2017-18 to 2020-21 in 4 quarterly installments every year.</p> <p>- Rs. 2220 lacs repayable in 2021-22</p> <p>- Rs. 1165 lacs repayable in 2022-23</p> <p>Rate of Interest – 12.50%</p>
<p>(ii) Term loan of Rs. 3.80 lacs (previous year Rs. 5.39 lacs) from bank secured by way of hypothecation of the specific vehicle. [Due within one year Rs. 1.85 lacs (previous year Rs. 1.50 lacs)]</p>	<p>- Rs. 1.85 lacs repayable in FY 2016-17</p> <p>- Rs. 1.95 lacs repayable in FY 2017-18</p> <p>Rate of Interest – 10.05%</p>

**9. Details of leasing arrangements**

i) The Company has entered into finance lease arrangements for certain equipment, with the holding company for a term of five years effective from January 25, 2013. Upon completion of the lease term and subject to discharge of lease payments by the Company, the ownership of the above equipment shall automatically transfer to the Company.



**SIMBHAOLI POWER PRIVATE LIMITED**  
Notes forming parts of the financial statements

Reconciliation of minimum lease payments.

	Amount (Rs. lacs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Future minimum lease payments:		
not later than one year	412.18	439.52
later than one year and not later than five years	291.20	703.38
later than five years		-
Less: Unearned finance charges	43.84	106.49
Present value of minimum lease payments payable		
not later than one year	376.88	376.88
later than one year and not later than five years	282.66	659.53
later than five years	-	-

- ii) The Company has entered into operating lease arrangements for land at both the factories with the holding company. The leases are non-cancellable and are for a period of 19 years 11 months and may be renewed for a further period based on mutual agreement of the parties.

	Amount (Rs. lacs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Future minimum lease payments under non-cancellable leases:		
not later than one year	54.00	54.00
later than one year and not later than five years	216.00	216.00
later than five years	633.80	687.80

10. During the year Company has issued unsecured Compulsorily Convertible Debentures (CCD) of Rs 100 each amounting to Rs. 1498.77 lacs (previous year Rs. 499.60 lacs) to Simbhaoli Sugars Limited, the holding company (SSL) and of Rs. 1440.00 lacs (previous year Rs. 480.00 lacs) to Sindicatum Captive Energy Singapore Pte Ltd., Joint Venturer (SCES). The terms of debenture are as under:

a. Fixed Interest rate

Interest shall be payable on each series of CCDs at a rate of:

- i. 14.5% per annum for the first 48 months from the date of issue; and
  - ii. 16% per annum thereafter.
- b. Interest on CCDs shall accrue from the date of issuance of the CCD and accumulate for the first 15 months from the date of issuance of such CCD. Subsequently, the interest shall be paid bi-annually on 1 July and 1 January of each calendar year. However, due date for interest amounting to Rs.2,746.53 lacs accrued upto March 31, 2016 has been rescheduled by the debenture holders to June 30, 2016.
- c. CCDs will be compulsorily convertible into ordinary equity shares of the Company on the earlier of (i) the exercise of Sindicatum Captive Energy Singapore Pte Limited right to require conversion under terms of the Joint Venture Agreement, (ii) the giving of a Buy Out Notice or a Sale Notice, at the sole discretion and option of the SCES; or (iii) at the time stipulated in the following schedule:



**SIMBHAOLI POWER PRIVATE LIMITED**  
Notes forming parts of the financial statements

Proportion of CCDs (issued but not yet converted) to be converted by each of SCES and SSL		Conversion Date (number of years from the First Closing Date)	Tranche/ Conversion Date	(CCDs/ Shares)
SCES	SSL			
60%	60%	10 years	25.01.2023	57,56,401
10%	10%	9 years	25.01.2022	959,400
10%	10%	8 years	25.01.2021	959,400
10%	10%	7 years	25.01.2020	959,400
10%	10%	6 years	25.01.2019	959,400

**11. Related Party disclosures under Accounting Standard 18**

**A. Name of related party and nature of related party relationship.**

Name of Related Party	Nature of relationship
Erstwhile Simbhaoli Sugars Limited (Erst.SSL)	Holding Company till March 31, 2015
Sindicatum Captive Energy Singapore Pte Limited (SCES)	Joint Venturer
Integrated Casetech Consultants Private Limited (ICCPL)	Fellow Subsidiary
Simbhaoli Sugars Limited (SSL) (Formerly Simbhaoli Spirits Limited (SISPL))	Holding Company w.e.f April 1, 2015
Sindicatum Carbon Capital (India) Private Limited (SCCPL)	Associate of Joint Venturer
Uniworld Sugar Private Limited (USPL)	Entity in which shareholder has significant influence

**Key Managerial Personnel**

Name	Designation
Mr. Amrendra Prasad Singh	Managing Director
Mr. Gurmit Singh Mann	Director
Mr. Gурpal Singh	Director
Mr. Pitambar Kumar	Chief Finance Officer w.e.f February 11, 2016





11 B - Transactions with related parties as on March 31, 2016.

Description	Holding Company		Joint Venture		Key Management Personnel		Associate of Joint Venture		Fellow Subsidiary		Entity in which shareholder has significant influence		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Purchase of raw material	1,114.51	1,114.00	-	-	-	-	-	-	-	-	-	-	1,114.51	1,114.00
Business commission income	281.87	302.90	-	-	-	-	-	-	-	-	-	-	281.87	302.90
Power sale	227.34	111.02	-	-	-	-	-	-	-	-	-	-	227.34	113.02
Power sale income from DG set & banked power	139.43	114.72	-	-	-	-	-	-	-	-	-	-	139.43	114.72
Receiving of services:-														
-SSL	360.12	469.47	-	-	-	-	-	-	-	-	-	-	360.12	469.47
-SCES	-	-	40.00	125.06	-	-	-	-	-	-	-	-	40.00	125.06
-SCCPL	-	-	-	-	62.98	242.70	-	-	-	-	-	-	62.98	242.70
-CCPL	-	-	-	-	-	-	79.85	40.15	-	-	-	-	79.85	40.15
Reimbursement of expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	0.71
Rent paid	54.00	54.00	-	-	-	-	-	-	-	-	-	-	54.00	54.00
Shares and Debentures allotment														
-Shares allotment (including share premium)	3,184.90	333.06	3,000.00	350.00	-	-	-	-	-	-	-	-	6,244.90	653.06
-Debtenture allotment	1,498.77	498.60	1,400.00	480.00	-	-	-	-	-	-	-	-	2,938.77	979.60
Advances Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance charges	68.77	95.76	-	-	-	-	-	-	-	-	-	-	68.77	95.76
Interest expense	1,185.78	1,707.94	819.61	487.93	-	-	-	-	-	-	-	-	2,005.39	2,205.87
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	52.60	55.80
<b>Balances Outstanding at the end of year</b>														
Trade payable	1,049.81	1,170.52	215.34	268.98	-	-	474.93	442.45	40.08	12.76	-	-	1,780.16	1,881.95
Long term loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	12.76
Other current liabilities:														
-Liabilities under Business Transfer Agreement	-	5,387.69	-	-	-	-	-	-	-	-	-	-	-	5,387.69
-Interest Accrued on BTA	-	2,875.81	-	-	-	-	-	-	-	-	-	-	-	2,875.81
-Interest Accrued on CCD	1,472.55	704.52	1,274.02	633.57	-	-	-	-	-	-	-	-	2,746.57	1,338.09
Leasing arrangements	650.53	1,036.41	-	-	-	-	-	-	-	-	-	-	650.53	1,036.41
Other Long term liabilities:														
-Liabilities under Business Transfer Agreement	45.00	45.00	-	-	-	-	-	-	-	-	-	-	45.00	45.00
-Interest Accrued	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances receivable	-	-	-	-	-	-	-	-	-	-	-	0.69	0.69	0.69
<b>Personal Guarantee for Term Loan given by</b>														
Mr. Garmit Singh Mann	-	-	-	-	15,760.00	15,760.00	-	-	-	-	-	-	15,760.00	15,760.00
Mr. Gorpel Singh	-	-	-	-	15,760.00	15,760.00	-	-	-	-	-	-	15,760.00	15,760.00
Pledge of Shares by SSL (Nos.)	1,929,653	1,929,655	-	-	-	-	-	-	-	-	-	-	1,929,655.00	1,929,655.00



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SIMBHAOLI POWER PRIVATE LIMITED  
Notes forming parts of the financial statements

12. Earnings per share

		Amount (Rs. lacs)	
		Current year	Previous year
I	Profit/(loss) after tax and exceptional items as per Statement of Profit and Loss (A)	235.52	(615.32)
	Less: Exceptional items net of taxes of Rs. Nil (previous year Rs. 1846.75)	(Nil)	1846.75
	Profit/(loss) after tax and before exceptional items as per Statement of Profit and Loss (B)	235.52	(2,462.07)
II	Weighted average number of equity shares outstanding		
a)	For basic earnings per share (Nos.)	8,675,171	4,392,086
b)	For diluted earnings per share (Nos.)		
	Shares for basic earnings per share as per II a) (nos.)	8,675,171	4,392,086
	Add: Effect of potential dilutive equity shares on conversion of BTA consideration and Compulsorily convertible debentures	Nil*	Nil*
	Shares for basic/diluted earnings per share (Nos.) (C)	8,675,171	4,392,086
III	Earnings per share (Rs.)		
	- Basic/diluted EPS before exceptional items (B/C)	2.71	(56.06)
	- Basic/diluted EPS after exceptional items (A/C)	2.71	(14.01)

\* Nil, as anti-dilutive potential shares in view of loss for the year

13. As the Company's business activity will fall within a single primary business segment viz. "Power generation" and operating in a single geographical segment, the disclosure requirements of Accounting Standard - 17 "Segment Reporting" notified in the Companies (Accounting Standards) Rules, 2006 are not applicable

14. Statement of additional information

a) Particulars of stocks and sales:

Description	Amount (Rs. lacs)					
	Opening		Closing		Sales	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Power	38.22	55.59	67.77	38.22	5566.33	5560.05



SIMBHAOLI POWER PRIVATE LIMITED  
 Notes forming parts of the financial statements

b) Expenditure in foreign currency

Particulars	Amount (Rs. lacs)	
	Current Year	Previous Year
Legal and Professional	-	11.44
Travelling and Conveyance	-	37.48
Total	-	48.92

15. The Company follows Accounting Standard (AS-22) "Accounting for taxes on income", and in consideration of prudence, has recognized deferred tax assets, as at March 31, 2016 only to the extent of deferred tax liability of Rs. 6,424.75 lacs (previous year 4,550.80 lacs) on unabsorbed depreciation and brought forwards business losses out of total deferred tax assets of Rs. 6737.15 Lacs (previous year Rs. 5,352.37 lacs).

16. Previous year's figures have been regrouped/ reclassified whenever necessary to correspond with the current year's classification/disclosure.

Signatures to Notes 1 to 16

For and on behalf of the Board

*AT Singh*

Managing Director

*Jyoti Singh*  
*Dewar Singh*  
 Director

*Bir Singh*

Company Secretary

*Ramesh Kumar*

Chief Finance Officer

Place: New Delhi  
 Date: 28 MAY 2016

