

Sai Maithili Power Company Private Limited**Balance Sheet as at 31 March 2016***(All amounts in Indian Rupees, except share data and where otherwise stated)*

	Note	31 March 2016	31 March 2015
I EQUITY AND LIABILITIES			
1 Share holder's funds			
(a) Share capital	3	43,300,000	43,300,000
(b) Reserves and surplus	4	229,756,880	256,254,217
(c) Money received against share warrants	5	70,000,000	70,000,000
		343,056,880	369,554,217
2 Non Current liabilities			
(a) Long-term borrowings	6	440,999,997	72,625,997
(b) Deferred tax liabilities (net)	7	46,872,497	31,632,509
(c) Long term provisions	8	879,265	767,784
		488,751,759	105,026,290
3 Current liabilities			
(a) Short-term borrowings	6	-	472,598,560
(b) Trade payables	9	7,427,178	5,369,058
(c) Other current liabilities	10	94,367,996	97,397,669
(d) Short term provisions	8	92,552	300,514
		101,887,726	575,665,801
TOTAL		933,696,365	1,050,246,308
II ASSETS			
1 Non-current assets			
(a) Fixed Assets	11		
(i) Tangible assets		871,161,182	909,163,735
(b) Non-current investments	12	200	200
(c) Long term loans and advances	13	688,738	2,096,174
(d) Other non-current assets	17	4,494,393	5,018,133
		876,344,513	916,278,242
2 Current assets			
(a) Inventories	14	524,836	-
(b) Trade receivables	15	14,078,169	20,921,375
(c) Cash and bank balances	16	9,726,423	105,944,907
(d) Short term loans and advances	13	32,976,071	4,463,492
(e) Other current assets	17	46,353	2,638,292
		57,351,852	133,968,066
TOTAL		933,696,365	1,050,246,308

See accompanying notes to the financial statements

As per our report of even date

for Anant Rao & Mallik*Chartered Accountants*

Firm registration No: 006266S

for and on behalf of the Board

B V Mallikarjuna

Partner

Membership No. 23350

Place : Hyderabad

Date : 28 May 2016

S. Venkatesh*Director*

DIN - 05267026

K Bapi Raju*Director*

DIN - 00940849

Sai Maithili Power Company Private Limited**Statement of Profit and Loss for the year ended 31 March 2016***(All amounts in Indian Rupees, except share data and where otherwise stated)*

Particulars	Note	31 March 2016	31 March 2015
I Revenue from operations	18	137,648,922	128,793,920
II Other income	19	3,787,847	9,756,932
III Total revenue		141,436,769	138,550,852
IV Expenses			
Manufacturing expenses	20	6,712,997	9,665,507
Employee benefits expense	21	11,658,778	14,071,498
Other expenses	22	42,830,517	34,121,503
Finance costs	23	51,987,291	37,705,500
Depreciation & amortisation expense	11	38,980,795	37,560,082
Total expenses		152,170,378	133,124,090
V Profit/(loss) before tax (III - IV)		(10,733,609)	5,426,762
VI Tax expense			
(a) Current tax			
For the period		-	1,166,091
less: Mat credit entitlement		523,740	(4,091,426)
(b) Deferred tax		15,239,988	27,275,467
Total tax expenses		15,763,728	24,350,132
VII Profit / (loss) after tax (V-VI)		(26,497,337)	(18,923,370)
VIII Earnings / (loss) per share:			
(a) Basic - face value of Rs.10 per share		(6.12)	(4.37)
(b) Diluted- face value of Rs.10 per share		(6.12)	(4.37)

See accompanying notes to the financial statements

As per our Report of even date
for Anant Rao & Mallik
Chartered Accountants
FRN: 006266S

for and on behalf of the Board

B V Mallikarjuna
Partner
Membership No. 23350

S. Venkatesh **K Bapi Raju**
Director *Director*
DIN - 05267026 DIN - 00940849

Place: Hyderabad
Date: 28 May 2016

Sai Maithili Power Company Private Limited**Cash Flow Statement for the year ended 31 March 2016***(All amount in Indian Rupees, except share data and where otherwise stated)*

	31 March 2016	31 March 2015
A Cash flow from operating activities		
Operating profit / (loss) before working capital changes	(10,733,609)	5,426,762
Adjustment for		
Depreciation and amortisation expense	38,980,795	37,560,082
Finance cost	51,987,291	37,705,500
Interest income	(3,787,847)	(9,756,932)
Foreign exchange	27,831,672	21,231,150
Operating profit / (loss) before working capital changes	104,278,302	92,166,562
Adjustments for working capital		
Inventories	(524,836)	-
Trade receivables	6,843,206	(6,538,598)
Loans and advances	(28,485,520)	8,228,125
Trade payables	2,058,120	4,202,959
Other current liabilities and provisions	815,595	1,293,093
Cash generated from/(used) in operations	84,984,867	99,352,141
Income tax refund / (paid)	1,296,860	(3,204,020)
Net cash from/(used in) operating activities	86,281,727	96,148,121
B Cash flow from investing activities		
Purchase of fixed assets (including capital work-in-progress)	(1,532,514)	(17,223,269)
(Investment) / redemption of bank deposit (having original maturity more than 3 months)	(756,326)	-
(Investment) / redemption of bank deposit (held as margin money or security against guarantees or borrowings)	103,618,683	(53,274,229)
Interest income	6,379,786	8,811,967
Net cash from/(used in) investing activities	107,709,629	(61,685,531)
C Cash flow from financing activities		
Proceeds from long term borrowing	418,774,000	-
Repayment of long term borrowing	(50,400,000)	(50,400,000)
Proceeds / (Repayment) of short term borrowings, net	(500,430,232)	(21,332,000)
Payment of finance cost	(55,291,251)	(38,011,597)
Net cash from/ (used in) financing activities	(187,347,483)	(109,743,597)
Net increase/(decrease) in cash and cash equivalents	6,643,873	(75,281,007)
Cash and cash equivalents at the beginning of the year	1,270,678	76,551,685
Cash and cash equivalents at the end of the year	7,914,551	1,270,678

Sai Maithili Power Company Private Limited

Cash Flow Statement for the year ended 31 March 2016

(All amount in Indian Rupees, except share data and where otherwise stated)

1 Notes:

Cash and cash equivalents includes

Cash on hand	72,084	39,224
Balances with banks		
On current accounts	7,842,467	1,231,454
	7,914,551	1,270,678

2 Previous year figures have been regrouped / reclassified to conform to the classification of the current year.

As per our report of even date
for Anant Rao & Mallik
Chartered Accountants
Firm registration No: 006266S

for and on behalf of the Board

B V Mallikarjuna
Partner
Membership No. 23350
Place : Hyderabad
Date : 28 May 2016

S. Venkatesh
Director
DIN - 05267026

K Bapi Raju
Director
DIN - 00940849

Sai Maithili Power Company Private Limited

Notes to the financial statements

(All amounts in Indian Rupees, except share data and otherwise stated)

1 Company overview

Sai Maithili Power Company Private Limited (“the Company”) was incorporated on August 6, 2002 and is engaged in the business of generation of electricity. The Company was set up to build and operate 10 MW solar power plant in Bikaner district of Rajasthan.

2 Significant accounting policies

2.1 Accounting convention

The financial statements of Sai Maithili Power Company Private Limited (or “the Company”) have been prepared and presented under the historical cost convention on the accrual basis in accordance with Indian Generally Accepted Accounting Principles (GAAP). GAAP comprises accounting standards notified by the Central Government of India under Section 133 of the Companies Act, 2013, other pronouncements of Institute of Chartered Accountants of India, the provisions of Companies Act, 2013.

2.2 Use of estimates

The preparation of the financial statements in conformity with IGAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amounts of income and expenditure for the period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

2.3 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises cost of purchase and other costs incurred in bringing the inventories to their present location and condition. The method of determining the cost of various categories of inventories is as follows:

- (i) Stores, spares and consumables: First in first out

2.3 Cash flow statement

Cash flows are reported using the indirect method, where by the net profit before tax is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated and presented separately.

2.4 Revenue recognition

Sale of energy is recognised on accrual basis in accordance with relevant agreements.

Interest is recognised using the time proportionate method, based on the underlying interest rates.

Dividend income is recognised when the unconditional right to receive the dividend is established.

Revenue from sale of scrap is accounted for as and when sold.

Insurance claims are accounted based on certainty of realisation.

2.5 Fixed assets and depreciation

Fixed Assets are stated at cost of acquisition. Cost of acquisition is inclusive of freight, duties, levies and all incidentals directly or indirectly attributable to bringing the asset to its working condition for its intended use. The cost of fixed assets includes cost of initial warranty/ insurance spares purchased along with the capital asset, which are grouped as single item under respective assets.

Machinery spares of the nature of capital spares are capitalised at the time of their purchase whether procured at the time of purchase of the fixed asset concerned or subsequently. Where such spares are replaced the carrying cost of the worn out spares are written off. The total cost of such capital spares is allocated on a systematic basis over a period not exceeding the useful life of the principal item.

Sai Maithili Power Company Private Limited

Notes to the financial statements

(All amounts in Indian Rupees, except share data and otherwise stated)

Depreciation is computed based on the useful life of the assets as prescribed in schedule II of the Companies Act 2013, except for assets used in generation and distribution of power where the useful life is determined based on internal technical assessment. Depreciation is calculated using straight line method. Depreciation is calculated on a pro-rata basis from the date of installation / capitalization till the date the assets are sold or disposed.

Lease hold land & leasehold improvements are amortised over the period of lease.

Depreciation on initial/ warranty spares are provided on the same rates applicable for that Asset group, irrespective of its actual usage.

Intangible assets, viz., computer software is recognized as per the criteria specified in the Accounting Standard (AS) 26 “Intangible Assets” notified by the Central Government of India under Companies Act, 2013 and is amortized over a period of three years.

2.6 Capital work-in-progress

Capital work in progress is carried at cost and incidental and attributable expenses including interest and depreciation on fixed assets in use during construction are carried as part of “Expenditure During Construction Period, Pending Allocation” to be allocated on major assets on commissioning of the project.

In respect of supply-cum-erection contracts, the value of supplies received at site and accepted is treated as Capital Work-in-progress.

The cost of fixed assets not ready for their intended use before such date is disclosed under capital work in progress.

Claims for price variation/exchange variation in case of contracts are accounted for on acceptance.

2.7 Foreign currency transactions

Foreign currency transactions are initially recorded at the rates of exchange ruling at the date of transaction.

At the balance sheet date, foreign currency monetary items are reported using the closing / contracted rate. Non monetary items denominated in foreign currency are reported at the exchange rate ruling at the date of transaction.

Exchange differences arising on account long-term foreign currency monetary items related to the acquisition/construction of fixed assets are capitalised and depreciated over the remaining useful life of the asset.

Exchange differences arising on other long-term foreign currency monetary items are accumulated in the “Foreign Currency Monetary Item Translation Difference Account” and amortised over the remaining life of the concerned monetary item.

All other exchange differences are recognised as income or as expenses in the period in which they arise.

2.8 Retirement benefits

Gratuity

In accordance to the Payment of Gratuity Act, 1972, the Company provides for the gratuity, a defined benefit retirement plan (“the gratuity plan”) covering the eligible employees. The gratuity plan provides for a lump sum payment to the vested employees at retirement, death, incapacitation or termination of the employment, of an amount based on the respective employee salary and the tenure of the employment with the Company.

Liabilities with regard to the gratuity plan are determined by independent actuary.

The Company recognizes the net obligation of the gratuity plan in the Balance Sheet as an asset or liability, respectively in accordance with Accounting Standard (AS) 15, “Employee Benefits”.

Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

2.9 Borrowing cost

Borrowing costs include interest on borrowings and amortisation of ancillary cost incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

All other borrowing costs are recognised as an expense in the year in which they are incurred.

Sai Maithili Power Company Private Limited

Notes to the financial statements

(All amounts in Indian Rupees, except share data and otherwise stated)

2.10 Earnings per share

Basic earnings per share is computed by dividing the net profit or loss after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit or loss after tax attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.11 Taxes on income

Income tax expense comprises current tax, deferred tax and Minimum Alternative Tax (MAT) credit.

Current tax

The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the company.

Deferred tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future however, where there is unabsorbed depreciation or carry forward of loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realisation of such assets.

Deferred tax assets are reviewed at each Balance Sheet date and written down or written-up to reflect the account that is reasonably/virtually certain (as the case may be) to be realised.

The break-up of the deferred tax assets and liabilities as at the Balance Sheet date has been arrived at after setting-off deferred tax assets and liabilities where the company has legally enforceable right and an intention to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

MAT credit

MAT credit is recognized as an asset only when, and to the extent, there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

2.12 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

Sai Maithili Power Company Private Limited

Notes to the financial statements

(All amounts in Indian Rupees, except share data and otherwise stated)

2.13 Provisions and contingent liabilities

The Company recognizes a provision when there is a present obligation as a result of past obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

Sai Maithili Power Company Private Limited**Notes to the financial statements***(All amounts in Indian Rupees, except share data and otherwise stated)***3 Share Capital**

	31 March 2016	31 March 2015
Authorized		
5,000,000 (31 March 2015: 5,000,000) equity shares of Rs. 10/- each.	50,000,000	50,000,000
	50,000,000	50,000,000
Issued, subscribed and paid-up		
4,330,000 (31 March 2015: 4,330,000) equity shares of Rs. 10/- each fully paid-up.	43,300,000	43,300,000
	43,300,000	43,300,000

Notes

a) The company has only one class of equity shares having a par value of Rs 10/- per share. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to voting rights proportionate to their shareholding at the meeting of shareholders.

b) During the year, the Company has not issued/bought back any equity shares.

c) Equity Shares held by holding company and subsidiaries of Ultimate holding company

	31 March 2016	31 March 2015
(a) Holding company		
No. of shares held	2,251,600	2,251,600
% of shares held	52%	52%
(b) Subsidiaries of Ultimate Holding Company		
No. of shares held	2,078,400	2,078,400
% of shares held	48%	48%

d) Particulars of shareholders holding more than 5 % of the outstanding shares

	31 March 2016	31 March 2015
Name of the share holder		
(a) V S Lignite Power Private Limited		
No. of shares held	2,251,600	2,251,600
% of shares held	52%	52%
(b) KSK Mineral Resources Private Limited		
No. of shares held	1,039,200	1,039,200
% of shares held	24%	24%
(c) KSK Surya Photovoltaic Venture Limited		
No. of shares held	1,039,200	1,039,200
% of shares held	24%	24%

4 Reserves and surplus

	31 March 2016	31 March 2015
Securities premium		
<i>Balance</i>	256,800,000	256,800,000
	256,800,000	256,800,000
Surplus / (Deficit)		
<i>Opening balance</i>	(545,783)	18,377,587
Add: Profit / (loss) for the year from statement of profit and loss	(26,497,337)	(18,923,370)
	(27,043,120)	(545,783)
	229,756,880	256,254,217

Sai Maithili Power Company Private Limited

Notes to the financial statements

(All amounts in Indian Rupees, except share data and otherwise stated)

5 Money received against share warrants

During the previous year, the Company has issued 14,000,000 Warrants of face value of Rs. 10 each to KSK Surya Photovoltaic Venture Limited (“KSKSPVL”) with an option to apply for and be allotted equivalent number of equity shares of the face value of Rs 10/- each. Pursuant to the same, during last year, Company has received an amount of Rs 70,000,000 from KSKSPVL towards initial subscription amount (being 50% of total amount).

6 Borrowings

	31 March 2016	31 March 2015
Long-term borrowings		
<i>Secured</i>		
Term Loan		
Rupee loan from bank (refer note a & b)	440,999,997	72,625,997
	440,999,997	72,625,997
Short-term borrowings		
<i>Secured</i>		
Foreign currency loan (refer note a)	-	472,598,560
	-	472,598,560
	440,999,997	545,224,557

1) Details of security provided

- a *Security* : Rupee term loan from bank is secured by way of mortgage on all the Company's immovable properties and hypothecation of whole of the movable fixed assets and current assets both present and future. Pledge of certain equity shares of the company. Corporate guarantee of KSK Energy Ventures Limited and VS Lignite Power Private Limited
- b The long term rupee loan is repayable by November 2025, in quarterly installments. The long term borrowings carries an weightage average rate of interest of 13.75%

7 Deferred tax (net)

	31 March 2016	31 March 2015
Deferred tax liability on account of depreciation	46,872,497	31,632,509
Deferred tax (assets) / liability- net	46,872,497	31,632,509

The Company is entitled to avail exemption under Section 80IA of the Income Tax Act, 1961 from Income Tax on profits of business. Based on the assessment of the Company, deferred tax as on 31 Mar 2016 has been recognised only to the extent the timing differences arising in the current period does not get reversed within the tax holiday period.

8 Provisions

	31 March 2016	31 March 2015
Long-term provisions		
For employee benefits (refer note 1)	879,265	767,784
	879,265	767,784
Short-term provisions		
for taxation (net of advance tax) (refer note 2)	92,552	300,514
	92,552	300,514
	971,817	1,068,298

Note :

1. The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

Sai Maithili Power Company Private Limited**Notes to the financial statements***(All amounts in Indian Rupees, except share data and otherwise stated)***Reconciliation of opening and closing balances of the present value of the defined benefit obligation**

	31 March 2016	31 March 2015
Present value of obligation at the beginning of the year	969,557	31,483
Interest cost	75,495	2,755
Current service cost	230,754	339,791
Benefits paid	(60,648)	-
Actuarial loss/(gain) on obligation	(167,588)	595,528
Present value of obligation at the end of the year	1,047,570	969,557

Change in fair value of assets

	31 March 2016	31 March 2015
Fair value of plan assets at the beginning of the year	201,773	-
Expected return on plan assets	18,198	8,454
Contributions	8,889	187,878
Benefits Paid	(60,648)	-
Actuarial gain/(loss) on plan assets	93	5,441
Fair value of plan assets at the end of the year	168,305	201,773

Experience history

	31 March 2016	31 March 2015
Actuarial (gain) / losses	(167,681)	590,087
Experience adjustment		
On account of change in assumption	(4,149)	105,092
On account of change in experience	(163,439)	490,436
On plan assets	(93)	(5,441)

Amounts recognised in the balance sheet

	31 March 2016	31 March 2015
Present value of obligation as at the end of the year	1,047,570	969,557
Fair value of plan assets at the end of the year	168,305	201,773
Net asset/(liability) recognised in the balance sheet	(879,265)	(767,784)

Amounts recognised in profit and loss account

	31 March 2016	31 March 2015
Current service cost	230,754	339,791
Interest cost	75,495	2,755
Expected return on plan assets	(18,198)	(8,454)
Net actuarial (gain) / loss recognised for the period	(167,681)	590,087
Expenses/(benefits) recognised in the statement of profit and loss	120,370	924,179

Asset information

Category of asset	31 March 2016	31 March 2015
Insurer managed fund	100%	100%

Sai Maithili Power Company Private Limited**Notes to the financial statements**

(All amounts in Indian Rupees, except share data and otherwise stated)

Summary of actuarial assumptions

	31 March 2016	31 March 2015
Discount rate	7.80%	7.77%
Salary escalation	10.00%	10.00%
Expected return on plan assets	8.35%	9.00%
Attrition rate	15.00%	15.00%

Discount rate: The discount rate is based on the prevailing market yields of indian government securities as at balance sheet date for the estimated term of the obligations

Expected rate of return on plan assets: This is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

2. The Company's income from sale of electrical energy is exempt from tax under section 80-IA of the Income Tax Act, 1961. Provision for current tax for the year represents tax payable on account of MAT under section 115JB of the Income Tax Act, 1961 on the book profit.

9 Trade payables

	31 March 2016	31 March 2015
Other than micro and small enterprises	7,427,178	5,369,058
	7,427,178	5,369,058

As at 31 March 2016 (31 March 2015: Nil) there are no amounts outstanding including interest payable to micro and small enterprises as defined under Micro, Small and Medium enterprises development Act 2006 based on the information available with the Company.

10 Other current liabilities

	31 March 2016	31 March 2015
Current maturities of long-term debt	50,400,000	50,400,000
Interest accrued but not due on borrowings	-	1,917,700
Interest accrued and due on borrowings	-	1,386,260
Salaries and bonus payable	1,551,996	762,744
Statutory liabilities	195,569	280,707
Creditors for capital goods (including retention money)	42,220,431	42,650,258
	94,367,996	97,397,669

Sai Maithili Power Company Private Limited

Notes to the financial statements

(All amounts in Indian Rupees, except share data and otherwise stated)

12 Non-current investments

	31 March 2016	31 March 2015
Other investments		
<i>(unquoted)</i>		
Investments in equity instruments		
10 (31 March 2015: 10) equity shares of Rs.10/- each fully paid up in Sai Lilagar power Limited	100	100
10 (31 March 2015: 10) equity shares of Rs.10/- each fully paid up in Sitapuram Power Limited	100	100
	200	200

13 Loans and advances

	31 March 2016	31 March 2015
Long-term loans and advances		
<i>Unsecured, considered good</i>		
Capital advances	124,445	-
Prepaid expenses	182,317	209,376
Advance tax & TDS receivable (net of provision for tax)	381,976	1,886,798
	688,738	2,096,174
Short-term loans and advances		
<i>Unsecured, considered good</i>		
Prepaid expenses	26,985	1,171,950
Advance for expenses	32,949,086	3,291,542
	32,976,071	4,463,492
	33,664,809	6,559,666

14 Inventories

	31 March 2016	31 March 2015
<i>(at lower of cost or net realisable value)</i>		
Stores and spares (including consumables)	524,836	-
	524,836	-

15 Trade receivables

	31 March 2016	31 March 2015
<i>Unsecured, considered good</i>		
Due for less than six months	14,078,169	20,921,375
	14,078,169	20,921,375

16 Cash and bank balances

	31 March 2016	31 March 2015
Cash and cash equivalents		
Cash on hand	72,084	39,224
Balances with banks		
On current account	7,842,467	1,231,454
	7,914,551	1,270,678
Other bank balances		
Deposits with banks held as margin money or security against guarantees or borrowings	1,055,546	104,674,229
Deposits having maturity more than 3 months	756,326	-
	1,811,872	104,674,229
	9,726,423	105,944,907

Sai Maithili Power Company Private Limited**Notes to the financial statements***(All amounts in Indian Rupees, except share data and otherwise stated)***17 Other assets**

	31 March 2016	31 March 2015
Other non-current assets		
<i>Un secured, considered good</i>		
Mat credit entitlement	4,494,393	5,018,133
	4,494,393	5,018,133
Other current assets		
<i>Un secured, considered good</i>		
Interest accrued on deposits	46,353	2,638,292
	46,353	2,638,292
	4,540,746	7,656,425

Sai Maithili Power Company Private Limited**Notes to the financial statements***(All amounts in Indian Rupees, except share data and otherwise stated)***18 Revenue from operations**

	Year ended 31 March 2016	Year ended 31 March 2015
Sale of electricity	137,648,922	128,793,920
	137,648,922	128,793,920

19 Other income

	Year ended 31 March 2016	Year ended 31 March 2015
Interest income	3,787,847	9,756,932
	3,787,847	9,756,932

20 Manufacturing expenses

	Year ended 31 March 2016	Year ended 31 March 2015
Operation and maintenance expenses	4,405,750	9,513,990
Consumption of Stores and Spares	203,147	-
Repairs and maintenance - plant and equipment	2,104,100	151,517
	6,712,997	9,665,507

21 Employee benefits expenses

	Year ended 31 March 2016	Year ended 31 March 2015
Salaries, wages and bonus	11,085,898	12,757,980
Contribution to provident and other funds	309,552	1,073,024
Staff welfare expenses	263,328	240,494
	11,658,778	14,071,498

22 Other expenses

	Year ended 31 March 2016	Year ended 31 March 2015
Rates and taxes	409,549	615,370
Insurance charges	626,026	670,002
Legal and professional charges	8,052,311	4,547,102
Office expenses	1,719,595	-
Selling and transmission expenses	2,676,388	2,301,286
Remuneration to auditors		
for Audit Fees	28,789	11,236
for Certification Fees	23,955	22,472
for Tax audit	11,614	22,472
Repairs and maintenance	20,800	-
Travel and conveyance	1,031,946	502,051
Foreign exchange loss (net)	27,919,070	21,231,502
Receivable written off	-	4,000,000
Miscellaneous expenses	310,474	198,010
	42,830,517	34,121,503

23 Finance costs

	Year ended 31 March 2016	Year ended 31 March 2015
Interest charges	49,563,776	28,588,892
Other borrowing cost	2,423,515	9,116,608
	51,987,291	37,705,500

Sai Maithili Power Company Private Limited

Notes to the financial statements

(All amounts in Indian Rupees, except share data and otherwise stated)

24 Expenditure in foreign currency on accrual basis

	31 March 2016	31 March 2015
Interest expense	2,224,498	4,849,234
Professional & consultancy charges	6,486,447	3,142,274
Processing charges	-	1,126,152
Total	8,710,945	9,117,660

25 Derivative instruments and unhedged foreign currency exposure :

Particulars of unhedged foreign currency exposure:

	31 March 2016	31 March 2015
Loans	-	Rs. 472,598,560
	-	US \$ 7,540,007
Interest outstanding	-	Rs. 1,917,700
	-	US \$ 30,596
Payable	4,901,697	1,000,715
	US \$ 73,388	US \$ 15,968

26 Related party disclosures

A. List of related parties

S.No	Name of the related party	Nature of relationship
1	VS Lignite Power Private Limited	Holding company
2	KSK Energy Company Private Limited	Fellow subsidiary
3	KSK Energy Ventures Limited	Step up holding company
4	KSK Electricity Financing India Private Limited	Step up holding company

B. Key management personnel

S.No	Name of the related party	Nature of relationship
1	K Bapi Raju	Director
2	S Venkatesh	Director

C. Particulars of related party transactions

S.No	Particulars	31 March 2016	
		Step up holding company	Fellow subsidiary
I. Transactions			
1	Loans and advance given / (repaid)	1,449,337	30,000,000
II. Balances			
1	Amount receivable	1,449,337	30,000,000

Sai Maithili Power Company Private Limited**Notes to the financial statements***(All amounts in Indian Rupees, except share data and otherwise stated)*

		31 March 2015	
S.No	Particulars	Step up holding company	Fellow subsidiary
I. Transactions			
1	Interest expenses	2,116,251	-
2	Refund of loans and advance taken	21,332,000	-
II. Balances			
1	Amount receivable	-	-

III Corporate Guarantees of Rs. 630,000,000 (31 March 2015 : 630,000,000) and Bank guarantees of Rs. 9,000,000 (31 March 2015 Rs. 9,000,000) has been given by step-up holding Company and Holding company on behalf of the Company.

27 Earnings/(loss) per share (EPS)

The Computation of EPS as per AS 20 is set out below:

	31 March 2016	31 March 2015
Net Profit/(loss) after tax	(26,497,337)	(18,923,370)
Weighted average number of shares outstanding for the purpose of calculation of Basic and Diluted EPS	4,330,000	4,330,000
Earnings/(loss) per share – Basic/Diluted (in Rs.)	(6.12)	(4.37)

28 Segment information:

The Company is engaged in setting up of the solar power plant in Rajasthan State. Considering the nature of Company's business and operations, there are no separate reportable segments (business and / or geographical) in accordance with the requirements of AS 17" Segment Reporting" as required by the Companies Act, 2013.

29 Previous year figures have been regrouped and reclassified wherever necessary to conform to the current year classification.

30 In the opinion of board, any of the assets other than fixed assets and non-current investment have a value on realization in the ordinary course of business at least equal to the amount at which they are stated on the Balance Sheet.

As per our Report of even date

for Anant Rao & Mallik

Chartered Accountants

Firm registration No : 006266S

for and on behalf of the Board

B V Mallikarjuna

Partner

Membership No. 23350

Place : Hyderabad

Date: 28 May 2016

S. Venkatesh

Director

DIN - 05267026

K Bapi Raju

Director

DIN - 00940849

Sai Maithili Power Company Private Limited
Notes to the financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

11 Fixed assets

Particulars	Gross block				Depreciation				Net block	
	01 April 2015	Additions	Deletions	31 March 2016	01 April 2015	For the year	Deletions / Adjustments	31 March 2016	31 March 2016	31 March 2015
Tangible assets										
Land development	2,938,376	-	-	2,938,376	166,853	114,809	-	281,662	2,656,714	2,771,523
Buildings	21,549,479	-	-	21,549,479	1,399,029	935,219	-	2,334,248	19,215,231	20,150,450
Plant and equipments	974,964,599	793,781	-	975,758,380	88,968,405	37,870,411	-	126,838,816	848,919,564	885,996,194
Office Equipments	54,000	-	12,000	42,000	15,707	10,700	6,439	19,968	22,032	38,293
Furniture & Fixtures	-	190,022	-	190,022	-	297	-	297	189,725	-
Computers	312,750	-	-	312,750	105,475	49,359	-	154,834	157,916	207,275
Total Tangible assets	999,819,204	983,803	12,000	1,000,791,007	90,655,469	38,980,795	6,439	129,629,825	871,161,182	909,163,735
Previous year										
Tangible assets	999,811,204	8,000	-	999,819,204	53,095,387	37,560,082	-	90,655,469	909,163,735	