



**ENERGY
DEVELOPMENT
COMPANY LTD.**

EDCL HOUSE
1A, ELGIN ROAD
KOLKATA - 700 020
TEL : 033-4041-1983 / 1990
FAX : 033 - 2290 3298
e-mail : edclcal@edclgroup.com
website : www.edclgroup.com
CIN : L85110KA1995PLC017003

Ref : EDCL/SE/Comp./2017-18/022

Date : 6th October, 2017

1. **The Manager,**
Department of Corporate Services
BSE Limited,
Phiroze Jeejeebhoy Towers, 25th Floor,
Dalal Street, Mumbai - 400 001
2. **The Secretary,**
National Stock Exchange of India Ltd.
"Exchange Plaza",
Bandra - Kurla Complex, Bandra (E),
Mumbai - 400 051

Dear Sir,

Sub : Annual Report & Accounts 2016 - 17.

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report & Accounts 2016 - 17, approved and adopted in the 22nd Annual General Meeting of the Company held on 30th September, 2017.

Kindly incorporate the same in your records.

Thanking you,

Yours faithfully,

for Energy Development Company Limited

Vijayshree Binnani
(Company Secretary)

Encl.: a/a



Energy Development Company Limited

Annual Report & Accounts 2016-2017



**22ND
ANNUAL REPORT & ACCOUNTS
2016 - 2017**



**ENERGY DEVELOPMENT
COMPANY LIMITED**

Annual General Meeting on Saturday,
the 30th day of September, 2017 at 10:00
A.M. at Harangi Hydro Electric Project,
Vill. - Hulugunda, Taluka - Somawarpet,
District - Kodagu, Karnataka - 571 233.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman

Mr. Amar Singh (*Non-Executive*)

Executive Director

Mr. Sanjiv Saraf

Directors

Mr. Gouri Prasad Goenka

Mrs. Pankaja Kumari Singh

Mr. Sanjay Kumar Gupta

Mr. Vijoy Kumar

Mr. Anil Gupta

Mr. Bijay Kumar Garodia

Mr. Tarun Chaturvedi (Upto 30.01.2017)

Mr. Chanakya Arvind Dhanda (Upto 08.02.2017)

Chief Financial Officer

Mr. Amit Damani

Company Secretary

Ms. Vijayshree Binnani

Statutory Auditors

M/s. Lodha & Co.

Chartered Accountants

Registered Office

Harangi Hydro Electric Project

Village - Hulugunda, Taluka - Somawarpet

District - Kodagu, Karnataka - 571 233

Phone : (08276) 277040; Fax : (08276) 277012

E-mail : edclhhep@gmail.com

www.edclgroup.com

CIN : L85110KA1995PLC017003

Corporate Office

EDCL HOUSE

1A, Elgin Road, Kolkata - 700 020

Phone : (033) 4041 1983 / 1990 Fax : (033) 2290 3298

E-mail : secretarial@edclgroup.com

Website : www.edclgroup.com

Audit Committee

Mr. Vijoy Kumar (*Chairman*)

Mr. Anil Gupta

Mr. Sanjay Kumar Gupta

Stakeholders Relationship Committee

Mrs. Pankaja Kumari Singh (*Chairperson*)

Mr. Vijoy Kumar

Mr. Sanjiv Saraf

Mr. Sanjay Kumar Gupta

Nomination and Remuneration Committee

Mr. Vijoy Kumar (*Chairman*)

Mr. Sanjay Kumar Gupta

Mr. Anil Gupta

Principal Bankers

Allahabad Bank

ICICI Bank Limited

State Bank of India

The Federal Bank Limited

The Ratnakar Bank Limited

United Bank of India

Yes Bank Limited

Registrar and Share Transfer Agent

Niche Technologies Private Limited

D-511, Bagree Market, 5th Floor

71, Biplabi Rash Behari Basu Road

Kolkata - 700 001

Phone : (033) 2235 7270 / 7271

E-mail : nichetechpl@nichetechpl.com

Stock Exchanges where Company's Shares are listed

BSE Limited

National Stock Exchange of India Limited



NOTICE TO THE MEMBERS

Notice is hereby given that the **22nd Annual General Meeting** of the Members of the Company will be held at its Registered Office at Harangi Hydroelectric Project, Village – Hulugunda, Taluka – Somawarpet, District – Kodagu, Karnataka – 571 233, on Saturday, the September 30, 2017 at 10:00 A.M. to transact the following businesses :

ORDINARY BUSINESSES:

1. To consider and adopt the Audited standalone and consolidated Financial Statements of the Company for the financial year ended on March 31, 2017 along with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend for the financial year ended on March 31, 2017.
3. To appoint a Director in place of Mrs. Pankaja Kumari Singh (DIN : 00199454), who retires by rotation at this Annual General Meeting and being eligible has offered herself for re-appointment.
4. To appoint a Director in place of Mr. Sanjay Kumar Gupta (DIN : 01538117), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
5. To appoint the Auditors in place of the existing Auditors (who are not eligible to be re-appointed due to expiry of the maximum permissible tenure as the Auditors of the Company) and to fix their remuneration. In this regard, to consider and if thought fit, to pass the following as an **Ordinary Resolution** :

“RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. ALPS & Co., Chartered Accountants, (Firm Registration No. 313132E) be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors, M/s. Lodha & Co., Chartered Accountants, (Firm Registration No. 301051E) to hold office for a period of 5 years from the conclusion of 22nd Annual General Meeting till the conclusion of the 27th Annual General Meeting subject to ratification by the members, if required, at the subsequent Annual General Meetings (upto 26th Annual General Meeting).”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to fix such remuneration as may be recommended by the Audit Committee in consultation with the Auditors plus reimbursement of out-of-pocket expenses actually incurred by the Auditors while performing their duties.”

SPECIAL BUSINESSES :

6. Remuneration of Cost Auditors

To ratify the remuneration of the Cost Auditors for the financial year ending on March 31, 2018 and in this regard to consider and if thought fit, to pass the following as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the Company hereby ratifies the remuneration of M/s. N. Radhakrishnan & Co., Cost Auditors, appointed by the Board of Directors to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2018 at a remuneration of ₹ 40,000 (Rupees Forty Thousand) only plus taxes and reimbursement of out of pocket expenses, if any.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. Re - appointment of Mr. Sanjiv Saraf as an Executive Director

To re-appoint Mr. Sanjiv Saraf (DIN: 00506650) as an Executive Director of the Company and in this regard to consider and if thought fit, to pass the following as a **Special Resolution**:

“RESOLVED THAT in accordance with the provisions of Sections 152, 196, 197 and 203 read with relevant Rules made thereunder and Schedule V to the Companies Act, 2013 (“the Act”) and other applicable provisions of the Act, if any, including any statutory modification(s) or re-enactment(s) thereof for the time being in force,



approval of the Company be and is hereby accorded for the re-appointment and remuneration of Mr. Sanjiv Saraf (DIN: 00506650) as 'Whole-time Director' designated as 'Executive Director' of the Company for a period of three years, w.e.f. 1st day of April, 2017 on the following terms and conditions:

Salary :-

a) Basic Salary : `

₹ 2,50,000/- per month with annual increment (first time with effect from April 01, 2017) upto 30% of basic salary, as may be decided by the Board.

b) Performance Incentive :

Performance Incentive shall be ₹ 50,000/- per month.

c) Allowances :

(i) Residential Accommodation : The Company shall pay ₹ 60,000/- per month for rent free accommodation cost for occupation by self and family.

(ii) Leave Travel Allowance: Leave Travel Allowance shall be one month's basic salary i.e. ₹ 2,50,000/-.

(iii) Medical Allowance: Medical Allowance shall be one month's basic salary i.e. ₹ 2,50,000/-.

d) Perquisites & Benefits :

(i) Gratuity : Gratuity shall be paid equal to half month's salary for each completed year of service.

(ii) Personal Accident Insurance : Personal accident insurance policy in accordance with the scheme applicable to senior employees of the Company.

(iii) Leave and Leave Encashment : In accordance with the Rules of the Company or as decided by the Board.

(iv) Car : The Company shall provide fully maintained two cars with driver / reimbursement of driver's salary, as per the Rules of the Company.

(v) Communication facilities : Expenses incurred towards Mobile, Telephone / Telefax and other suitable communication facilities at the residence will be reimbursed, as per the Rules of the Company.

(vi) Club Fees : Annual Membership fees of 2 Clubs and expenses incurred thereat, excluding admission fees.

(vii) Others : Such other perquisites, benefits and allowances in accordance with the Rules of the Company or as decided by the Board.

For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated, as per the provisions of Income Tax Act, 1961 and the Rules made thereunder, wherever applicable. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.

e) Overall Remuneration :

The aggregate of salary and perquisites / allowances, in any financial year shall not exceed the limits prescribed, from time to time under Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act, as may for the time being be in force.

f) Minimum Remuneration :

In case of loss or inadequacy of profits in any financial year, during the tenure of his service, the payment of salary and perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V to the Companies Act, 2013.

Other Terms and Conditions :

As long as Mr. Sanjiv Saraf functions as Executive Director of the Company, no sitting fee will be paid to him for attending the Meetings of the Board of Directors or Committees thereof.

The Executive Director shall not become interested or otherwise concerned directly or through his wife and / or



minor children, in any selling agency of the Company, without the prior approval of the Central Government, wherever applicable.

Mr. Saraf can take up directorship / membership of any Company / organization / committees set up by any body corporate / authorities, so long as it does not conflict with the interest of the Company.

Either party shall be entitled to terminate the appointment at any time by giving to the other party 180 days' notice in writing or salary in lieu thereof."

"RESOLVED FURTHER THAT any alteration / variation in aforesaid terms and conditions including remuneration can be made from time to time in accordance with the rules and practices of the Company, which shall not exceed the limits specified under Section 197 read with relevant Rules made thereunder and Schedule V to the Act and such alteration / variation shall deem to have the consent of Board of Directors of the Company."

"RESOLVED FURTHER THAT Ms. Vijayshree Binnani, Company Secretary be and is hereby authorized to do all such other acts, deed and things as may be required in connection with the above and to give effect to the above resolution."

8. Approval of Material Related Party Transactions

To consider and if though fit, to pass the following as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and also pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed in their respective meetings, the Material Related Party Transactions as entered by the Company during the financial year 2016-17 as set out under item no. 8 of the Statement annexed to this Notice, be and are hereby approved and deemed to have been so approved and that the Board of Directors be and is hereby authorized to perform and execute all such deeds, matters and things including delegation of such authority as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto."

9. Keeping registers, returns etc. at a place other than Registered Office

To consider and if though fit, to pass the following as a **Special Resolution**:

"RESOLVED THAT pursuant to provisions of Section 94 of the Companies Act, 2013 ("the Act") and all other applicable provisions of the Act read with the Rules made thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force, consent of the members of the Company be and is hereby accorded to keep :

- (a) the Register of Members and other registers / records to be maintained under Section 88 of the Act and such other records and documents incidental / ancillary thereto at the office of the Company's Registrar and Share Transfer Agent i.e. M/s. Niche Technologies Pvt. Ltd. at D-511, Bagree Market, 5th Floor, 71, B. R. B. Basu Road, Kolkata - 700 001; and
- (b) the copies of Annual Returns filed under Section 92 of the Act and such other records and documents incidental / ancillary thereto and such other records / documents, as may be permissible under the Act or any other applicable law from time to time, at the Corporate Office of the Company at "EDCL HOUSE", 1A, Elgin Road, Kolkata - 700 020."

"RESOLVED FURTHER THAT any Director of the Company or Company Secretary be and are hereby severally authorized to do all such things and take all such actions as may be required from time to time for giving effect to the above resolution and matters related thereto."

Dated: August 11, 2017

Corporate Office :

"EDCL House"

1A, Elgin Road,

Kolkata - 700 020

By Order of the Board
For **Energy Development Company Limited**

Sd/-
Vijayshree Binnani
(Company Secretary)



NOTES :

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.**

A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10 percent of the total share capital of the Company carrying voting rights. A member holding more than 10 percent of the total share capital of the Company and carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxy form and attendance slip is enclosed herewith. Members / Proxies / Authorized Representatives should bring their Attendance Slip duly filled in for attending the Meeting.

- 2) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- 3) Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Meeting is annexed hereto.
- 4) Information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Directors seeking re-appointment at the Meeting are provided as an annexure hereto.
- 5) The Register of Members and Share Transfer Books of the Company will remain closed from Monday, September 25, 2017 to Saturday, September 30, 2017 (both days inclusive) for the purpose of payment of dividend, if approved by the members at the Meeting.
- 6) The dividend, as recommended by the Board, if approved by the members at this Meeting, will be paid on or after September 30, 2017 to those members or their mandates whose names are registered on the Company's Register of Members:
- a) As Beneficial Owners as at the end of business hours on September 23, 2017 as per the lists to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of shares held in electronic form, and
- b) As members in the Register of Members of the Company after giving effect to all valid share transfers in physical form, which are lodged with the Company or its Registrar and Share Transfer Agent (RTA) i.e. Niche Technologies Pvt. Ltd. on or before September 23, 2017.
- 7) Members who have not yet encashed their dividend warrant(s) for the financial years ended on March 31, 2010 onwards, are requested to make their claims to the Company accordingly, without any delay. It may be noted that the unclaimed dividend for the financial year 2009-10 declared on December 13, 2010 can be claimed by the shareholders within January 16, 2018 after which such unclaimed dividend amount shall be transferred to the 'Investor Education and Protection Fund' of Central Government. Please note that after such transfer, it will not be possible for the Company to entertain any claim.
- 8) Members holding shares in dematerialized form are requested to intimate all changes with respect to their address including Pin Code, Bank Mandate, Income Tax Permanent Account Number, email ID etc. to their respective Depository Participants for updation of the records.
- Members holding shares in physical form are requested to intimate the said information to the Company's RTA.
- 9) Members who hold shares in physical form in multiple folios in identical name or joint holding in the same order of names are requested to send the share certificates to the Company or its RTA for consolidating into single folio. The share certificates will be returned to the members after making requisite changes thereon.
- 10) Members holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the Company. Request may be made to the Company or its RTA for the Nomination Form.



- 11) The SEBI has mandated all the Companies to print the bank details of the investors on the payment instruments. Hence, while making revalidation requests the members are requested to give their bank account details to print the same in the dividend payment instruments.
- 12) The SEBI has mandated the submission of PAN by every participant in the security market. Members holding shares in electronic form / physical form are therefore, requested to submit their PAN to the Company or its RTA.
- 13) Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with the relevant Rules made there under and Regulation 36 and 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. Members who have not yet registered their e-mail address with the Company or their respective Depository are requested to do so.
- 14) The Notice of Annual General Meeting will be sent to the members, whose names appear in the Register of Members / Register of Beneficial Owners maintained by the Depositories as at closing hours of business on August 18, 2017.

Copies of Annual Report 2016-2017 are being sent by electronic mode only to the members whose e-mail addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the Annual Report 2016-2017 are being sent by the permitted mode.

- 15) The Annual Report along with the Notice of Meeting will also be available on the Company's website i.e. www.edcgroup.com and the website of the National Securities Depository Limited ("NSDL") at www.evoting.nsdl.com.
- 16) All the documents referred to in the accompanying Notice and Statement are open for inspection by the members at the Company's Registered Office at Harangi Hydro Electric Project, Village – Hulugunda, Taluka – Somawarpet, District – Kodagu, Karnataka – 571 233 on all working days, between 11:00 A.M. to 01:00 P.M. till September 30, 2017.
- 17) A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. September 23, 2017 shall be entitled to vote. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date.
- 18) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
- 19) A person who is not a member as on the cut-off date should treat this notice for information purpose only.
- 20) **VOTING THROUGH ELECTRONIC MEANS**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the members a facility to exercise their right to vote on the resolutions proposed to be considered at the Annual General Meeting ("AGM") by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited ("NSDL").
- II. The remote e-voting period commences on **September 27, 2017 (09:00 A.M.) and ends on September 29, 2017 (05:00 P.M.)**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 23, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.



III. **The process and manner for remote e-voting are as under:**

A. In case a member receives an e-mail from NSDL [for members whose e-mail IDs are registered with the Company / Depository Participant(s)] :

- (i) Open e-mail and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password / PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting >Active Voting Cycles.
- (vii) Select "EVEN" of "Energy Development Company Limited".
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to csmukeshc@gmail.com with a copy marked to evoting@nsdl.co.in

B. In case a member receives physical copy of the Notice of AGM [for members whose e-mail IDs are not registered with the Company / Depository Participant(s) or requesting physical copy] :

- (i) Initial password is provided in the covering letter for this AGM (enclosed herewith).
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) of Part A above, to cast vote.

IV. In case of any query, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

V. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password / PIN for casting your vote.

VI. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).

VII. Any person who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. September 23, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details / Password" option available at www.evoting.nsdl.com or contact NSDL at



the following toll free no.: 1800-222-990.using “Forgot User Details / Password” option available at www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- 21) The facility for voting through Ballot Form or Polling Paper shall be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- 22) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- 23) Mr. Mukesh Chaturvedi, Practicing Company Secretary, (Membership No. 10213 and CP No. 3390) of 169, Arbinda Sarani, Ground Floor, Kolkata – 700 006 has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- 24) The Scrutinizer will submit his Report to the Chairman or a person authorized by him, who shall declare the Result.
- 25) The Result declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.edclgroup.com and on the website of NSDL immediately after the declaration of Result. The Result shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

Dated: August 11, 2017

Corporate Office :

“EDCL House”

1A, Elgin Road,
Kolkata – 700 020

By Order of the Board
For **Energy Development Company Limited**

Sd/-
Vijayshree Binnani
(Company Secretary)



STATEMENT PURSUANT TO SECTION 102(I) OF THE COMPANIES ACT, 2013

The following Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), sets out all material facts relating to the business mentioned at Item Nos. 6, 7, 8 and 9 of the accompanying Notice dated August 11, 2017:

Item No. 6

As recommended by the Audit Committee, the Board had on May 29, 2017, approved the appointment and remuneration of M/s. N. Radhakrishnan & Co., the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2018 at a remuneration of ₹ 40,000/- plus taxes and reimbursement of out-of-pocket expenses if any. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, ratification of the remuneration payable to the Cost Auditors for the financial year 2017-18 is being sought from the members by way of an Ordinary Resolution as set out at Item No. 6 of the Notice.

The Board recommends the resolution for approval by the members. None of the Directors / Key Managerial Personnel/ their relatives are in any way deemed to be concerned or interested, in the said resolution, except as Shareholder, if any.

Item No. 7

Mr. Sanjiv Saraf was appointed as a ‘Whole-Time Director’ designated as ‘Executive Director’ of the Company by the members in their meeting held on September 18, 2014 for a period of 3 years which expired on March 31, 2017.

The Board of Directors of the Company in its Meeting held on February 12, 2017 has re-appointed Mr. Sanjiv Saraf as ‘Whole-Time Director’ designated as ‘Executive Director’ of the Company, for a period of three years with effect from April 01, 2017 under the provisions of the Companies Act, 2013. The said re-appointment is subject to the approval of the members of the Company in this Annual General Meeting.

The said re-appointment has been recommended by the Nomination & Remuneration Committee of the Board and also approved by the Audit Committee of the Board.

In terms of Section 160 of the Act, the Company has received a notice in writing along with a deposit of ₹ 1,00,000/- from the member signifying his intention to propose the candidature of Mr. Sanjiv Saraf for the office of Executive Director. Mr. Sanjiv Saraf has furnished consent/declaration for his re-appointment as required under the Companies Act, 2013 read with the rules made thereunder.

The following information is being given to the shareholders as per the requirement of Schedule V to the Companies Act, 2013 :

I. General Information :

- (1) Nature of industry: Power Generation
- (2) Date or expected date of commencement of commercial production: January 04, 1996.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable.
- (4) Financial performance based on given indicators:

(Amount in ₹)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Total Revenue	1,03,68,76,064	1,34,23,64,935
Profit before tax for the year	4,70,37,187	2,30,23,128
Total tax expense	1,55,38,530	68,79,080
Net profit after tax for the year	3,14,98,657	1,61,44,048

- (5) Foreign investments or collaborations, if any : None



II. Information about the appointee:

- (1) Background details: Mr. Sanjiv Saraf (Born on May 13, 1955) has done M. Tech from B.H.U. (Varanasi). He has vast experience of 40 years in Electrical Engineering and Hydroelectric Projects.
- (2) Past remuneration: ₹ 47,54,600/- for the financial year 2016-17.
- (3) Job profile and his suitability: Mr. Sanjiv Saraf has done M. Tech from B.H.U. (Varanasi). He has vast experience of 40 years in Electrical Engineering and Hydroelectric Projects.
- (4) Remuneration proposed: Given in detail in the proposed Resolution.
- (5) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) : Not available
- (6) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: ₹ 10,54,200/-. (Rent paid to Mrs. Indira Saraf, Wife)

III. Other information:

- (1) Reasons of loss or inadequate profits: During the year ended March 31, 2017, the Company has earned a Net Profit of ₹ 3,14,98,657/- as against total Net Worth of ₹ 1,79,90,63,146/- Out of the total net worth, a sum of ₹ 63,17,28,400/- has been invested in subsidiary companies (SPVs) and ₹ 29,66,14,737/- has been investment in associate for development of Hydro Electric Projects. The said investments will yield revenue to the Company only after the Projects are developed and start generation which will take time.
- (2) Steps taken or proposed to be taken for improvement: Efforts are being made to complete the existing contracts as soon as possible to boost the profitability.
- (3) Expected increase in productivity and profits in measurable terms: The business of the Company is primarily generation of electricity and contract business. The generation of electricity depends of rain and wind which is not in any body's hand. Hence, it is not possible to predict increase in productivity and profits in measurable terms.

The appointment is being made in accordance with the provisions of Sections 152, 196, 197 and 203 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Board recommends the proposed resolution for your approval.

Mr. Sanjiv Saraf, Executive Director shall be deemed to be concerned or interested in the resolution being the beneficiary.

None of the other Directors / Key Managerial Personnel / their relatives are in any way deemed to be concerned or interested, in the said resolution, except as Shareholder, if any.

Item No. 8

During the Financial Year 2016-17, the Company has entered into certain business transactions with M/s. Sarvottam Caps Private Limited and M/s. Startrack Vinimay Private Limited, which are Related Parties as defined under Section 2(76) of the Companies Act, 2013. The transactions entered into with the aforesaid parties do not attract the provisions of Section 188 of the Companies Act, 2013. However, in view of substantial value of the monetary transactions nearing about / exceeding 10% of the annual consolidated turnover of the Company as per the Last Audited Financial Statement of the Company, the resolution set out in item no. 8 of the Notice is proposed to be passed as an Ordinary Resolution.

The details of such transactions during 2016-17 are given below :-

Sl. No.	Nature of Transactions with M/s. Startrack Vinimay Private Limited	Amount (₹)
1	Purchase of preference shares of M/s. Arunachal Hydro Power Limited	14,51,33,780
2	Interest on unsecured loan	18,00,000
	Total	14,69,33,780



Sl. No.	Nature of Transactions with M/s. Sarvottam Caps Private Limited	Amount (₹)
1	Unsecured loan (Although materiality threshold was not reached at the time of taking loan)	3,49,50,000
2	Interest on unsecured loan	20,50,488
3	Purchase of preference shares of M/s. Arunachal Hydro Power Limited	18,48,66,220
	Total	22,18,66,708

All the transactions with related parties have been disclosed in the financial statements as required by the applicable Accounting Standards.

The Board recommends the resolution for approval by the members. Except Mr. Amar Singh and Mrs. Pankaja Kumari Singh, none of the other Directors / Key Managerial Personnel / their relatives are in any way deemed to be concerned or interested, in the said resolution, except as Shareholder, if any.

Item No. 9

As required under the provisions of Section 94 of the Companies Act, 2013 ("the Act"), certain Registers and copies of the annual returns are required to be kept at the registered office of the Company. However, these documents can be kept at any other place in India, if approved by a Special Resolution passed at a general meeting of the Company.

Accordingly, the approval of the members is sought to keep the registers as required under section 88 of the Act at the office of the Company's Registrar and Share Transfer Agent i.e. M/s. Niche Technologies Pvt. Ltd. at D-511, Bagree Market, 5th Floor, 71, B. R. B. Basu Road, Kolkata - 700 001 and annual returns filed under section 92 and such other documents as may be permissible under the Act or any other applicable law from time to time at the Corporate Office of the Company at "EDCL HOUSE", 1A, Elgin Road, Kolkata - 700 020.

The Board recommends the proposed resolution for your approval.

None of the Directors / Key Managerial Personnel / their relatives are in any way deemed to be concerned or interested, in the said resolution, except as Shareholder, if any.



ANNEXURE TO THE NOTICE OF 22ND ANNUAL GENERAL MEETING

PARTICULARS OF DIRECTORS SEEKING RE-APPOINTMENT

In pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in pursuance of clause 1.2.5 of Secretarial Standard on General Meetings

Sl. No.	Particulars	Mrs. Pankaja Kumari Singh	Mr. Sanjay Kumar Gupta	Mr. Sanjiv Saraf
1.	Status of Directorship	Promoter, Non-Executive Director	Non-Executive Director	Promoter, Executive Director
2.	Relationship with other Directors and Key Managerial Personnel	Spouse of Mr. Amar Singh	None	None
3.	Date of Birth	September 25, 1957	April 09, 1964	May 13, 1955
4.	Date of appointment	February 05, 1996	March 18, 2002	April 01, 2017
5.	Qualification	B. A.	B. Com., FCS, ACIS (UK)	M. Tech from B.H.U. (Varanasi)
6.	Expertise in specific functional areas	She has vast experience in the field of Management & Consultancy for over than two and a half decade.	He has been practicing as a Company Secretary for over 28 years. He has authored books on company law and is the past Chairman of the Eastern India Regional Council of the Institute of Company Secretaries of India. He is having vast knowledge, experience and expertise in the field of finance and Corporate Law.	He has over 40 years' experience in Electrical Engineering & Hydro Electric Projects.
7.	Directorship in other Companies as on March 31, 2017	<ul style="list-style-type: none"> • EDCL Power Projects Ltd. • EDCL-Arunachal Hydro Project Pvt. Ltd. • Panel Consultancy Pvt. Ltd. • Chekoplant (India) Pvt. Ltd. • Fairland Projects Pvt. Ltd. 	<ul style="list-style-type: none"> • Arunachal Hydro Power Ltd. • Sunrise DSC Services Pvt. Ltd. • SGA Corporate Advisors Pvt. Ltd. 	<ul style="list-style-type: none"> • Heinzmann Hydro Tech Pvt. Ltd. • EDCL Power Projects Ltd. • Ayyappa Hydro Power Ltd. • EDCL Infrastructure Ltd. • Ester India Chemicals Pvt. Ltd. • Eastern Ramganga Valley Hydel Projects Co.Pvt. Ltd. • Sarju Valley Hydel Projects Co. Pvt. Ltd. • EDCL- Seppa Marjingla Hydro Electric Pvt. Ltd. • EDCL - Seppa Nire Hydro Electric Pvt. Ltd. • Boom Hydro Energy Pvt. Ltd. • Khari Hydro Power Project Pvt. Ltd. • EDCL-Seppa Kawa Power Pvt. Ltd.



Sl. No.	Particulars	Mrs. Pankaja Kumari Singh	Mr. Sanjay Kumar Gupta	Mr. Sanjiv Saraf
8.	Chairman (C) / Member (M) of Committees of the Board of Companies of which he/she is a Director	<ul style="list-style-type: none"> • Energy Development Co. Ltd.: - Stakeholders Relationship Committee (C) 	<ul style="list-style-type: none"> • Energy Development Co. Ltd.: - Audit Committee (M) - Stakeholders Relationship Committee (M) - Nomination and Remuneration Committee (M) 	<ul style="list-style-type: none"> • Energy Development Co. Ltd.: - Stakeholders Relationship Committee (M) • Ayyappa Hydro Power Ltd.: - Audit Committee (M) - Nomination and Remuneration Committee (M)
9.	Number of shares held in the Company as on March 31, 2017	29,36,414	6,000	10,000
10.	Number of convertible warrants held in the Company as on March 31, 2017	Nil	Nil	Nil
11.	Terms and condition of appointment	As per Nomination and Remuneration Policy of the Company subject to provisions contained in the Companies Act, 2013.	As per Nomination and Remuneration Policy of the Company subject to provisions contained in the Companies Act, 2013.	As approved by the Board in its meeting held on February 12, 2017.
12.	Remuneration to be paid	Sitting Fees and such reimbursements as approved by the Board.	Sitting Fees and such reimbursements as approved by the Board.	As approved by the Board in its meeting held on February 12, 2017 subject to approval of members.
13.	Remuneration last drawn	Nil	Nil	₹ 47,54,600/-
14.	No. of the Board meeting attended during the year	1	3	4



DIRECTORS' REPORT

TO THE MEMBERS,

Your Directors take pleasure in presenting the 22nd Annual Report on the business and operations of your Company along with the standalone and consolidated financial statements for the year ended on March 31, 2017.

FINANCIAL RESULTS

Your Company's financial performance for the year under review is summarized below: (Amount in ₹)

PARTICULARS	Consolidated		Standalone	
	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2016
Revenue from operations	1,15,40,19,917	1,49,45,06,937	1,03,21,26,168	1,33,74,95,375
Other Income	64,09,789	72,19,039	47,49,896	48,69,560
Total Revenue	1,16,04,29,706	1,50,17,25,976	1,03,68,76,064	1,34,23,64,935
Total expenses other than depreciation & finance cost	1,05,30,50,443	1,34,03,63,562	98,85,43,908	1,2700,87,489
Profit before depreciation, finance cost and exceptional items	10,73,79,263	16,13,62,414	4,83,32,156	7,22,77,446
Depreciation	10,98,80,416	11,03,25,677	3,05,18,930	3,29,69,733
Profit before finance cost, exceptional items and tax	(25,01,152)	5,10,36,737	1,78,13,226	3,93,07,713
Finance cost	18,63,65,433	19,70,12,722	2,46,76,041	1,62,84,585
Profit before exceptional items and tax	(18,88,66,585)	(14,59,75,985)	(68,62,813)	2,30,23,128
Exceptional items	12,11,82,851	–	5,39,00,000	–
Profit / (Loss) before tax for the year	(6,76,83,734)	(14,59,75,985)	4,70,37,187	2,30,23,128
Tax expenses	8,67,982	51,04,690	1,55,38,530	68,79,080
Profit / (Loss) after tax for the year	(6,85,51,716)	(15,10,80,675)	3,14,98,657	1,61,44,048
Share of Profit/(loss) in associate	(19,606)	–	–	–
Profit / (Loss) for the year	(6,85,71,322)	(15,10,80,675)	–	–
Earnings per equity share of 10 each (Basic & Diluted)	(1.44)	(4.35)[#]	0.66	0.46[#]

#On weighted average number of equity shares.

SHARE CAPITAL

The paid-up Equity Share Capital as at March 31, 2017 stood at ₹ 47.50 Crore. During the financial year under review, there has been no change in the capital structure of the Company.

RESERVES

The Company did not transfer any amount to reserves during the year.

DIVIDEND

Your Directors recommend payment of dividend @ 5% on the paid-up share capital of the Company, i.e. ₹ 0.50/- per equity share of ₹ 10/- each.

STATE OF COMPANY'S AFFAIRS

The Company is primarily engaged in power generation, infrastructure development, such as construction of bridges, hydro projects including operation and maintenance thereof, supply of materials etc. Financial position of the Company is given in the previous paragraphs. A detailed information on the operation of different business segments of the Company, future expectations and business environment is provided in the Management Discussion and Analysis Report.



MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT

The Company's subsidiary, namely, Ayyappa Hydro Power Limited has successfully achieved C.O.D. (Commercial Operation Date) of its 15 MW Karikkayam Hydel Power Project on May 23, 2017.

2nd stage forest clearances have been received for 6.5 MW Burthing Small Hydro Electric Project and 5.5 MW Balighat Small Hydro Electric Project executed by the Company's subsidiaries, namely, Eastern Ramganga Valley Hydel Projects Co. Private Limited and Sarju Valley Hydel Projects Co. Private Limited respectively.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion & Analysis Report on the operations of the Company, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "LODR Regulations"), is annexed herewith and marked as **Annexure "A"**.

CORPORATE GOVERNANCE

As required under the LODR Regulations, the Report on Corporate Governance, Declaration of Whole-Time Director on Code of Conduct, CEO / CFO Certification and Auditors Certificate on compliance of conditions of Corporate Governance are annexed herewith and marked as **Annexure "B", "C", "D" and "E"** respectively.

SUBSIDIARIES AND ASSOCIATES

Pursuant to the agreements entered into by the Company with Essel Infraprojects Ltd. ("EIL"), as on March 31, 2017, Smart Hydro Power Limited ("SHPL"), a subsidiary of EIL holds

- 76% in the equity share capital of Arunachal Hydro Power Limited ("AHPL") and the Company continues to hold remaining 24%;
- 49% in the equity share capital of Eastern Ramganga Valley Hydel Projects Co. Private Limited ("EASTERN") and the Company continues to hold remaining 51%;
- 49% in the equity share capital of Sarju Valley Hydel Projects Co. Private Limited ("SARJU") and the Company continues to hold remaining 51%.

Further, the Company has pledged 27% equity shares of EASTERN and SARJU in favour of SHPL.

Therefore, as on March 31, 2017, the Company has 5 subsidiaries and 1 associate. There has been no material change in the nature of business of the subsidiaries.

During the year under review, AHPL ceased to be a subsidiary and became an associate. Accordingly, the following 12 subsidiaries being subsidiaries of AHPL ceased to be the subsidiaries of the Company :

1. EDCL – Seppa Beyong Hydro Electric Private Limited
2. EDCL – Seppa Kawa Power Private Limited
3. EDCL – Tawang Lower Tsachu Hydro Electric Private Limited
4. EDCL – Tawang Upper Tsachu Hydro Electric Private Limited
5. EDCL – Seppa Nire Hydro Electric Private Limited
6. EDCL – Seppa Jung Power Private Limited
7. EDCL – Tawang Power Private Limited
8. EDCL – Seppa Pachuk Power Private Limited
9. EDCL – Seppa Dunkho Hydro Electric Private Limited
10. EDCL – Seppa Lada Hydro Electric Private Limited
11. EDCL – Seppa Rieng Power Private Limited
12. EDCL – Seppa Marjingla Hydro Electric Private Limited



The Company has also formulated a Policy for Determining 'Material' Subsidiaries in line with the requirement of LODR Regulations. The said Policy may be accessed at <http://www.edclgroup.com/wp-content/uploads/2017/08/Policy-for-Determining-Material-Subsidiary.pdf>.

Pursuant to provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the Company's subsidiaries and associate in Form AOC-1 is annexed herewith and marked as **Annexure "F"**.

Brief details of the subsidiaries are given below :

i) Ayyappa Hydro Power Limited (Wholly-owned & material non-listed subsidiary)

The Company is operating the 15 MW Karikkayam Hydel Power Project, in the State of Kerala.

ii) EDCL Power Projects Limited (Wholly-owned & material non-listed subsidiary)

The Company is operating the 7 MW Ullunkal Hydro Electric Project, in the State of Kerala.

Entire generation from the units of above mentioned subsidiaries is being sold to the Kerala State Electricity Board (KSEB) under Long term Power Purchase Agreements (PPA).

Mr. Vijoy Kumar (DIN: 02970626), an Independent Director of the Company is on the Board of Directors of above mentioned subsidiaries.

iii) EDCL – Arunachal Hydro Project Private Limited (Wholly-owned subsidiary)

The Company was a step-down subsidiary through Arunachal Hydro Power Limited. During the year under review, the Company became a direct subsidiary of Energy Development Company Limited. It is yet to take up any project.

iv) Eastern Ramganga Valley Hydel Projects Co. Private Limited

The Company is executing 6.5 MW Burthing Small Hydro Electric Project and 5 MW Phuliabagar Small Hydro Electric Project, in the State of Uttarakhand. DPR for both the projects have been approved.

v) Sarju Valley Hydel Projects Co. Private Limited

The Company is executing 5.5 MW Balighat Small Hydro Electric Project in the State of Uttarakhand. DPR for the project has been approved.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements (CFS) of the Company, prepared in accordance with Accounting Standards, as required under Section 133 of the Companies Act, 2013 read with the Rule 7 of the Companies (Accounts) Rules, 2014, form part of Annual Report.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

BOARD OF DIRECTORS AND BOARD MEETINGS

Board and Committees

The Board of Directors comprises of 7 Non-Executive Directors having experience in varied fields and a Whole-time Executive Director. Out of 7 Non-Executive Directors, 4 are Independent Directors. Detailed information on Directors is provided in the Report on Corporate Governance. The Board met 4 times during the financial year under review. At present, there are following 3 committees:

- i) Audit Committee
- ii) Nomination and Remuneration Committee
- iii) Stakeholders Relationship Committee



The provisions under Section 135 of the Companies Act, 2013 read with the Rules made thereunder are not applicable as the Company is not meeting any criteria specified therein. Therefore, the Board in its meeting held on February 12, 2017 dissolved the Corporate Social Responsibility (“CSR”) Committee. The Company has not spent any amount under CSR during the financial year 2016-17. Accordingly, Annual Report on CSR activities is not required to be attached.

The Board has accepted all the recommendations of the Audit Committee. The details of composition, terms of reference, meetings etc. of the Committees are given in the Report on Corporate Governance.

None of the Independent Directors are due for re-appointment. Mr. Tarun Chaturvedi (DIN: 02309045) and Mr. Chanakya Arvind Dhanda (DIN: 02709047) resigned from the Board of Directors of the Company with effect from January 30, 2017 and February 08, 2017 respectively.

Mr. Sanjiv Saraf (DIN: 00506650), Executive Director was appointed for a period of 3 years till March 31, 2017. Mr. Saraf has given his consent for re-appointment. As recommended by the Nomination and Remuneration Committee and approved by the Audit Committee, the Board has re-appointed Mr. Sanjiv Saraf for a further period of 3 years from April 01, 2017 to March 31, 2020 subject to approval of members at the ensuing Annual General Meeting.

Mrs. Pankaja Kumari Singh (DIN: 00199454) and Mr. Sanjay Kumar Gupta (DIN: 01538117), Directors, retire by rotation and being eligible offer themselves for re-appointment.

The brief resume and other details relating to Mrs. Pankaja Kumari Singh, Mr. Sanjiv Saraf and Mr. Sanjay Kumar Gupta are provided in the Notice of Annual General Meeting.

Your Board has also received Form ‘DIR-8’ pursuant to Section 164(2) of the Companies Act, 2013 read with the Companies (Appointment & Disqualification of Directors) Rules, 2014 from the aforementioned Directors confirming that they have not incurred any disqualification under Section 164(2) of the Companies Act, 2013. Your Board recommends their re-appointment.

Nomination and Remuneration Policy

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service. The Company follows the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management Personnel of the Company as approved by the Board of Directors. The Nomination and Remuneration Policy is annexed herewith and marked as **Annexure “G”**.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence, as prescribed both under the Companies Act, 2013 and the LODR Regulations. The Board is also of the opinion that the Independent Directors fulfill all the conditions specified in the Companies Act, 2013 and the LODR Regulations.

Familiarisation Programme for Independent Directors

The details of Familiarisation Programme for Independent Directors has been given in the Corporate Governance Report.

Performance Evaluation

LODR Regulations laying down the key functions of the Board mandates that the Board shall monitor and review the Board Evaluation Process and also stipulates that the Nomination and Remuneration Committee of the Company shall lay down the evaluation criteria for performance evaluation of Independent Directors. Section 134 of the Companies Act, 2013 provides that a formal evaluation needs to be made by the Board of its own performance and that of its Committees and individual Directors. Further, Schedule IV to the Companies Act, 2013 states that performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

In accordance with the aforesaid provisions, the Board has carried out the annual evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. The Directors expressed their satisfaction with the evaluation process.

Some of the performance indicators based on which the evaluation takes place are attendance in the meetings and quality of preparation / participation, ability to provide leadership, work as team player. In addition, few criteria for Independent Directors include commitment to protecting / enhancing interests of all shareholders, contribution in implementation of best governance practices. Performance criteria for Whole-time Director includes contribution to the growth of the Company, new ideas / planning and compliances with all policies of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 with regard to the Directors' Responsibility Statement, your Board confirms that :

- a) in the preparation of the annual accounts for the financial year ended on March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit / loss of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- f) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.

KEY MANAGERIAL PERSONNEL

The following persons continue to be the Key Managerial Personnel :

Whole-time Director: Mr. Sanjiv Saraf- designated as "Executive Director".

Chief Financial Officer: Mr. Amit Damani.

Company Secretary: Ms. Vijayshree Binnani.

ADEQUACY OF INTERNAL FINANCIAL CONTROL

The Company has adequate internal financial control system commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

RISK MANAGEMENT

The Company has formulated a Risk Management Policy (Risk Management Procedure) in consultation with Senior Management to identify various kinds of risk in business and its process to minimize the same. For details, please refer to Management Discussion and Analysis Report.

At present the Company has not identified any element of risk which may threaten the existence of the Company.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company has a Whistle Blower Mechanism and a Policy namely, Whistle Blower Policy that lays down the process for raising concern about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. The said Policy may be accessed at <http://www.edclgroup.com/wp-content/uploads/2017/08/Whistle-Blower-Policy.pdf>.



Your Company hereby affirms that no Director / employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

LOAN, GUARANTEES AND INVESTMENTS

Particulars of loans, investments and guarantees have been disclosed in the financial statements, which forms an integral part of this Report.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

There were no material contacts or arrangements with related parties referred to Section 188 of the Companies Act, 2013 read with the Rules made thereunder. Accordingly, AOC-2 is not required to be attached. All other related party transactions entered into during the financial year were on arm's length basis and were in the ordinary course of business and were placed before the Audit Committee and Board for their approval, as required. Prior omnibus approval of the Audit Committee was obtained for the transactions which are of repetitive nature. The details of transactions with related parties as per Accounting Standards - 18 are disclosed in the notes to accounts. The Company has developed a Related Party Transactions Policy for purpose of identification and monitoring of such transactions.

AUDITORS AND AUDITORS' REPORT

(i) Statutory Auditors

M/s. Lodha & Co., Chartered Accountants, Statutory Auditors of the Company were appointed in the 19th Annual General to hold office till the conclusion of 22nd Annual General Meeting. As per the provisions of Companies Act, 2013 read with the Rules made thereunder, M/s. Lodha & Co. have completed their term and are not eligible for re-appointment due to mandatory rotation of Statutory Auditors.

Based on the recommendation of Audit Committee and the Board, your Company seeks approval for the appointment of M/s. ALPS & Co., Chartered Accountants, (Firm Registration No. 313132E) as the Statutory Auditors to hold office from the conclusion of 22nd Annual General Meeting upto the conclusion of 27th Annual General Meeting. In this regard, the Company has received a certificate from M/s. ALPS & Co. to the effect that their appointment, if made, would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Auditors' Report to the members on the financial statements of the Company for the financial year ended on March 31, 2017 does not contain any qualification, reservation, adverse remark or disclaimer.

(ii) Cost Auditors

The Board of Directors has re-appointed M/s. N. Radhakrishnan & Co., Cost Accountants, of 11A, Dover Lane, Flat B1/34, Kolkata – 700 029 as the Cost Auditors of the Company to conduct Cost Audit for the financial year 2017 - 18. In terms of Section 148 of the Companies Act, 2013, your Board recommends ratification of remuneration of the Cost Auditors at the ensuing Annual General Meeting. The Cost Audit Report for the financial year 2015-16 has been filed with the Ministry of Corporate Affairs within due time.

(iii) Secretarial Auditor

The Board of Directors has appointed M/s. P. Sarawagi & Associates, Company Secretaries of 27, Brabourne Road, Kolkata – 700 001, to conduct the secretarial audit of the Company for the financial year 2016-17.

The Secretarial Audit Report for the financial year ended on March 31, 2017 is annexed herewith and marked as **Annexure "H"** and forms an integral part of this Annual Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

ANTI-SEXUAL HARASSMENT POLICY

The Company has adopted Anti-Sexual Harassment Policy, covering all the aspects as contained under the 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013'.



Up till date, the Company has not received any complaint under the Policy.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith and marked as **Annexure "I"**.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars in respect of conservation of energy and technology absorption, foreign exchange earnings and outgo are annexed herewith and marked as **Annexure "J"**.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Rules made thereunder, the extract of the Annual Return in Form MGT – 9 is annexed herewith and marked as **Annexure "K"**.

GENERAL

The Directors state that no disclosure or reporting is required in respect of the following items during the year under review as :

1. No Deposits covered under Chapter V of the Companies Act, 2013 were accepted;
2. No equity shares with differential rights as to dividend, voting or otherwise; or shares (including sweat equity shares) to employees of the Company under any scheme were issued;
3. No remuneration or commission to the Whole-time Director of the Company were paid from any of its subsidiaries;
4. No significant and material orders were passed by any regulatory authority or court or tribunal impacting the going concern status and Company's operation in future;
5. No fraud has been reported by the Statutory Auditors, Cost Auditors and Secretarial Auditors to the Audit Committee or the Board.

ACKNOWLEDGEMENTS

Your Directors express their sincere appreciation to the Central and State Governments, Banks, customers, vendors and the Company's valued investors for their continued co-operation and support.

Your Directors also wish to acknowledge the support and valuable contributions made by the employees, at all levels.

For and on behalf of the Board
For **Energy Development Company Limited**

Sd/-
Amar Singh
(Chairman)
(DIN: 00165567)

Place : New Delhi
Dated : August 11, 2017



MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR THE FINANCIAL YEAR 2016-17

INDUSTRY STRUCTURE AND DEVELOPMENT

India has a total power generation capacity of 3,26,848.53 MW as on March 31, 2017. Major source of such generation are from coal, lignite, natural gas, oil, hydro and nuclear power and renewable sources like wind, solar, agriculture and domestic waste. Out of the total generation of power of 3,26,848.53 MW, thermal contributed about 66.80%, hydro contributed about 13.61%, small hydro power, biomass, urban and industrial waste, wind energy and solar power contributed about 17.52% and nuclear contributed 2.07%.

According to the data published in May 2015, by Power Reactor Information System (PRIS) of International Atomic Energy Agency (IAEA), India lies in the Twelfth position in terms of power generation in the world. As on March 31, 2017, out of the total Generation State Governments account for about 31.81%, Central Sector account for 24.55% and Private Sectors account for 43.64%.

The last published report on India's per capita electricity consumption is 1,075 kWh (1/3rd of the world average).

During the year 2016-17, total ex-bus energy availability increased by 4.1% over the previous year and the peak met increased by 5.7%. The energy requirement registered a growth of 2.6% during the year against the projected growth of 9.0% and peak demand registered a growth of 4.0% against the projected growth of 7.8%.

The studies carried out for anticipated power supply position for the year 2017-18 indicate that there would be energy surplus of 8.8% and peak surplus of 6.8% in the country during 2017-18.

Surplus energy is anticipated of the order of 7.4%, 13.0%, 9.8% and 3.0% in the Southern, Western, Northern and North-Eastern Regions respectively. Eastern region is likely to face minor energy shortage of 0.2% which can be met from surplus power in other regions. The peaking surplus is likely to prevail in all the regions viz. Northern, Western, Southern, Eastern and North-Eastern Regions to the tune of 6.7%, 17.2%, 1.0%, 10.0% and 2.7% respectively.

India has the fifth largest power generation portfolio worldwide with a power generation capacity of 304.76 GW. Economic growth, increasing prosperity, a growing rate of urbanisation and rising per capita energy consumption has led to increased demand for energy in the country. Huge renewable resource availability and potential.

Further, the renewable sector is being encouraged under the *Make in India* initiative by Government of India. The Government has a target of adding 175 GW of renewable power (predominantly Solar followed by Hydro and Wind in that order) in the country by 2022, which will offer massive investment opportunities across the value chain.

Source: <http://pib.nic.in> & <http://www.cea.nic.in> & <http://www.makeinindia.com/sector/renewable-energy>

Ministry of New and Renewable Energy has been vested with the responsibility of developing Small Hydro Power (SHP) projects up to 25 MW station capacities. The estimated potential for power generation in the country from such plants is over 20,000 MW. Most of the potential is in Himalayan States as river-based projects and in other States on irrigation canals. The SHP program is now essentially private investment driven. Projects are normally economically viable and private sector is showing lot of interest in investing in SHP projects. The viability of these projects improves with increase in the project capacity. The Ministry's aim is that at least 50% of the potential in the country is harnessed in the next 10 years.

Hydro Power Project

Hydro power projects are generally categorized in two segments i.e. small and large hydro. In India, hydro projects up to 25 MW station capacities have been categorized as Small Hydro Power (SHP) projects. While Ministry of Power, Government of India is responsible for large hydro projects, the mandate for the subject small hydro power (up to 25 MW) is given to Ministry of New and Renewable Energy. Small hydro power projects are further classified as :



Class	Station Capacity in kW
Micro Hydro	Up to 100
Mini Hydro	101 to 2000
Small Hydro	2001 to 25000

Small Hydro Power Programme

Small Hydro Power (SHP) Program is one of the thrust areas of power generation from renewable in the Ministry of New and Renewable Energy. It has been recognized that small hydropower projects can play a critical role in improving the overall energy scenario of the country and in particular for remote and inaccessible areas. The Ministry is encouraging development of small hydro projects both in the public as well as private sector. Equal attention is being paid to grid-interactive and decentralized projects.

Aim: The Ministry's aim is that the SHP installed capacity should be about 7000 MW by the end of 12th Plan. The focus of the SHP programme is to lower the cost of equipment, increase its reliability and set up projects in areas which give the maximum advantage in terms of capacity utilization.

Potential: An estimated potential of about 20,000 MW of small hydro power projects exists in India. Ministry of New and Renewable Energy has created a database of potential sites of small hydro and 6,474 potential sites with an aggregate capacity of 19,749.44 MW for projects up to 25 MW capacity have been identified.

The Administrative Approval for the year 2014-15 and remaining period of 12th Plan for Small Hydro Power Programme (upto 25 MW Capacity) has already been circulated vide letter no. 14(03)2014-SHP dated 2nd July 2014. Under the SHP Programme Central Financial Assistance is provided for :

- A) Resource Assessment and Support for Identification of new sites
- B) Setting up new SHP Projects in the private / co-operative / Joint sector etc.
- C) Setting up new SHP Projects in the Government sector
- D) Renovation and Modernisation of existing SHP projects in the Government sector
- E) Development / upgradation of Water Mills (mechanical/electrical output) and setting up Micro Hydel Projects (upto 100 KW capacity)
- F) Research & Development and Human Resource Development.

Manufacturing Status: There are about 27 Equipment Manufacturers (As on January 31, 2015) of Small Hydro Power Turbine who fabricate almost the entire range and type of SHP equipment listed in MNRE. Manufacturers' capacity is estimated at about 400 MW per year.

Source: <http://www.mnre.gov.in/schemes/grid-connected/small-hydro/>

SWOT ANALYSIS

i) Strengths :

Energy Development Company Limited (EDCL) has wide experience and expertise in execution of SMALL hydro power projects which gives it a significant competitive advantage. The team of EDCL is supported by eminent In-house team & Consultants. The Company is in the process of developing several hydro power projects (via subsidiaries & associate) with financial investment partners in remote areas of the country which comes with a range of challenges – logistical, climatic and technological. However, with its strong and efficient team of competent and experienced professionals, most of the hurdles have been mitigated.

Long term power purchase agreement with the State Utilities confirms the sale of entire generation of electricity, as a result all projects under operation so far have PPA with State Utilities, and payments are received on time.



ii) **Opportunities :**

The deteriorating hydro-thermal mix, increase in peak hour shortages and frequency variations have forced policymakers to turn their attention towards water resources and on developing hydropower. Besides India's huge untapped hydro potential, especially in the hilly region, with the focus shifting to hydropower, EDCL now has opportunities to add to its capacity in the coming years.

iii) **Threats/Weaknesses :**

The management of EDCL perceives the following as threats / risks / weaknesses in the construction of hydropower projects:

Time in clearances - Stringent norms and cumbersome procedures for getting environmental and forest clearances leads to delays in obtaining clearances for projects, which may affect the capacity addition programs, even though State Governments are trying their best to adopt to single window clearance system, which will mitigate this threat to large extent.

Land acquisition - The process of land acquisition for infrastructure work as well as for a project's components including submergence is quite cumbersome and time consuming. Single window clearance system will also mitigate this threat to great extent.

Geological uncertainties - In spite of extensive surveys and investigations, various components of hydro projects such as head race tunnels, power houses, pressure shafts and surge shafts face geological surprises especially in the hilly region.

Inter-state and International disputes - As water is a state subject in India, there are often inter-state river disputes due to which many hydro projects may get delayed or abandoned. Certain projects are situated in border areas which are affected by India's international relations.

Natural calamities - As most of the hydro projects are located in hilly terrains, natural calamities like land slides, hill slope collapses and road blocks, floods and cloud bursts cause severe setbacks in construction schedules.

Unexpected complexities - Unexpected complexities and delays in clearances / execution due to reasons beyond one's control may cause variation / escalations in estimates.

iv) **Risks and Concerns**

Hydropower schemes are capital intensive, have long gestation period and require huge investments which are major constraints in the exploitation of the vast hydropower potential available in the country. Since water is a state subject, state governments are demanding a higher share of free power and other incentives, which lead to higher tariffs.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The Company has three divisions namely generation division, contract division and trading division.

Generation Division :

The generating division did not perform on expected lines due to poor rainfall, although it was a shade better this year than the previous year. During the financial year 2016-17, total revenue generated from this division is ₹ 10,82,25,611/- (Previous year ₹ 9,23,67,127/-).

The Company owns and operates the following power plants:

I. **Hydro Electric Power Projects**

- i) 9 MW Harangi Hydro Electric Power Plant in the State of Karnataka and
- ii) 6 MW Harangi Hydro Electric Power Plant in the State of Karnataka



II. Wind Mills

- i) 1.5 MW Wind mill at Hassan District in the State of Karnataka and
- ii) 1.5 MW Wind Mill at Chitradurga in the State of Karnataka

Saleable electricity generated from the :

Hydro Power Plants : 25.66 million units (previous year 21.07 million units)

Wind Mills : 6.40 million units (previous year 5.22 million units)

The Company also owns and operate 7 MW Ullankal Hydro Electric Power Project, through its subsidiary, EDCL Power Projects Limited and produced 12.95 million units during the year 2016-17 as compared to 18.30 million units in 2015-16.

The Company also owns and operates 15 MW Karrikayam Hydro Electric Power Project, through its subsidiary, Ayyapa Hydro Power Limited and produced 21.71 million units during the year 2016-17 as compared to 27.01 million units in 2015-16.

The Company has entered into agreements with Essel Infrastructure Limited with respect to subsidiaries. For further details, please refer to the Directors' Report, under the head "Subsidiaries and Associates".

Contract Division

Infrastructure development in India is growing everyday, in order to tap this lucrative opportunity, your Company has participated and executing various infrastructure related projects like bridges, hydro projects and consultancy service etc. During the year under review the division has earned gross revenue of ₹ 9,34,59,883/- (previous year ₹ 66,86,83,247/-).

Trading Division

During the year under review, the trading division has earned gross revenue of ₹ 83,04,40,675/- (previous year ₹ 57,64,45,001/-).

OUTLOOK

Your Company's main focus area is the generation of electricity, infrastructure development by way of contract or own projects & Trading of Renewable Energy Products. For further details, kindly refer to the Directors' Report.

INTERNAL CONTROL SYSTEM

Company's internal control system have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies.

The Internal Auditor carries out internal audit of the Company. The Internal Audit process is designed to review the adequacy of internal control and checks in the system and covers all significant areas of the Company's operations.

The Company has an Audit Committee, the details of which have been provided in the Corporate Governance Report. The Audit Committee reviews Audit Reports submitted by the Internal Auditors.

FINANCIAL PERFORMANCE

The net profit before tax stood at ₹ 4,70,37,187/- (Previous year - ₹ 2,30,23,128/-). The detailed performance is given in the Financial Statements of the Directors' Report.



HUMAN RESOURCES

The Company regards its human resources as the most valuable assets. The Company strives to provide a fair, empowered and merit-based workplace with scope for continuous learning, enriching competencies among employees and accelerating corporate growth. During the year under review, the Company did not witness any kind of adverse development on the HR front. The Company has always aimed towards attracting and retaining talent in its various functions.

The Company also took initiatives to manage the growing human resource base including a regularized recruitment process, a fair and unbiased performance appraisal system along with an in-built feedback system.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis Report may be “forward looking statements” within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important facts that could make a difference to the Company’s operations include economic conditions affecting global and domestic demand-supply, raw-material costs and availability, changes in Government regulations, tax regimes, economic developments in India and other factors such as litigation and industrial relations, the Company assumes no responsibility to publicly amend, modify or revise any forward looking statement, on the basis of any subsequent developments, information or events. The Company also does not assume any responsibility on the accuracy of statements relating to industry structure and development, as it has been sourced from various available websites.



REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED ON MARCH 31, 2017

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company strongly believes that sound principles of Corporate Governance are important key to success, as they enhance the ability to secure the confidence of its stakeholders. The Company's Corporate Governance initiative is based on three core principles:

- (i) Management must have the executive freedom to drive the enterprise forward without undue restraints.
- (ii) This freedom of management should be exercised within a frame work of effective accountability.
- (iii) Open, transparent and merit based Management.

BOARD OF DIRECTORS

(i) Composition

As on March 31, 2017 and till date, the Board comprises of 8 Directors including a Whole-time Executive Director and 7 Non-Executive Directors. The Company has 4 Independent Directors and a woman Director. The Chairman of the Board is a Non-Executive Promoter Director. Therefore, the composition of Board is in conformity with the SEBI (Listing Obligations and Disclosure Requirements), 2015 [Hereinafter referred to as "LODR Regulations"] and the Companies Act, 2013.

(ii) Board Meetings

The Board of Directors met 4 times during the year. The maximum time gap between any 2 consecutive meetings did not exceed 120 days. All relevant information as required under Schedule II of the LODR Regulations was placed before the Board from time to time.

The dates of the Board meetings along with attendance of the Directors are as under:-

Sl. No.	Date of Board Meeting	Board Strength	No. of Directors Present
1.	May 30, 2016	10	7
2.	August 14, 2016	10	6
3.	November 10, 2016	10	4
4.	February 12, 2017	8	7

(iii) Directors' attendance record and Directorship held

None of the members of the Board is holding membership of more than 10 Committees and chairmanship of more than 5 Committees across all the companies in which he / she is a Director. All the Directors have made the necessary disclosures regarding their occupation in the Committee positions of other companies.

The details of the Directors' attendance record at the Board Meetings and at the last Annual General Meeting, their directorship and Committee membership in other Companies held during the year under review are given below :-



Sl. No.	Name of Directors	Category	No. of Board Meetings Attended	Attendance at the last AGM held on September 29, 2016	No. of Directorship in the Board of other Indian Companies as on March 31, 2017	No. of Membership held in Committees of Board of other Companies as on March 31, 2017*	No. of Chairmanship held in Committees of Board of other Companies as on March 31, 2017*	Number of Equity Shares held
1.	Mr. Amar Singh	Promoter & Non-Executive Director, Chairman	4	No	7 (including 6 Private Ltd. Cos.)	Nil	Nil	1,04,58,453
2.	Mrs. Pankaja Kumari Singh	Promoter & Non-Executive Director	1	No	5 (including 4 Private Ltd. Cos.)	Nil	Nil	29,36,414
3.	Mr. Sanjiv Saraf	Executive Director	4	Yes	12 (including 4 Private Ltd. Cos.)	1	Nil	10,000
4.	Mr. Sanjay Kumar Gupta	Non-Executive Director	3	Yes	3 (including 2 Private Ltd. Cos.)	Nil	Nil	6,000
5.	Mr. Gouri Prasad Goenka	Independent Non-Executive Director	2	No	5	Nil	1	Nil
6.	Mr. Vijoy Kumar	Independent Non-Executive Director	3	Yes	5 (including 1 Private Ltd. Co.)	1	Nil	Nil
7.	Mr. Anil Gupta	Independent Non-Executive Director	2	No	18 (including 11 Private Ltd. Cos.)	Nil	1	Nil
8.	Mr. Bijay Kumar Garodia	Independent Non-Executive Director	1	No	4 (including 3 Private Ltd. Cos.)	Nil	Nil	Nil
9.	Mr. Tarun Chaturvedi ⁽¹⁾	Independent Non-Executive Director	2	No	-	-	-	Nil
10.	Mr. Chanakya Arvind Dhanda ⁽²⁾	Non-Executive Director	2	No	-	-	-	3,711

⁽¹⁾ Resigned w.e.f. January 30, 2017.

⁽²⁾ Resigned w.e.f. February 08, 2017.

* As per Regulation 26 of the LODR Regulations, only two Committees viz. Audit Committee and Stakeholders Relationship Committee have been considered for this purpose.

Mrs. Pankaja Kumari Singh is the spouse of Mr. Amar Singh. None of the other Directors are related to any other Director on the Board.

(iv) Meeting of Independent Directors

Meeting of Independent Directors was held on January 20, 2017 to review the performance of Non-Independent Directors and the Board as a whole, review the performance of Chairman of the Company and to assess the quality, quantity and timeliness of flow of information between the Management and the Board. All 5 Independent Directors (as on that date) were present in the meeting. The Independent Directors found the performance of Non-Independent Directors (including Chairman) and the Board as well as flow of information between the Management and the Board to be satisfactory.

(v) Familiarisation Programme for Independent Directors

The Executive Director / senior managerial personnel make presentations to the inductee about the Company's strategy, projects, operations, organizational structure, finance, human resources, technology, facility and risk management etc. Further, at the time of appointment, the Company issues a formal letter of appointment outlining his role, functions, duties, responsibilities as a Director.

The details of familiarization programme for the Independent Directors can be accessed at <http://www.edclgroup.com/wp-content/uploads/2017/08/Training-Familiarisation-Programme-2016-17.pdf>.

(vi) Performance Evaluation

The details of the performance evaluation has been given in the Directors' Report.

COMMITTEES OF THE BOARD

(i) Audit Committee

Mr. Tarun Chaturvedi, Chairman of the Audit Committee, resigned from the Board of the Company on January 30, 2017. Hence, Mr. Vijoy Kumar was appointed as the Chairman of the Committee in the meeting of the Board of Directors on February 12, 2017. He is knowledgeable in areas of finance. All the members of the Committee are eminent professionals and draw upon their experience and expertise across a wide spectrum of functional areas such as finance, information systems, engineering and corporate strategy. The Committee met 4 times during the year, viz. May 24, 2016; August 14, 2016; November 09, 2016 and February 12, 2017.

The composition and categories of the members of the Audit Committee and their attendance at the Committee Meetings held during the financial year 2016-17 is given below :

Names of the Director	Category	No. of Committee Meetings attended
Mr. Vijoy Kumar ⁽¹⁾	Chairman; Independent, Non-Executive Director	3
Mr. Anil Gupta	Member; Independent, Non-Executive Director	3
Mr. Sanjay Kumar Gupta	Member; Non-Executive Director	4
Mr. Tarun Chaturvedi ⁽²⁾	Chairman; Independent, Non-Executive Director	3

⁽¹⁾ Earlier Member, appointed as Chairman w.e.f. February 12, 2017.

⁽²⁾ Resigned w.e.f. January 30, 2017

Ms. Vijayshree Binnani, Company Secretary is the Secretary of the Committee. Mr. Tarun Chaturvedi, the then Chairman of the Audit Committee was not present at the last Annual General Meeting.

The terms of reference of the Audit Committee includes the following:

- a) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;



- b) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - ii) Changes, if any, in accounting policies and practices and reasons for the same;
 - iii) Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv) Significant adjustments made in the financial statements arising out of audit findings;
 - v) Compliance with listing and other legal requirements relating to financial statements;
 - vi) Disclosure of any related party transactions;
 - vii) modified opinion(s) in the draft audit report
- e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n) Discussion with internal auditors of any significant findings and follow up there on;
- o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r) To review the functioning of the Whistle Blower mechanism, if any;



- s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Company is having systems and procedures in place to ensure that the Audit Committee mandatorily reviews :

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the internal auditors.

The Audit Committee is also apprised on information with regard to :

Related party transaction (whether or not in normal course of business and transactions not at arm's length); where money is raised through an issue (public issue, right issue, preferential issue etc.) periodical disclosures regarding use of funds by major category and on annual basis a statement of funds utilized for purpose other than those specified in the notice or offer document.

(ii) Stakeholders Relationship Committee

The Stakeholders Relationship Committee met 4 times during the year, viz. May 28, 2016; August 05, 2016; November 08, 2016 and February 11, 2017.

The composition and categories of the members of the Stakeholders Relationship Committee and their attendance record at the Committee Meetings held during the financial year 2016-17 is given below :

Names of the Director	Category	No. of Committee Meetings attended
Mrs. Pankaja Kumari Singh	Chairperson, Promoter & Non-Executive Director	4
Mr. Sanjiv Saraf	Member, Executive Director	4
Mr. Vijoy Kumar	Member, Independent, Non-Executive Director	4
Mr. Sanjay Kumar Gupta	Member, Non-Executive Director	1

The role / terms of reference of Stakeholders Relationship Committee includes :

- a) Transfer / Transmission of shares;
- b) Issue of duplicate share certificates;
- c) Dematerialisation / Rematerialisation of Shares;
- d) Redressal of Investors' grievance;
- e) Non receipt of Annual Report and Dividend;
- f) All other incidental matters with respect to Shareholders and other Investors.

Ms. Vijayshree Binnani, Company Secretary is the Compliance Officer for complying with the requirements of the LODR Regulations.



Status of Complaint Received and Pending :

Number of Complaints From April 01, 2016 to March 31, 2017			
Pending as on April 01, 2016	Received	Redressed	Pending as on March 31, 2017
Nil	02	02	Nil

(iii) **Nomination and Remuneration Committee**

Mr. Tarun Chaturvedi, Member of the Committee, resigned from the Board of the Company on January 30, 2017. Mr. Anil Gupta was inducted as a Member of the Committee in the meeting of the Board of Directors on February 12, 2017.

The Nomination and Remuneration Committee met 4 times during the year, viz. May 24, 2016; August 05, 2016; November 09, 2016 and January 29, 2017.

The composition and categories of the members of the Nomination and Remuneration Committee and their attendance record at the Committee Meetings held during the financial year 2016-17 is given below :

Name of Directors	Category	No. of Committee Meetings attended
Mr. Vijoy Kumar	Chairman, Independent Director	2
Mr. Sanjay Kumar Gupta	Member; Non-Executive Director	4
Mr. Anil Gupta ⁽¹⁾	Member; Independent Director	0
Mr. Tarun Chaturvedi ⁽²⁾	Member; Independent Director	4

⁽¹⁾ Inducted from February 12, 2017.

⁽²⁾ Resigned w.e.f. January 30, 2017.

The role / terms of the Nomination and Remuneration Committee, inter-alia, includes the following :

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Reviewing and determining all elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the Directors;
- Reviewing and determining details of fixed component and performance linked incentives along with the performance criteria;
- Reviewing and determining service contracts, notice period, severance fees;
- Reviewing and determining stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable;
- Evaluating performance of each Director and performance of the Board as a whole.

Nomination and Remuneration Policy

The details of Nomination and Remuneration Policy has been given in the Directors' Report. Please refer to **Annexure "G"**.



Criteria for Performance Evaluation of Independent Directors

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Non-Executive Directors, which is given in the Nomination and Remuneration Policy. Please refer to Annexure "G".

Remuneration to Executive Director

Mr. Sanjiv Saraf was re - appointed as the Executive Director of the Company w.e.f. April 01, 2017 for a further period of three years by the Board in its Meeting held on February 12, 2017 subject to approval of the members at the ensuing 22nd Annual General Meeting to be held on September 30, 2017.

Details of remuneration paid to Executive Director for the year ended on March 31, 2017 is given herein below:

Name of Director	Salary (₹)	Incentive (₹)	Allowances & Perquisites* (₹)	Total (₹)
Mr. Sanjiv Saraf	30,00,000	6,00,000	11,54,600	47,54,600

* Rent free accomodation

The terms of employment of the Executive Director stipulates a termination notice of 180 days in writing from either side or salary in lieu thereof.

Remuneration to Non-Executive Directors

Details of remuneration paid to Non-Executive Directors for the year ended on March 31, 2017 is given herein below :

Name of Director	Sitting Fees (₹)	Commission	Total (₹)
Mr. Amar Singh	80,000	NIL	80,000
Mrs. Pankaja Kumari Singh	60,000	NIL	60,000
Mr. Gouri Prasad Goenka	40,000	NIL	40,000
Mr. Sanjay Kumar Gupta	1,80,000	NIL	1,80,000
Mr. Vijoy Kumar	1,50,000	NIL	1,50,000
Mr. Anil Gupta	70,000	NIL	70,000
Mr. Bijay Kumar Garodia	20,000	NIL	20,000
Mr. Tarun Chaturvedi ⁽¹⁾	1,40,000	NIL	1,40,000
Mr. Chanakya Arvind Dhanda ⁽²⁾	40,000	NIL	40,000

⁽¹⁾ Resigned w.e.f. January 30, 2017.

⁽²⁾ Resigned w.e.f. February 08, 2017.

Non – Executive Directors receive only sitting fees as remuneration. No severance fees was paid to any Non-Executive Director of the Company.

Directors with pecuniary relationship or business transaction with the Company

The Executive Director receives salary, allowances, perquisites and commission while all Non-Executive Directors receive sitting fees. During the year the Company did not advance any loans to any of its Directors. No Stock Options have been issued to any of the Directors of the Company. The Company does not have any Convertible Warrant as on March 31, 2017.



Criteria for making payment to Non-Executive Directors can be accessed at <http://www.edclgroup.com/wp-content/uploads/2017/09/Criteria-for-Payment-to-NEDs.pdf>.

(iv) Corporate Social Responsibility (“CSR”) Committee

The provisions under Section 135 of the Companies Act, 2013 read with the Rules made thereunder are not applicable as the Company is not meeting any criteria specified therein. Accordingly the Report on CSR Activities is not required to be attached. The terms of reference of the Committee were aligned with the requirement of the Companies Act, 2013 during the time it was in force.

The Committee met 3 times during the year, viz. May 24, 2016; August 05, 2016 and November 09, 2016.

The composition and categories of the members of the CSR Committee and their attendance record at the Committee Meetings held during the financial year 2016-17 is given below :

Names of the Director	Category	No. of Committee Meetings attended
Mr. Sanjay Kumar Gupta	Chairman, Non - Executive Director	3
Mr. Sanjiv Saraf	Member, Executive Director	2
Mr. Tarun Chaturvedi ⁽¹⁾	Member, Independent Director	3

⁽¹⁾ Resigned w.e.f. January 30, 2017.

GENERAL BODY MEETINGS

(i) Location, date and time of the Annual General Meetings held during the preceding 3 years and the special resolutions passed there at are as follows :

Year	Location	Date and time	Special Resolutions Passed
2014	Harangi Hydro Electric Project Vill.-Hulugunda, Taluka-Somawarpet Dist. - Kodagu, Karnataka - 571 233	September 18, 2014 at 01:30 P. M	i) To appoint Mr. Tarun Chaturvedi as an Independent Director; ii) To appoint Mr. Vijoy Kumar as an Independent Director; iii) To appoint Mr. Gouri Prasad Goenka as an Independent Director; iv) To appoint Mr. Anil Gupta as an Independent Director; v) To re-appoint Mr. Sanjiv Saraf as Executive Director.
2015	Harangi Hydro Electric Project Vill.-Hulugunda, Taluka-Somawarpet Dist. - Kodagu, Karnataka - 571 233	September 29, 2015 at 01:30 P. M	To appoint Mr. Bijay Kumar Garodia as an Independent Director.
2016	Harangi Hydro Electric Project Vill.-Hulugunda, Taluka-Somawarpet Dist. - Kodagu, Karnataka - 571 233	September 29, 2016 at 01:30 P. M	None

(ii) Location, date and time of the Extra Ordinary General Meeting : No Extra-ordinary General Meeting was convened during the year 2016-17.

(iii) Postal Ballot : During the year under review the Notice of the postal ballot dated May 30, 2016 was sent to shareholders. The resolution contained in said postal ballot was passed by the shareholders on August 17, 2016.



(a) Details of voting pattern and summary of results declared is as follows :-

Item No.	Particulars and Type of Resolution	Total Votes Received	Total Votes in favor of the resolution	Total Votes against the resolution
1.	Special Resolution Special Resolution for sale, transfer or disposal of the shares held by the Company in its subsidiaries.	2,91,88,397	2,91,88,397	-

- (b) Mr. Mukesh Chaturvedi, Practicing Company Secretary had been appointed as the Scrutinizer for the postal ballot process.
- (c) As on date, there is no proposal to pass any special resolution by postal ballot.
- (d) Procedure for postal ballot: The procedure as prescribed under Section 108 and 110 of the Companies Act, 2013 read with the Rules made thereunder were followed for the postal ballot process. The Notice containing the proposed resolution and explanatory statement were sent to the shareholders at the addresses registered with the Company alongwith a Postal Ballot Form and a postage pre-paid envelope. The Postal Ballot Forms received within 30 days of dispatch were considered by the Scrutinizer. The Company had entered into the agreement with National Securities Depository Ltd. for providing e-voting facility to the shareholders of the Company. The Scrutinizer submitted the report to the Authorised Director in the absence of the Chairman, who on the basis of the report announced the result.

DISCLOSURES

(i) Related Party Transactions

There were no material contacts or arrangements with related parties referred to Section 188 of the Companies Act, 2013 read with the Rules made thereunder. Accordingly, AOC-2 is not required to be attached. All other related party transactions entered into during the financial year were on arm's length basis and were in the ordinary course of business and were placed before the Audit Committee and Board for their approval, as required. The details of transactions with related parties as per Accounting Standards - 18 are disclosed in the notes to accounts.

The Board has approved a Policy For Related Party Transactions which may be accessed at <http://www.edclgroup.com/wp-content/uploads/2017/08/Policy-on-Related-Party-Transaction.pdf>.

(ii) Accounting Treatment

The Company has followed the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with the Rules made thereunder in preparation of its financial statements.

(iii) CEO / CFO Certification

The Executive Director and the Chief Financial Officer of the Company, in terms of Regulation 17(8) read with Part B of Schedule II of the LODR Regulations, have certified to the Board, inter alia, dealing with the review of financial statement and Cash Flow Statement for the year ended on March 31, 2017, transactions entered into by the Company during the year, their responsibility for establishing and maintaining internal control system for financial reporting and evaluation of the effectiveness of the internal control system and making of necessary disclosure to the Auditors and the Audit Committee have been duly complied with.

(iv) Vigil Mechanism / Whistle Blower Policy

The Company has a Vigil Mechanism / Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy may be accessed at <http://www.edclgroup.com/wp-content/uploads/2017/08/Whistle-Blower-Policy.pdf>. The details of the vigil mechanism has been given in the Directors' Report.



Your Company hereby affirms that no Director / employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

(v) Prevention of Insider Trading

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has adopted the 'Code of Conduct for Regulating & Reporting Trading by Insiders and For Fair Disclosure, 2015' with a view to regulate trading in securities by the designated employees and connected persons. The said Code can be accessed at <http://www.edclgroup.com/wp-content/uploads/2017/08/Code-of-Conduct-for-Prohibition-of-Insider-Trading-and-Fair-Disclosure.pdf>.

(vi) Risk Management

The Company has formulated a Risk Management Policy in consultation with Senior Management to identify various kinds of risk in business of the Company and its process to minimize the same. For further details, kindly refer to Directors' Report.

(vii) Code of Conduct

The Board of Directors has laid down Code of Conduct for the Non – Executive Directors, Executive Director and the designated employees in the senior management. The said code may be accessed at http://www.edclgroup.com/wp-content/uploads/2017/09/code_of_conduct_corporate_governance.pdf. All the Board members and the senior management executives have affirmed compliance with the code of conduct. A declaration to this effect is signed by Mr. Sanjiv Saraf, Executive Director. Please refer to **Annexure – 'C'**.

(viii) Reconciliation of Share Capital Audit

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

(ix) Compliance of various Laws

There were no instances of non-compliance by company of any requirements of the Stock Exchange, SEBI or any other statutory authority on any matter related to capital markets during the last three years.

(x) Compliance Report

The Board periodically reviews compliance report of all laws applicable to the Company, prepared by the Company Secretary as well as steps taken by the Company to rectify instances of non-compliances, if any.

(xi) There has been no instance of non-compliance of any requirement of Corporate Governance Report.

(xii) The Company has complied with applicable requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of LODR Regulations.

SUBSIDIARIES AND ASSOCIATES

The Audit Committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board.

As on March 31, 2017, the Company has 2 material non-listed subsidiary companies namely, Ayyappa Hydro Power Limited and EDCL Power Projects Limited. The Company's Policy for determining 'Material' Subsidiaries may be accessed at <http://www.edclgroup.com/wp-content/uploads/2017/08/Policy-for-Determining-Material-Subsidiary.pdf>.



As on March 31, 2017, the Company have 1 associate Company namely, Arunachal Hydro Power Limited. For further details, please refer to Directors' Report.

DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON-MANDATORY REQUIREMENTS

The Company has complied with all the mandatory requirements of LODR Regulations relating to Corporate Governance. The Company has adopted the non-mandatory requirements of the LODR Regulations relating to the Board, Modified Opinion(s) on Audit Report and Separate Post of Chairman and Executive Director.

MEANS OF COMMUNICATION

(i) Quarterly Results

The quarterly results are published in the newspapers and are not sent to the individual shareholders.

(ii) Newspapers

As per Regulation 47 of the LODR Regulations, the financial Results, for the quarter ended on June 30, 2016; September 30, 2016; December 31, 2016 and March 31, 2017 were published in the following newspapers :-

The Business Standards – Bangalore and Mumbai Edition

Hosadigantha - (Kannada daily) – Bangalore Edition

(iii) Website where results are displayed

Full version of Annual Report including the Balance Sheet, Statement of Profit and Loss, Directors' Report, Corporate Governance Report and Auditors' Report; Cash Flow Statements; Quarterly Financial Results and Quarterly Shareholding Pattern are available on the website of the Company – www.edclgroup.com

The official press releases are communicated to the National Stock Exchange of India Limited and BSE Limited where shares of the Company are listed.

Company Secretary is the Compliance Officer and is responsible for updating above mentioned information and the website of the Company with the requisite authorities.

There are no presentations made by the Company to any institutional investor or to any analyst.

GENERAL SHAREHOLDER INFORMATION

(i) Annual General Meeting for financial year 2016-17

The Annual General Meeting of the Company will be held on Saturday, the September 30, 2017 at Harangi Hydroelectric Project, Village – Hulugunda, Taluka – Somawarpet, Dist. – Kodagu, Karnataka – 571 233 at 10:00 A. M.

(ii) Financial Year : From April 01 to March 31

(iii) Book Closure Period : September 23, 2017 to September 30, 2017 (both days inclusive).

(iv) Dividend Payment Date : September 30, 2017

(v) Listing on Stock Exchanges

Annual listing fee for the year 2017-18 has been paid to the below mentioned Stock Exchanges.

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.	National Stock Exchange of India Limited “Exchange Plaza”, Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051.
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(vi) The Stock Code

BSE Limited	532219
National Stock Exchange of India Limited	ENERGYDEV

(vii) Depositories

Custodial fees for the year 2017-18 has been paid to the below mentioned depositories on the basis of number of beneficial accounts maintained by them as on March 31, 2017.

National Securities Depository Ltd. Trade World, 4 th floor, Kamala Mills Compound, Lower Parel, Senapati Bapat Marg, Mumbai – 400 013.	Central Depository Services (India) Ltd. Phiroze Jeejeebhoy Towers, 28 th floor, Dalal Street, Mumbai – 400 023.
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(viii) Demat ISIN Number : INE306C01019

(ix) Market Price Data

The details of monthly high – low stock price of the Company trading at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the period from April 01, 2016 to March 31, 2017 are shown below:

MONTH	BSE SHARE PRICE		NSE SHARE PRICE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2016	74.00	60.10	75.00	60.10
May, 2016	75.75	62.95	75.70	62.75
June, 2016	83.25	69.05	83.20	68.40
July, 2016	114.80	78.55	114.80	77.60
August, 2016	167.20	108.00	167.80	107.00
September, 2016	221.35	164.80	221.50	165.00
October, 2016	246.15	200.20	246.60	196.25
November, 2016	249.20	63.05	248.00	62.60
December, 2016	77.85	56.80	77.85	56.55
January, 2017	83.85	59.60	83.95	59.50
February, 2017	61.25	42.90	62.00	43.35
March, 2017	43.95	32.55	45.95	32.60

As on the March 31, 2017 the closing price of the shares of the Company were ₹ 32.95 (in NSE) and ₹ 32.75 (in BSE).



(x) Performance in comparison to BSE Sensex and NSE Nifty

DATE	BSE Limited		National Stock Exchange of India Ltd.	
	Company's Market Price (Close) Per share (₹)	Sensex points (Close)	Company's Market Price (Close) Per share (₹)	Nifty points (Close)
April 29, 2016	71.90	25606.62	71.90	7849.80
May 31, 2016	71.00	26667.96	70.75	8160.10
June 30, 2016	78.05	26999.72	77.60	8287.75
July 29, 2016	113.05	28051.86	111.90	8638.50
August 31, 2016	165.60	28452.17	165.85	8786.20
September 29, 2016	217.65	27865.96	218.05	8611.15
October 30, 2016	227.65	27930.21	228.90	8625.70
November 30, 2016	63.05	26652.81	62.60	8224.50
December 30, 2016	77.85	26626.46	77.85	8185.80
January 31, 2017	59.75	27655.96	59.80	8561.30
February 28, 2017	43.60	28743.32	44.00	8879.60
March 31, 2017	32.75	29620.50	32.95	9173.75

(xi) Registrar and Share Transfer Agent

M/s Niche Technologies Pvt. Ltd.
D-511, Bagree Market, 5th Floor
71, B. R. B. Basu Road
Kolkata – 700 001

(xii) Exclusive e-mail ID for redressal of investor complaints

For redressal of Investor Complaints, kindly e-mail at secretarial@edclgroup.com

(xiii) Share Transfer System

Share transfer in physical form should be lodged at the office of the Registrar and Transfer Agent at the address given above or at the corporate office of the Company. Share transfers are normally effected within a maximum period of 30 days from the date of lodgment, if technically found to be in order and complete in all respect.

Dematerialisation of shares is processed normally within a period of 21 days from the date of receipt of Demat Request Form.

(xiv) Distribution of Shareholding as on March 31, 2017 is as under

Shareholding Range No. of Shares	Number of Shareholders	% of Shareholders	Number of Shares	% of Shareholding
Upto – 500	7,251	82.5760	9,53,915	2.0082
501 – 1,000	665	7.5732	5,47,570	1.1528
1,001 – 5,000	605	6.8899	13,97,936	2.9430
5,001 – 10,000	108	1.2299	8,35,252	1.7584
10,001 – 50,000	98	1.1160	21,16,557	4.4559
50,001 – 1,00,000	19	0.2164	13,83,336	2.9123
1,00,001 and above	35	0.3986	4,02,65,434	84.7693
TOTAL	8,781	100.0000	4,75,00,000	100.0000



(xv) Categories of Shareholders as on March 31, 2017

Category	No. of Shares held	% of holding
Promoters*	2,70,29,867	56.905
Financial Institutions, Insurance Co., Banks etc.	3,17,700	0.669
Foreign Institutional Investors	1,000	0.002
Corporate Bodies	53,15,277	11.190
Indian Public	68,63,554	14.450
NRI / OCBs	1,62,652	0.342
Others (Clearing Members) *	78,09,950	16.442
TOTAL	4,75,00,000	100.00

*Note: As on March 31, 2017, aggregate Promoters shareholding was 56.905%. However, due to inter se transfer of shares amongst promoters, 1,14,67,476 shares were lying with clearing member as on March 31, 2017 and the same were transferred in favour of Promoters by April 07, 2017. Therefore, the said 1,14,67,476 shares have been shown in Promoters category in the above table.

(xvi) Dematerialization of Shares and Liquidity

The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialise their shares with either of the Depositories. As on March 31, 2017, a total of 4,74,58,994 equity shares which form 99.91% of the paid-up share capital of the Company have been dematerialized (NSDL – 83.67% and CDSL – 16.33%).

(xvii) Outstanding GDRs / ADRs / Warrants or any Convertible instruments

The Company has not issued GDRs or ADRs or Warrants or any Convertible instruments.

(xviii) Commodity Price Risk / Foreign Exchange Risk and Hedging

The nature of business of Company does not involve any risks / require hedging activities, which is material in nature.

(xix) Plant Locations

- (a) Harangi Hydroelectric Power Project : Village – Hulugunda, Taluka – Somawarpet, Dist. – Kodagu, Karnataka – 571 233.
- (b) Wind Mill Project : Rangapur Kawal, Arsikere, District – Hassan, Karnataka – 573 103
- (c) Wind Mill Project: K-73, Elkurnahalli, Jogimatti Wind Zone, Chitradurga - District, Karnataka.

(xx) Address for Correspondence

Ms. Vijayshree Binnani
Company Secretary
Energy Development Company Limited
'EDCL HOUSE',
1A, Elgin Road, Kolkata – 700 020.



ANNEXURE - 'C'

DECLARATION TO COMPLIANCE OF CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

This is to confirm that the Company has adopted a Code of Conduct for its Directors and Senior Management and the same is available on our corporate website i.e. www.edclgroup.com.

I confirm that the Company has in respect of financial year ended on March 31, 2017, received from the Directors and Senior Management Personnel of the Company a declaration of the compliance with the Code of Conduct as applicable to them.

For Energy Development Company Limited

Sd/-

SANJIV SARAF
(Executive Director)
(DIN: 00506650)

Place : New Delhi

Dated : August 11, 2017

ANNEXURE - 'D'

CEO / CFO CERTIFICATION

To
The Members of
Energy Development Company Limited

Re : Financial Statements for the year ended on March 31, 2017

Certification by Executive Director and CFO

We, Sanjiv Saraf, Executive Director and Amit Damani, CFO of Energy Development Company Limited, to the best of our knowledge and belief, certify that :

- A. We have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2017 and that to the best of our knowledge and belief :
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee :
1. significant changes in the internal control over financial reporting during the year under review;
 2. significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
 3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or other employees who have a significant role in the Company's internal control systems over financial reporting.

For Energy Development Company Limited

Sd/-

AMIT DAMANI
(CFO)

Sd/-

SANJIV SARAF
(Executive Director)
(DIN : 00506650)

Place : Kolkata

Dated : May 29, 2017



INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF ENERGY DEVELOPMENT COMPANY LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated 3rd October, 2016.
2. We have examined the compliance of conditions of Corporate Governance by Energy Development Company Limited ('the Company'), for the year ended on 31st March, 2017, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), to the extent relevant, the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations during the year ended 31st March, 2017.
9. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **Lodha & Co.**
Chartered Accountants
Firm's ICAI Registration No. : 301051E
Sd/-

H. K. Verma
Partner
Membership No. : 055104

Place : Kolkata
Dated : 11th August, 2017

Form AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014]

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES

Sl. No.	Name of the Subsidiary Company	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Share Holding	(Amount in ₹)	
1	Ayyappa Hydro Power Ltd.	52,00,00,000	(43,32,12,732)	1,52,67,17,323	1,43,99,30,055	-	9,03,07,360	(10,68,32,109)	(1,56,81,068)	(9,11,51,041)	-	100		
2	EDCL Power Projects Ltd.	14,75,00,000	(10,41,99,772)	28,67,97,367	24,34,97,139	-	3,15,86,389	(2,70,73,867)	10,10,520	(2,80,84,387)	-	100		
3	EDCL Arunachal Hydro Project Pvt. Ltd.	1,01,00,000	(73,96,532)	52,56,426	25,52,958	-	-	(12,80,932)	-	(12,80,932)	-	100		
4	Eastern Ramganga Valley Hydel Projects Company Pvt. Ltd.	18,01,00,000	(42,03,620)	18,61,56,186	1,02,59,806	-	-	(1,48,968)	-	(1,48,968)	-	51		
5	Sarju Valley Hydel Projects Company Pvt. Ltd.	11,01,00,000	(18,64,386)	11,13,04,147	30,68,533	-	-	(1,49,527)	-	(1,49,527)	-	51		

Notes :

- Names of subsidiaries which are yet to commence operations: Companies referred to in no. 4 & 5 in the above table.
- Names of subsidiaries which have been liquidated or sold during the year: During the year under review, Arunachal Hydro Power Limited (AHPPL) which was a wholly owned subsidiary of the Company, ceased to be the subsidiary of the Company but became associate. By virtue of such change, 12 subsidiaries of AHPPL ceased to be subsidiaries of the Company. For details, please refer to Directors Report.
- Reporting Currency is Indian Rupee and Exchange rate as on March 31, 2017 is not applicable.
- Reporting period for all subsidiaries is from April 01, 2016 to March 31, 2017.
- Share capital includes equity and preference share capital. % of shareholding is calculated on the basis of equity share capital.

Part "B" : Associates and Joint Ventures

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and joint ventures

(Amount in ₹)

Sl. No.	Name of the Associates	Shares of Associates held by the Company on the year end		Description of how there is significant influence	Reason why the associate is not consolidated	Net worth attributable to shareholding as per latest audited balance sheet	Profit / Loss for the year	
		No.	Amount of Investment in Associates				Extent of Holding %	Considered in consolidation
1	Arunachal Hydro Power Ltd.	35,52,000	3,55,20,000	24	N.A.	39,09,12,332	(19,606)	NIL

Notes :

- Latest Audited Balance Sheet date is March 31, 2017.
- Share capital includes equity and preference share capital. % of shareholding is calculated on the basis of equity share capital.





NOMINATION AND REMUNERATION POLICY

1. PREAMBLE

A transparent, fair and reasonable process for determining the appropriate remuneration at all levels of the Company is required to ensure that shareholders remain informed and confident in the management of the Company. To harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Hereinafter referred to as the "LODR") as amended from time to time, this Policy on nomination and remuneration of Directors (including non-executive Directors) Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

This Policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors (including non-executive Directors), Key Managerial Personnel and Senior Management Personnel.

2. OBJECTIVE

- To make recommendations to the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management Personnel;
- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- To evaluate the performance of the members of the Board and provide necessary reports to the Board for further evaluation and to ensure relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- To make recommendations to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management and to ensure that such remuneration involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

3. DEFINITIONS

"Board" means Board of Directors of the Company.

"Company" means "Energy Development Company Limited".

"Employees' Stock Option" means the option given to the Directors, officers or employees of a Company or of its holding Company or subsidiary Company or Companies, if any, which gives such Directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the Company at a future date at a pre-determined price.

"Independent Director" means a Director referred to in Section 149 (6) of the Companies Act, 2013 and in Regulation 16 of the LODR;

"Key Managerial Personnel" (KMP) means;

- Chief Executive Officer or the Managing Director or the Manager,
- Company Secretary,
- Whole-time Director,
- Chief Financial Officer and
- Such other officer as may be prescribed.



“**Nomination and Remuneration Committee**” mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the LODR.

“**Policy or This Policy**” means, “Nomination and Remuneration Policy”.

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

“**Service Rules / HR Policy**” means “Service Rules / HR Policy” as framed by the Management which are applicable to all employees, may be amended or modified from time to time by the management.

“**Senior Management**” means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads, as may be decided by the Board from time to time.

Words and expression that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, the LODR and / or any other SEBI Regulation(s) as amended from time to time.

4. APPOINTMENT AND REMOVAL

a) Appointment criteria and qualifications

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he is considered for appointment. He shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices. The Committee has discretion to decide whether qualification, expertise, experience and attributes possessed by a person are sufficient / satisfactory for the concerned position.
- The Company shall not appoint or continue the employment of any person as Managing Director/ Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

b) Term / Tenure

- **Managing Director / Executive Director / Whole-time Director / Manager:** The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- **Independent Director:** An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board’s report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.



However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1 October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed Company.

c) Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly). The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence.

Criteria for performance evaluation of Independent Directors is given in the Appendix I to this Policy.

d) Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, Rules made thereunder or under any other applicable Act, Rules and Regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Managing Director / Executive Director / Whole Time Director, KMP or Senior Management subject to the provisions and compliance of the said Act, Rules and Regulations made thereunder and Service Rules / HR Policy of the Company as prevalent at that time.

e) Retirement

The Managing Director / Executive Director / Whole Time Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Managing Director / Executive Director / Whole Time Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company, subject to such approvals as may be required in this regard.

5. PROVISIONS RELATING TO REMUNERATION

a) General

- The remuneration / compensation / commission etc. to Managing Director/Executive Director / Whole Time Directors, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required.
- The remuneration and commission to be paid to Managing Director, Executive Director / Whole Time Directors shall be as per the statutory provisions of the Companies Act, 2013, and the Rules made thereunder for the time being in force and in accordance with and subject to the relevant provisions of the Articles of Association of the Company.
- Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the shareholders in the case of Managerial Person.
- Where any insurance is taken by the Company on behalf of its Managing Director, Executive Director/ Whole Time Directors, KMP and any other personnel for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

b) Remuneration to Non-Executive / Independent Director

- **Remuneration / Commission:** The Committee may recommend the payment of remuneration / commission in accordance with the statutory provisions of the Companies Act, 2013, and the Rules made thereunder for the time being in force.
- **Sitting Fees:** The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- **Limit of Remuneration / Commission:** Remuneration / Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.
- **Stock Options:** An Independent Director shall not be entitled to any stock option of the Company.

c) Executive / Whole Time Directors

i) Appointment / Re-appointment, Remuneration and Terms and Conditions

Appointment and Re-appointment, if any, of Executive Directors / Whole time Directors including remuneration and other terms and conditions thereof shall be in accordance with the provisions of Section 196, 197 of the Companies Act, 2013 read with Schedule V appended thereto. The Committee will recommend the appointment or re-appointment, if any, of any of the Executive / Whole time Directors to the Board and same will be approved by the shareholders at General Meeting by passing the necessary resolution in terms of provisions of the Companies Act, 2013.

The components of remuneration package may include the following:

- Basic Pay
- Allowances
- LTA
- Any other perks and benefits.

ii) Minimum Remuneration

If in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive / Whole Time Directors in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

iii) Overall Maximum Managerial Remuneration

The total managerial remuneration payable by the Company to its Directors, including Managing Director and Whole time Directors and its Managers in respect of any financial year shall not exceed 11% of the net profit of the Company for that financial year calculated in the manner as laid down in Section 198 of the Companies Act, 2013, except that the remuneration of the Directors shall not be deducted from the gross profit. In the event of payment of remuneration exceeding 11% of net profit necessary formalities to be complied with as per the said Act.

iv) Provisions for excess remuneration

If any Executive Director / Whole Time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.



d) Key Managerial Personnel and Senior Management

Remuneration of KMP and Senior Management Personnel is proposed by the Company's Nomination and Remuneration Committee and subsequently approved by the Board of Directors. The remuneration is evaluated annually against performance of the Company, individual performance / contribution and decided rationally. The remuneration of KMP and Senior Management Personnel may comprise of the following:

- A fixed base salary, set at a level aimed at attracting and retaining executives with professional and personal competences required to drive the Company's performance.
- Special pay
- Variable pay linked with Performance in respect of certain positions
- Allowances (HRA, Conveyance etc.)
- LTA
- Perquisite and benefits
- Coverage on Mediclaim
- Retirement benefits including Superannuation

The KMP(s) and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

6. POLICY ON DIVERSITY OF BOARD

The Board of Directors shall have the optimum combination of executive and non-executive Directors including Independent Directors from the different fields like Planning, Strategy, Production, Management, Engineering, Quality Assurance, Finance & Accountancy, Legal, Sales and Marketing, Supply chain, Research and Development, Human Resources etc. or as may be considered appropriate by the Committee from time to time. The Board shall have at least one member who has accounting or related financial management expertise and at least three members who are financially literate and at least one women Director as its member.

7. ASSISTANCE FROM OUTSIDE AGENCY

The committee may take the assistance of External expert / agency as and when required to ensure that recommendations are based on rationale as is also parameter to judge the performance level.

This Policy will be reviewed and amended by the Nomination and Remuneration Committee as and when required and appropriate recommendations will be made to the Board to update this Policy based on the changes that may be brought about due to any regulatory amendments or otherwise.

8. APPLICABILITY TO SUBSIDIARIES

This Policy may be adopted by the Company's subsidiaries subject to suitable modifications and approval of the Board of Directors of the respective subsidiary.

9. DISCLOSURE OF INFORMATION

Information as required in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 of Company (Appointment & Remuneration) Rules, 2014 shall be disclosed in the Board in the manner as provided therein.



APPENDIX - I

Criteria for Performance Evaluation of Independent Directors

The Nomination and Remuneration Committee laid down the criteria for performance evaluation of Independent Non-Executive Directors. They are enumerated as below:

1. Frequency of attendance and contribution to the Board and Committee meetings of Directors;
2. Appropriate mix of expertise, skills, behaviour, experience, leadership qualities and understanding of business, strategic direction to align Company's value and standards;
3. Adequate understanding and knowledge of finance, accounts, legal, investment, marketing, internal controls, risk management, assessment and mitigation, business operations, processes and Corporate Governance;
4. Ability to create a performance culture that add value creation and a high quality of discussions;
5. Effectiveness to respond positively and constructively and to encourage more transparency;
6. Recognize the role which is expected to be played, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company and to achieve organizational successes and harmonizing the Board;
7. Physical and mental fitness, broader thinking and vision on corporate social responsibility;
8. Adhere to quality of decision and discussion for understanding financial statements and business performance, raising of finance, best source of finance, working capital requirement, forex dealings, geopolitics, human resources etc.;
9. To monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders; and
10. Contribution towards overall enhancement of brand image of the Company.



FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Energy Development Company Limited
CIN : L85110KA1995PLC017003

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Energy Development Company Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017, according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECBs);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) :
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;



- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(vi) Other laws specifically applicable to the Company :

The Electricity Act, 2003 and the Rules and Regulations framed thereunder.

We have also examined compliance with the applicable clauses of the following :

- (i) Secretarial Standards on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The revised uniform Listing Agreement entered into by the Company on January 22, 2016 with the BSE Limited and the National Stock Exchange of India Limited.

During the year under review the Company has generally complied with the applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except that (a) certain e-Forms under the provisions of the Companies Act, 2013 and rules framed thereunder were filed belatedly with additional filing fees; and (b) certain investments by the Company are lying in the names of transferor for want of performance of obligation undertaken by the Company, as per agreements executed by the Company. It is observed that the provisions of the FEMA and rules and regulations made thereunder to the extent of ODI and ECBs; and provisions of Regulations and Guidelines mentioned in (c), (d), (e), (g) and (h) under item no. (v) of para 3 above, were not applicable to the Company during the year under review.

We further report that

- I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
- II. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance; and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- III. During the year under review, majority decision is carried through while the Minutes of the Meetings of the Board and Committees thereof, held during the audit period did not reveal any dissenting member's view. As confirmed by the Management, there were no dissenting views expressed by any of the Directors on any business transacted at the meetings of the Board and Committees thereof, held during the year under review.

We further report that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the following specific events having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. were took place during the year under review :

- a) In terms of the Investment Agreements dated November 09, 2015 and subsequent Special Resolution pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, passed through Postal Ballot by the Company on August 17, 2016 :
 - (i) the Company has transferred 76% of equity shares in Arunachal Hydro Power Limited (AHPL), a wholly owned subsidiary of the Company to Smart Hydro Power Limited ("SHPL"), a subsidiary of EIL, thereby AHPL ceased to be a subsidiary of the Company and became an associate. Consequently, the following 12 subsidiaries being subsidiaries of AHPL ceased to be the step-down subsidiaries of the Company during the year under review :
 - 1. EDCL Seppa Beyong Hydro Electric Private Limited



2. EDCL Seppa Kawa Power Private Limited
 3. EDCL Tawang Lower Tsachu Hydro Electric Private Limited
 4. EDCL Tawang Upper Tsachu Hydro Electric Private Limited
 5. EDCL Seppa Nire Hydro Electric Private Limited
 6. EDCL Seppa Jung Power Private Limited
 7. EDCL Tawang Power Private Limited
 8. EDCL Seppa Pachuk Power Private Limited
 9. EDCL Seppa Dunkho Hydro Electric Private Limited
 10. EDCL Seppa Lada Hydro Electric Private Limited
 11. EDCL Seppa Rieng Power Private Limited
 12. EDCL Seppa Marjingla Hydro Electric Private Limited
- (ii) the Company has acquired 100% equity shares in EDCL Arunachal Hydro Project Private Limited (EDCL-AHPL), which was a subsidiary of AHPL, consequently, EDCL-AHPL became a wholly owned subsidiary of the Company.
- (iii) the Company has transferred 49% of equity shares of Sarju Valley Hydel Projects Company Private Limited (Sarju) and Eastern Ramganga Valley Hydel Projects Company Private Limited (Eastern), the Company's wholly owned subsidiaries, to SHPL, a subsidiary of EIL, leaving 51% equity shares in these companies which continued to be held by the Company. The Company has also pledged 27% equity shares of Sarju and Eastern with SHPL.
- b) The shareholdings of the Promoters Group in the Company was reduced by 4.41% i.e., from 61.32% to 56.91% during the year under review.
- c) The Promoter Group inter-se transfer 1,14,67,476 equity shares of the Company i.e., 24.14% during the year under review.
- d) Obtained the approval of the shareholders of the Company to the material transactions entered into with related parties during the financial year 2015-16.

For **P. SARAWAGI & ASSOCIATES**
Company Secretaries

(P. K. Sarawagi)
Proprietor

Membership No. : FCS-3381
C. P. No. : 4882

Place : Kolkata
Date : August 11, 2017

This Report is to be read with our letter of even date which is annexed to this Report as Annexure – 1 and forms integral part of this Report.



To,
The Members
Energy Development Company Limited
CIN : L85110KA1995PLC017003

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **P. SARAWAGI & ASSOCIATES**
Company Secretaries

(P. K. Sarawagi)
Proprietor

Membership No. : FCS-3381
C. P. No. : 4882

Place : Kolkata
Date : August 11, 2017



DETAILS PERTAINING TO REMUNERATION

DISCLOSURES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) AND 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 – AS AMENDED

Disclosures under Rule 5(1)

Sl. No.	Particulars	Details
1	The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year.	Apart from Mr. Sanjiv Saraf none of the Directors are being paid remuneration except fees for attending meetings. The ratio is 17.52%.
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary.	Whole-time Director : Nil Chief Financial Officer : Nil Company Secretary : Nil The comparison of remuneration has been made of the office of Chief Financial Officer and Company Secretary.
3	Percentage increase in the median remuneration of employees in the financial year.	6.71%.
4	Number of permanent employees on the rolls of Company.	43 employees as on March 31, 2017.
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average Salary increase of non-managerial employees is Nil. Only civil employees employed in Tripura were given increment in the range of 8% to 16%. There are no exceptional circumstances for increase in the managerial remuneration.
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.



Disclosures under Rule 5(2) : Top 10 employees in terms of remuneration drawn

Sl. No.	Name of the Employee	Designation	Remuneration received* (₹)	Nature of Employment	Qualification and experience	Date of Commencement of employment	Age (Years)	Last employment held before joining the Company	% of Equity shares held	Relationship with other Directors or Manager
01.	Sanjiv Saraf	Executive Director	47,54,600	Executive Director	M. Tech from B.H.U. (Varanasi) / 40 yrs.	01.04.2017	62	Executive Director, EDCL Power Projects Ltd.	0.02% (10,000 Eq. Shares)	None
02.	Tarun Goel	Senior Secretary to the Chairman	20,84,800	Managerial	P. G. Diploma in Marketing & Sales Management / 26 yrs	01.04.2012	52	Ayyappa Hydro Power Ltd.	Nil	None
03.	Nathmal Modi	General Manager (Commercial)	16,91,920	Managerial	B. Com.; L.L.B / 31 yrs	01.01.2006	57	EDCL Power Projects Ltd.	Nil	None
04.	M. Shiva Subramaniam	General Manager (Operations)	14,97,680	Managerial	Diploma in Electrical & Electronics Engineering (D.E.E) / 19 yrs	01.12.1998	44	PES Engineers Pvt. Ltd.	0.00% (1 Eq. Share)	None
05.	Geetanjali Dutta	Secretary to the Chairman	13,20,200	Managerial	P. G. Diploma in Public Relations / 11 yrs	01.04.2012	41	Ayyappa Hydro Power Ltd.	Nil	None
06.	Satyabrata Seal	Senior Manager	12,32,400	Managerial	Diploma in Civil Engineering / 31 yrs	28.03.2007	57	Self employed	Nil	None
07.	Amit D. Singh	Vice President (Finance)	12,00,000	Managerial	C. A. & DISA 14 yrs.	01.06.2016	38	CKP Holdings Pvt. Ltd.	Nil	None
08.	Gopi Kishan Khetan	Officer on Special Duty	9,31,679	Administrative	B.Com / 29 yrs	10.09.2006	58	Self employed	Nil	None
09.	Amit Damani	CFO	9,00,000	Accounting	C. A. / 12 yrs	01.03.2015	42	Self employed in practice	Nil	None
10.	Anshuman Ahuja	Office Manager	8,77,200	Managerial	M.A. in Industrial Relations / 11 yrs	01.04.2012	36	Ayyappa Hydro Power Ltd.	Nil	None

* Includes perquisite value as per Income Tax Act, 1961.



CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO ETC.

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are provided hereunder:

(A)	Conservation of Energy –		
	(i)	The steps taken or impact on conservation of energy	All the lights (total illumination) are replaced with LED lights
	(ii)	the steps taken by the Company for utilizing alternate sources of energy	N.A.
	(iii)	the capital investment on energy conservation equipments	Insignificant.
(B)	Technology Absorption –		
	(i)	the efforts made towards technology absorption	N.A.
	(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	
	(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) –	
	(a)	the details of technology imported	
	(b)	the year of import	
	(c)	whether the technology been fully absorbed	
	(d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development		
(C)	Foreign exchange earnings and Outgo-		
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows		Inflow : ₹ 5,27,32,950/- Outflow : ₹ 5,24,11,589/- net of Recovery from Subsidiaries



Form No. MGT - 9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN	L85110KA1995PLC017003
ii)	Registration Date	January 19, 1995
iii)	Name of the Company	Energy Development Company Limited
iv)	Category / Sub-Category of the Company	Company Limited by shares
v)	Address of the Registered Office and contact details	Village - Hulugunda, Taluka - Somawarpet District - Kodagu, Karnataka - 571 233 Phone: 08276-277040 Fax : 08276-277012 Email ID: secretarial@edclgroup.com
vi)	Whether listed Company	Yes
viii)	Name, address and contact details of Registrar and Transfer Agents (RTA), if Any	Niche Technologies Private Limited D-511, Bagree Market, 5th Floor 71, Biplabi Rash Behari Basu Road, Kolkata – 700 001 Phone : (033) 2235 7270 / 7271 Email ID : nichetechpl@nichetechpl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated :

Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Trading in Solar Photovalatic Module	46593	55%
2	Trading in Tin metals	4690	26%
3	Generation of Electricity	3510	10%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of share held	Applicable Section
1	Ayyappa Hydro Power Limited "EDCL HOUSE" 1A, Elgin Road, Kolkata – 700 020	U40100WB2005PLC116955	Subsidiary	100%	2(87)(ii)
2	EDCL Power Projects Limited "EDCL HOUSE" 1A, Elgin Road, Kolkata – 700 020	U74140WB2002PLC095242	Subsidiary	100%	2(87)(ii)
3	EDCL – Arunachal Hydro Project Pvt. Ltd. "EDCL HOUSE" 1A, Elgin Road, Kolkata – 700 020	U40104WB2010PTC152829	Subsidiary	100%	2(87)(ii)
4	Eastern Ramganga Valley Hydel Projects Company Pvt. Ltd. A26/3, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi - 110 044	U40104DL2007PTC160700	Subsidiary	51%	2(87)(ii)
5	Sarju Valley Hydel Projects Company Pvt. Ltd. A26/3, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi - 110 044	U40101DL2007PTC160703	Subsidiary	51%	2(87)(ii)
6	Arunachal Hydro Power Limited Model Village, Near Pacha River, District – East Kameng, Seppa – 790 102 (A.P.)	U40101AR2013PLC008384	Associate	24%	2(6)



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1937391	0	1937391	4.079	13404867	0	13404867	28.221	24.142
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	27187084	0	27187084	57.236	13625000	0	13625000	28.684	-28.552
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1) :-	29124475	0	29124475	61.315	15562391	0	15562391	32.763	-28.552
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2) :	0	0	0	0.000	0	0	0	0.000	0.000
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	29124475	0	29124475	61.315	27029867	0	27029867	56.905	-4.410
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	0	0	0	0.000	317700	0	317700	0.669	0.669
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	0	0	0	0.000	1000	0	1000	0.002	0.002
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1) :	0	0	0	0.000	318700	0	318700	0.671	0.671



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	4211171	0	4211171	8.866	5315277	0	5315277	11.190	2.324
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1898451	41806	1940257	4.085	3278450	41006	3319456	6.988	2.903
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	9964745	0	9964745	20.978	3544098	0	3544098	7.461	-13.517
c) Others Specify									
(a) NRI	102597	0	102597	0.216	162652	0	162652	0.342	0.126
(b) Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
(c) Foreign Nationals	-	-	-	-	-	-	-	-	-
(d) Clearing Members	2156755	0	2156755	4.541	7809950	0	7809950	16.442	11.901
(e) Trusts	-	-	-	-	-	-	-	-	-
(f) Foreign Bodies-D.R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2) :	18333719	41806	18375525	38.685	20110427	41006	20151433	42.424	3.739
Total Public Shareholding (B)=(B)(1)+ (B)(2)	18333719	41806	18375525	38.685	20429127	41006	20470133	43.095	4.410
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	47458194	41806	47500000	100.000	47458994	41006	47500000	100.000	0.000

Note : As on March 31, 2017, aggregate Promoters shareholding was 56.905%. However, due to inter se transfer of shares amongst promoters, 1,14,67,476 shares were lying with clearing member as on March 31, 2017 and the same were transferred in favour of Promoters by April 07, 2017. Therefore, the said 1,14,67,476 shares have been shown in Promoters category under the head 'individual / HUF' in the above table. Out of 1,14,67,476 shares held by M/s. Sterlite Merchants LLP 90,00,000 shares were transferred to Mr. Amar Singh and 24,67,476 shares were transferred to Mrs. Pankaja Kumari Singh. Please refer to this note wherever promoters holding is shown.



ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share Holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Amar Singh	1458453	3.070	0.000	10458453	22.018	0.000	18.950
2.	Pankaja Kumari Singh	468938	0.987	0.000	2936414	6.182	0.000	5.195
3.	Sanjiv Saraf	10000	0.021	0.000	10000	0.021	0.000	0.000
4.	Sarvottam Caps Private Limited	11800000	24.842	0.000	11800000	24.842	0.000	0.000
5.	Startrack Vinimay Private Limited	1825000	3.842	0.000	1825000	3.842	0.000	0.000
6.	Sterlite Merchants LLP	13562084	28.552	0.000	0	0	0.000	-28.552
	TOTAL	29124475	61.315	0.000	27029867	56.905	0.000	-4.410

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Name of Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Amar Singh				
	a) At the beginning of the year	1458453	3.070	-	-
	b) Changes during the year Inter-se transfer of shares amongst Promoters on				
	- 27.03.2017	4000000	8.421	5458453	11.491
	- 29.03.2017	500000	1.053	5958453	12.544
- 30.03.2017	4500000	9.474	10458453	22.018	
c) At the end of the year	-	-	10458453	22.018	
2.	Pankaja Kumari Singh				
	a) At the beginning of the year	468938	0.987	-	-
	b) Changes during the year Inter-se transfer of shares amongst Promoters on				
	- 27.03.2017	1500000	3.158	1968938	4.145
	- 30.03.2017	967476	2.037	2936414	6.182
c) At the end of the year	-	-	2936414	6.182	
3.	Sanjiv Saraf				
	a) At the beginning of the year	10000	0.021	-	-
	b) Changes during the year	No change			
	c) At the end of the year	-	-	10000	0.021



Sl. No.	Name of Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4.	Sarvottam Caps Private Limited				
	a) At the beginning of the year	11800000	24.842	-	-
	b) Changes during the year	No change			
	c) At the end of the year	-	-	11800000	24.842
5.	Startrack Vinimay Private Limited				
	a) At the beginning of the year	1825000	3.842	-	-
	b) Changes during the year	No change			
	c) At the end of the year	-	-	1825000	3.842
6.	Sterlite Merchants LLP				
	a) At the beginning of the year	13562084	28.552	-	-
	b) Changes during the year				
	Sale of shares				
	- 15.09.2016	-200000	-0.421	13362084	28.131
	- 16.09.2016	-94798	-0.200	13267286	27.931
	- 19.09.2016	-279357	-0.588	12987929	27.343
	- 20.09.2016	-179529	-0.378	12808400	26.965
	- 22.09.2016	-138186	-0.291	12670214	26.674
	- 23.09.2016	-188133	-0.396	12482081	26.278
	- 27.09.2016	-101000	-0.213	12381081	26.065
	- 28.09.2016	-10000	-0.021	12371081	26.044
	- 05.10.2016	-26108	-0.055	12344973	25.989
	- 06.10.2016	-141134	-0.297	12203839	25.692
	- 07.10.2016	-18000	-0.038	12185839	25.654
	- 13.10.2016	-50000	-0.105	12135839	25.549
	- 20.10.2016	-100409	-0.211	12035430	25.338
	- 21.10.2016	-250000	-0.526	11785430	24.811
	- 26.10.2016	-150000	-0.316	11635430	24.496
	- 15.11.2016	-25000	-0.053	11610430	24.443
	- 28.11.2016	-142954	-0.301	11467476	24.142
	Inter-se transfer of shares amongst Promoters on				
	- 27.03.2017	-5500000	-11.579	5967476	12.563
	- 29.03.2017	-500000	-1.023	5467476	11.510
	- 30.03.2017	-5467476	-11.510	0.000	0.000
	c) At the end of the year	-	-	0	0.000
	TOTAL	29124475	61.315	27029867	56.905



iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Alankit Assignments Ltd Own A/C				
	a) At the beginning of the year	0	0.000	-	-
	b) Changes during the year Transfer on :				
	03.03.2017	150000	0.316	150000	0.316
	10.03.2017	550000	1.158	700000	1.474
31.03.2017	-300000	0.632	400000	0.842	
c) At the End of the year	-	-	400000	0.842	
2.	Anup Shyamsunder Karwa				
	a) At the beginning of the year	1038552	2.186	-	-
	b) Changes during the year Transfer on :				
	10.06.2016	24372	0.051	1062924	2.238
	17.06.2016	-153037	0.322	909887	1.916
	24.06.2016	7149	0.015	917036	1.931
	01.07.2016	7500	0.016	924536	1.946
	08.07.2016	-8300	0.017	916236	1.929
	15.07.2016	-816236	1.718	100000	0.211
	22.07.2016	83516	0.176	183516	0.386
	12.08.2016	-110976	0.234	72540	0.153
	26.08.2016	-1255	0.003	71285	0.150
	02.09.2016	-71251	0.150	34	0.000
	09.09.2016	-34	0.000	0	0.000
	16.09.2016	20678	0.044	20678	0.044
	23.09.2016	33987	0.072	54665	0.115
	30.09.2016	4580	0.010	59245	0.125
	07.10.2016	22850	0.048	82095	0.173
	14.10.2016	2900	0.006	84995	0.179
	21.10.2016	9370	0.020	94365	0.199
	28.10.2016	4326	0.009	98691	0.208
04.11.2016	28700	0.060	127391	0.268	
11.11.2016	15000	0.032	142391	0.300	
02.12.2016	-75000	0.158	67391	0.142	
09.12.2016	-67391	0.142	0	0.000	
c) At the End of the year	-	-	0	0.000	
3.	Deven Suresh Pathak				
	a) At the beginning of the year	1600000	3.368	-	-
	b) Changes during the year Transfer on :				
	03.03.2017	-670649	1.412	929351	1.957
	10.03.2017	-911504	1.919	17847	0.038
17.03.2017	-17847	0.038	0	0.000	
c) At the End of the year	-	-	0	0.000	



4.	Diipesh Lakshaman Bhagtani				
	a) At the beginning of the year	800000	1.684	-	-
	b) Changes during the year Transfer on 24.03.2017	-800000	-1.684	0	0.000
	c) At the End of the year	-	-	0	0.000
5.	Edelweiss Broking Ltd.				
	a) At the beginning of the year	29272	0.062	-	-
	b) Changes during the year Transfer on :				
	01.04.2016	-35	0.000	29237	0.062
	15.04.2016	10213	0.022	39450	0.083
	22.04.2016	5000	0.011	44450	0.094
	13.05.2016	-40000	0.084	4450	0.009
	03.06.2016	500	0.001	4950	0.010
	10.06.2016	-500	0.001	4450	0.009
	17.06.2016	-3550	0.007	900	0.002
	24.06.2016	-495	0.001	405	0.001
	01.07.2016	-355	0.001	50	0.000
	08.07.2016	100	0.000	150	0.000
	15.07.2016	-100	0.000	50	0.000
	22.07.2016	-50	0.000	0	0.000
	29.07.2016	10	0.000	10	0.000
	12.08.2016	-10	0.000	0	0.000
	19.08.2016	250	0.001	250	0.001
	26.08.2016	-250	0.001	0	0.000
	02.09.2016	50	0.000	50	0.000
	09.09.2016	31471	0.066	31521	0.066
	16.09.2016	-29970	0.063	1551	0.003
	23.09.2016	-1551	0.003	0	0.000
	30.09.2016	24054	0.051	24054	0.051
	07.10.2016	-8274	0.017	15780	0.033
	14.10.2016	7015	0.015	22795	0.048
	21.10.2016	-21045	0.044	1750	0.004
	04.11.2016	-95	0.000	1655	0.003
	11.11.2016	327	0.001	1982	0.004
	18.11.2016	-1938	0.004	44	0.000
	25.11.2016	56	0.000	100	0.000
	02.12.2016	1386	0.003	1486	0.003
	09.12.2016	1798	0.004	3284	0.007
	16.12.2016	-1770	0.004	1514	0.003
	23.12.2016	350	0.001	1864	0.004
	31.12.2016	-502	0.001	1362	0.003
	06.01.2017	-47	0.000	1315	0.003
	13.01.2017	8305	0.017	9620	0.020
	20.01.2017	-3490	0.007	6130	0.013
	27.01.2017	476	0.001	6606	0.014
	03.02.2017	1350	0.003	7956	0.017
	10.02.2017	689	0.001	8645	0.018
	17.02.2017	-4500	0.009	4145	0.009
	24.02.2017	-394	0.001	3751	0.008
	03.03.2017	-2510	0.005	1241	0.003
	10.03.2017	572	0.001	1813	0.004
	17.03.2017	17499	0.037	19312	0.041
	24.03.2017	830062	1.747	849374	1.788
	31.03.2017	135979	0.286	985353	2.074
	c) At the End of the year	-	-	985353	2.074



6.	Gatisheel Traders LLP				
	a) At the beginning of the year	1183658	2.492	-	-
	b) Changes during the year				
	Transfer on :				
	22.04.2016	-110643	0.233	1073015	2.259
	29.04.2016	-22500	0.047	1050515	2.212
	06.05.2016	-75000	0.158	975515	2.054
	13.05.2016	-60000	0.126	915515	1.927
	20.05.2016	-174721	0.368	740794	1.560
	27.05.2016	-20000	0.042	720794	1.517
	03.06.2016	-252916	0.532	467878	0.985
	08.07.2016	-50000	0.105	417878	0.880
	19.08.2016	-70000	0.147	347878	0.732
	26.08.2016	-207187	0.436	140691	0.296
	02.09.2016	-104508	0.220	36183	0.076
	09.09.2016	-25000	0.053	11183	0.024
	10.02.2017	244058	0.514	255241	0.537
	c) At the End of the year	-	-	255241	0.537
7.	Globe Capital Market Limited				
	a) At the beginning of the year	979216	2.062	-	-
	b) Changes during the year				
	Transfer on :				
	15.04.2016	-38942	0.082	940274	1.980
	22.04.2016	83800	0.176	1024074	2.156
	29.04.2016	-27965	0.059	996109	2.097
	06.05.2016	41950	0.088	1038059	2.185
	13.05.2016	-100893	0.212	937166	1.973
	20.05.2016	-282000	0.594	655166	1.379
	27.05.2016	-12000	0.025	643166	1.354
	03.06.2016	53290	0.112	696456	1.466
	10.06.2016	-37600	0.079	658856	1.387
	17.06.2016	-3200	0.007	655656	1.380
	24.06.2016	6350	0.013	662006	1.394
	01.07.2016	25000	0.053	687006	1.446
	08.07.2016	-23840	0.050	663166	1.396
	15.07.2016	100000	0.211	763166	1.607
	22.07.2016	104524	0.220	867690	1.827
	29.07.2016	-141907	0.299	725783	1.528
	05.08.2016	220875	0.465	946658	1.993
	12.08.2016	-99925	0.210	846733	1.783
	19.08.2016	137370	0.289	984103	2.072
	26.08.2016	64700	0.136	1048803	2.208
	02.09.2016	-151622	0.319	897181	1.889
	09.09.2016	-473975	0.998	423206	0.891
	16.09.2016	3495	0.007	426701	0.898
	23.09.2016	47380	0.100	474081	0.998
	30.09.2016	-32977	0.069	441104	0.929
	07.10.2016	8088	0.017	449192	0.946
	14.10.2016	1221	0.003	450413	0.948
	21.10.2016	61493	0.129	511906	1.078
	28.10.2016	2519	0.005	514425	1.083
	04.11.2016	-4710	0.010	509715	1.073
	11.11.2016	38336	0.081	548051	1.154
	18.11.2016	-5388	0.011	542663	1.142
	25.11.2016	60227	0.127	602890	1.269
	02.12.2016	-5619	0.012	597271	1.257
	09.12.2016	-38610	0.081	558661	1.176
	16.12.2016	103837	0.219	662498	1.395
	23.12.2016	-89790	0.189	572708	1.206



	31.12.2016	-87557	0.184	485151	1.021
	06.01.2017	-738	0.002	484413	1.020
	13.01.2017	4715	0.010	489128	1.030
	27.01.2017	-5000	0.011	484128	1.019
	03.02.2017	-80	0.000	484048	1.019
	17.02.2017	-11470	0.024	472578	0.995
	10.03.2017	200000	0.421	672578	1.416
	17.03.2017	-34140	0.072	638438	1.344
	24.03.2017	-102893	0.217	535545	1.127
	31.03.2017	36890	0.078	572435	1.205
	c) At the End of the year	-	-	572435	1.205
8.	India Infoline Limited				
	a) At the beginning of the year	0	0.000	-	-
	b) Changes during the year				
	Transfer on :				
	01.04.2016	50	0.000	50	0.000
	15.04.2016	24749	0.052	24799	0.052
	22.04.2016	-24464	0.052	335	0.001
	29.04.2016	1602	0.003	1937	0.004
	06.05.2016	9063	0.019	11000	0.023
	13.05.2016	-10998	0.023	2	0.000
	20.05.2016	-2	0.000	0	0.000
	27.05.2016	2648	0.006	2648	0.006
	03.06.2016	-1648	0.003	1000	0.002
	10.06.2016	-200	0.000	800	0.002
	17.06.2016	618	0.001	1418	0.003
	24.06.2016	-1418	0.003	0	0.000
	01.07.2016	60082	0.126	60082	0.126
	08.07.2016	-53582	0.113	6500	0.014
	15.07.2016	-6345	0.013	155	0.000
	22.07.2016	145	0.000	300	0.001
	29.07.2016	-300	0.001	0	0.000
	12.08.2016	4124	0.009	4124	0.009
	19.08.2016	876	0.002	5000	0.011
	26.08.2016	-4900	0.010	100	0.000
	02.09.2016	100	0.000	200	0.000
	09.09.2016	-196	0.000	4	0.000
	16.09.2016	5288	0.011	5292	0.011
	23.09.2016	-5287	0.011	5	0.000
	30.09.2016	11360	0.024	11365	0.024
	07.10.2016	-11226	0.024	139	0.000
	14.10.2016	1541	0.003	1680	0.004
	21.10.2016	1220	0.003	2900	0.006
	28.10.2016	-1400	0.003	1500	0.003
	04.11.2016	7130	0.015	8630	0.018
	11.11.2016	-8540	0.018	90	0.000
	18.11.2016	-22	0.000	68	0.000
	25.11.2016	-68	0.000	0	0.000
	02.12.2016	2355	0.005	2355	0.005
	09.12.2016	-1305	0.003	1050	0.002
	16.12.2016	-950	0.002	100	0.000
	23.12.2016	-50	0.000	50	0.000
	31.12.2016	10040	0.021	10090	0.021
	06.01.2017	-5820	0.012	4270	0.009
	13.01.2017	-4270	0.009	0	0.000
	20.01.2017	309	0.001	309	0.001



	27.01.2017	-309	0.001	0	0.000
	10.02.2017	22	0.000	22	0.000
	17.02.2017	203	0.000	225	0.000
	24.02.2017	900	0.002	1125	0.002
	03.03.2017	-225	0.000	900	0.002
	10.03.2017	-896	0.002	4	0.000
	17.03.2017	96	0.000	100	0.000
	24.03.2017	1983	0.004	2083	0.004
	31.03.2017	2300012	4.842	2302095	4.847
	c) At the End of the year	-	-	2302095	4.847
9.	Ketan R Deshpande				
	a) At the beginning of the year	775000	1.632	-	-
	b) Changes during the year Transfer on :				
	24.02.2017	-22545	0.047	752455	1.584
	03.03.2017	-714091	1.503	38364	0.081
	17.03.2017	-38364	0.081	0	0.000
	c) At the End of the year	-	-	0	0.000
10.	Kumar Share Brokers Limited				
	a) At the beginning of the year	0	0.000	-	-
	b) Changes during the year Transfer on :				
	15.04.2016	34000	0.072	34000	0.072
	22.04.2016	-33560	0.071	440	0.001
	29.04.2016	100	0.000	540	0.001
	06.05.2016	2780	0.006	3320	0.007
	13.05.2016	53799	0.113	57119	0.120
	20.05.2016	-10500	0.022	46619	0.098
	27.05.2016	-4950	0.010	41669	0.088
	03.06.2016	-41618	0.088	51	0.000
	10.06.2016	-28	0.000	23	0.000
	08.07.2016	-23	0.000	0	0.000
	15.07.2016	115000	0.242	115000	0.242
	22.07.2016	267100	0.562	382100	0.804
	29.07.2016	30000	0.063	412100	0.868
	05.08.2016	134649	0.283	546749	1.151
	19.08.2016	68455	0.144	615204	1.295
	26.08.2016	-287	0.001	614917	1.295
	02.09.2016	66900	0.141	681817	1.435
	09.09.2016	46150	0.097	727967	1.533
	16.09.2016	99066	0.209	827033	1.741
	23.09.2016	39950	0.084	866983	1.825
	30.09.2016	200	0.000	867183	1.826
	07.10.2016	100000	0.211	967183	2.036
	14.10.2016	-34132	0.072	933051	1.964
	21.10.2016	-12670	0.027	920381	1.938
	28.10.2016	-42600	0.090	877781	1.848
	04.11.2016	150	0.000	877931	1.848
	11.11.2016	-64000	0.135	813931	1.714
	18.11.2016	45000	0.095	858931	1.808
	25.11.2016	75000	0.158	933931	1.966
	02.12.2016	101900	0.215	1035831	2.181



		09.12.2016	-35519	0.075	1000312	2.106
		16.12.2016	-109283	0.230	891029	1.876
		23.12.2016	100000	0.211	991029	2.086
		31.12.2016	-1	0.000	991028	2.086
		06.01.2017	-26141	0.055	964887	2.031
		13.01.2017	291061	0.613	1255948	2.644
		27.01.2017	100	0.000	1256048	2.644
		03.02.2017	-8265	0.017	1247783	2.627
		10.02.2017	-47895	0.101	1199888	2.526
		17.02.2017	-46571	0.098	1153317	2.428
		03.03.2017	-153672	0.324	999645	2.105
		10.03.2017	115796	0.244	1115441	2.348
		17.03.2017	-175973	0.370	939468	1.978
		24.03.2017	66888	0.141	1006356	2.119
		31.03.2017	-87707	0.185	918649	1.934
	c)	At the End of the year	-	-	918649	1.934
11.	Laxmi Devi Jiwaraika					
	a)	At the beginning of the year	719954	1.516	-	-
	b)	Changes during the year				
		Transfer on :				
		16.09.2016	-245000	0.516	474954	1.000
		07.10.2016	15000	0.032	489954	1.031
	c)	At the End of the year	-	-	489954	1.031
12.	Meena Ganeriwala					
	a)	At the beginning of the year	0	0.000	-	-
	b)	Changes during the year				
		Transfer on :				
		10.02.2017	339885	0.716	339885	0.716
		17.02.2017	100000	0.211	439885	0.926
	c)	At the End of the year	-	-	439885	0.926
13.	Paramjaya Infraprojects LLP					
	a)	At the beginning of the year	84000	0.177	-	-
	b)	Changes during the year				
		Transfer on :				
		13.05.2016	-47951	0.101	36049	0.076
		17.03.2017	1000000	2.105	1036049	2.181
		24.03.2017	818032	1.722	1854081	3.903
	c)	At the End of the year	-	-	1854081	3.903
14.	Pooja Dhanda					
	a)	At the beginning of the year	800000	1.684	-	-
	b)	Changes during the year				
		Transfer on :				
		10.03.2017	-158168	0.333	641832	1.351
		17.03.2017	-641832	1.351	0	0.000
	c)	At the End of the year	-	-	0	0.000



15.	Prafulla Bhat				
	a) At the beginning of the year	1150068	2.421	-	-
	b) Changes during the year				
	Transfer on :				
	15.04.2016	109500	0.231	1259568	2.652
	22.04.2016	21000	0.044	1280568	2.696
	29.04.2016	355000	0.747	1635568	3.443
	06.05.2016	-400000	0.842	1235568	2.601
	13.05.2016	-400000	0.842	835568	1.759
	20.05.2016	286162	0.602	1121730	2.362
	27.05.2016	-88844	0.187	1032886	2.174
	10.06.2016	177780	0.374	1210666	2.549
	17.06.2016	-12250	0.026	1198416	2.523
	01.07.2016	-350000	0.737	848416	1.786
	08.07.2016	-25000	0.053	823416	1.734
	15.07.2016	-325000	0.684	498416	1.049
	05.08.2016	63696	0.134	562112	1.183
	12.08.2016	-130567	0.275	431545	0.909
	26.08.2016	33384	0.070	464929	0.979
	02.09.2016	-57384	0.121	407545	0.858
	09.09.2016	-118286	0.249	289259	0.609
	16.09.2016	59367	0.125	348626	0.734
	23.09.2016	24899	0.052	373525	0.786
	30.09.2016	-1000	0.002	372525	0.784
	14.10.2016	5500	0.012	378025	0.796
	21.10.2016	-279523	0.588	98502	0.207
	28.10.2016	81722	0.172	180224	0.379
	04.11.2016	79743	0.168	259967	0.547
	11.11.2016	-150000	0.316	109967	0.232
	18.11.2016	60000	0.126	169967	0.358
	25.11.2016	-24000	0.051	145967	0.307
	02.12.2016	295755	0.623	441722	0.930
	09.12.2016	-272541	0.574	169181	0.356
	16.12.2016	53485	0.113	222666	0.469
	23.12.2016	319	0.001	222985	0.469
	06.01.2017	-1700	0.004	221285	0.466
	03.02.2017	-220907	0.465	378	0.001
	10.03.2017	76373	0.161	76751	0.162
	17.03.2017	20000	0.042	96751	0.204
	24.03.2017	-70000	0.147	26751	0.056
	31.03.2017	25000	0.053	51751	0.109
	c) At the End of the year	-	-	51751	0.109



16.	Shivmangal Sec. Pvt. Ltd.					
	a) At the beginning of the year		0	0.000	-	-
	b) Changes during the year					
	Transfer on :					
		06.05.2016	25000	0.053	25000	0.053
		13.05.2016	5000	0.011	30000	0.063
		20.05.2016	10000	0.021	40000	0.084
		27.05.2016	-40000	0.084	0	0.000
		19.08.2016	20000	0.042	20000	0.042
		26.08.2016	10000	0.021	30000	0.063
		02.09.2016	-30000	0.063	0	0.000
		16.09.2016	400000	0.842	400000	0.842
		23.09.2016	596316	1.255	996316	2.098
		30.09.2016	1812781	3.816	2809097	5.914
	07.10.2016	-126208	0.266	2682889	5.648	
	14.10.2016	-109134	0.230	2573755	5.418	
	21.10.2016	-210736	0.444	2363019	4.975	
	28.10.2016	-289673	0.610	2073346	4.365	
	18.11.2016	-25000	0.053	2048346	4.312	
	02.12.2016	-142954	0.301	1905392	4.011	
	16.12.2016	-1905392	4.011	0	0.000	
	31.03.2017	11467476	24.142	11467476	24.142	
	c) At the End of the year		-	-	11467476	24.142
17.	Sumpoorna Portfolio Limited					
	a) At the beginning of the year		0	0.000	-	-
	b) Changes during the year					
	Transfer on :					
		28.10.2016	34000	0.072	34000	0.072
		10.03.2017	1063567	2.239	1097567	2.311
		17.03.2017	-7567	0.016	1090000	2.295
		24.03.2017	-100000	0.211	990000	2.084
		31.03.2017	-20000	0.042	970000	2.042
		c) At the End of the year		-	-	970000
18.	Surendra Singh					
	a) At the beginning of the year		800000	1.684	-	-
	b) Changes during the year					
	Transfer on:					
		24.02.2017	-124953	0.263	675047	1.421
		03.03.2017	-276425	0.582	398622	0.839
		10.03.2017	-227958	0.480	170664	0.359
		17.03.2017	-170660	0.359	4	0.000
	24.03.2017	-4	0.000	0	0.000	
	c) At the End of the year		-	-	0	0.000



E. Shareholding of Directors and Key Managerial Personnel :

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Amar Singh				
	a) At the beginning of the year	1458453	3.070	-	-
	b) Changes during the year Inter-se transfer of shares amongst Promoters on :				
	27.03.2017	4000000	8.421	5458453	11.491
	29.03.2017	500000	1.053	5958453	12.544
	30.03.2017	4500000	9.474	10458453	22.018
	c) At the End of the year	-	-	10458453	22.018
2.	Chanakya Arvind Dhanda (Resigned w.e.f. February 08, 2017)				
	a) At the beginning of the year	801000	1.686	-	-
	b) Changes during the year Transfer on :				
	09.09.2016	2711	0.006	803711	1.692
	17.03.2016	-800000	1.684	3711	0.008
	c) At the End of the year	-	-	3711	0.008
3.	Pankaja Kumari Singh				
	a) At the beginning of the year	468938	0.987	-	-
	b) Changes during the year Inter-se transfer of shares amongst Promoters on :				
	27.03.2017	1500000	3.158	1968938	4.145
	30.03.2017	967476	2.037	2936414	6.182
	c) At the End of the year	-	-	2936414	6.182
4.	Sanjiv Saraf				
	a) At the beginning of the year	10000	0.021	-	-
	b) Changes during the year	No change			
	c) At the End of the year	-	-	10000	0.021
5.	Sanjay Kumar Gupta				
	a) At the beginning of the year	6000	0.013	-	-
	b) Changes during the year	No change			
	c) At the End of the year	-	-	6000	0.013



V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment :

(In ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6,31,55,932	2,75,00,000	–	9,06,55,932
ii) Interest due but not paid	–	1,40,05,707	–	1,40,05,707
iii) Interest accrued but not due	–	–	–	–
Total(i+ii+iii)	6,31,55,932	4,15,05,707	–	10,46,61,639
Change in Indebtedness during the financial year				
– Addition	3,34,85,844	7,06,61,899	–	10,41,47,743
– Reduction	–	2,10,00,000	–	2,10,00,000
Net Change	3,34,85,844	4,96,61,899	–	8,31,47,743
Indebtedness at the end of the financial year				
i) Principal Amount	9,66,41,776	6,84,50,000	–	16,50,91,776
ii) Interest due but not paid	–	2,27,17,606	–	2,27,17,606
iii) Interest accrued but not due	–	–	–	–
Total(i+ii+iii)	9,66,41,776	9,11,67,606	–	18,78,09,382

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole- time Directors and / or Manager :

(In ₹)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager Sanjiv Saraf	Total Amount
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	41,00,000	41,00,000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	6,54,600	6,54,600
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	–	–
2.	Stock Option	–	–
3.	Sweat Equity	–	–
4.	Commission – as % of profit – others, specify	–	–
5.	Others, please specify	–	–
	Total (A)	47,54,600	47,54,600
	Ceiling as per the Act	Ceiling as per Section 197 of the Companies Act, 2013 is 5% of Net Profit calculated as per Section 198 of the said Act comes to ₹ 27,42,663/-. Since there is inadequate profit during the year the Managerial Remuneration has been paid as per Schedule V appended to the Companies Act, 2013 and the overall remuneration is within the limits as specified therein computed based on effective Capital as provided in Section II of Part II of said schedule.	



B. Remuneration to other Directors :

(In ₹)

Sl. No.	Particulars of Remuneration	Name of Directors									Total Amount
		Amar Singh	Pankaja Kumari Singh	Sanjay Kumar Gupta	Vijoy Kumar	Tarun Chaturvedi	Gouri Prasad Goenka	Anil Gupta	Bijay Kumar Garodia	Chanakya Arvind Dhanda	
1	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	-	-	-	1,50,000	1,40,000	40,000	70,000	20,000	-	4,20,000
	Total (1)	-	-	-	1,50,000	1,40,000	40,000	70,000	20,000	-	4,20,000
2	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	80,000	60,000	1,80,000	-	-	-	-	-	40,000	3,60,000
	Total (2)	80,000	60,000	1,80,000	-	-	-	-	-	40,000	3,60,000
	Total (B)=(1+2)	80,000	60,000	1,80,000	1,50,000	1,40,000	40,000	70,000	20,000	40,000	7,80,000
	Ceiling as per the Act	Ceiling as per section 197 of the Companies Act, 2013 is 1% of Net Profit calculated as per section 198 of the said Act comes to ₹ 5,48,533/-. Remuneration paid to Non-executive Directors in the form of Sitting fees for attending the Board / Committee meetings are well within the ceilings as prescribed under Section 197 of the Companies Act, 2013 read with Rule 4 of Companies (Appointment & Managerial Remuneration) Rules, 2014.									
	Total Managerial Remuneration (A+B)	55,34,600									
	Overall Ceiling as per the Act	Ceiling as per section 197 of the Companies Act, 2013 is 11% of Net Profit calculated as per section 198 of the said Act comes to ₹ 60,33,858/-.									

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD :

(In ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
		Vijayshree Binnani	Amit Damani	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	3,53,308	9,00,000	12,53,308
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	3,53,308	9,00,000	12,53,308



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

(In ₹)

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ENERGY DEVELOPMENT COMPANY LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Energy Development Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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.

Auditors' Responsibility

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

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 auditors' 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 circumstance. 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.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 12(c) of the financial statements, considering the transaction being undertaken for the transfer of 76% of holding in undertakings, which are involved in setting up hydel power plants at various locations, no diminution in the value of remaining investment of ₹ 21,99,49,137/- as on 31st March, 2017 representing 24% long



term and strategic holding, has been considered necessary. Adjustment with respect to these being determinable on the status of the projects, resultant impact in this respect as such is presently not ascertainable.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and according to the information and explanations given to us and also on the basis of such checks as we considered appropriate, we give in "Annexure - A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. Pending litigations (other than those already recognised in the financial statements) having material impact on the financial position of the Company have been disclosed in the financial statements as required in terms of relevant accounting standards and provisions of the Act [Note No. 28(a)].
 - ii. As explained to us, the Company has made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, on long-term contracts, including derivative contracts [Note No. 31(b)].
 - iii. During the year, the amounts which were required to be transferred to the Investor Education and Protection Fund have been transferred by the Company within the due date.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes (Bank notes of denominations of five hundred and one thousand rupees) during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

For **Lodha & Co.**
Chartered Accountants
Firm's ICAI Registration No. 301051E

Sd/- **H K Verma**
Partner
Membership No. 055104

Place : Kolkata
Dated : 29th May, 2017



"ANNEXURE – A" TO AUDITORS' REPORT referred to in 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) Fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies in respect of the assets verified during the year were noticed.
- (c) According to information and explanations given to us, the title deeds of immovable property are held in the name of the Company.
- ii) The inventory has been physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, the frequency of verification is reasonable. As far as ascertained, discrepancies noticed on physical verification of inventory were not material as compared to the book records and these have been properly dealt within the books of account.
- iii) According to information and explanations given to us, the Company has given unsecured loans to companies listed in the register maintained under Section 189 of the Act.
 - (a) As informed to us, the terms and conditions of such loans are not prejudicial to the Company's interest.
 - (b) According to the information and explanations given to us, the terms and conditions for loans given has been stipulated. However, there were no amount due for payment during the year.
 - (c) As informed to us, having regard to terms and conditions of the loan as mentioned above, there are no overdue amount outstanding in respect of such loans.
- iv) According to the information and explanations given to us, the Company has given loans and guarantee for loan taken by a subsidiary from banks or financial institutions which are in accordance with the provisions of Section 185 and 186 of the Act and the rules made thereunder, to the extent applicable to the Company.
- v) The Company has not accepted any deposits from the public and accordingly, the provisions of Section 73 to 76 or any other relevant provisions of the Act are not applicable.
- vi) We have broadly reviewed the cost records and accounts prescribed by the Central Government under Section 148(1) of the Act and are of the opinion that prima-facie, such records have been made and maintained by the Company. However, we have not carried out any detailed examination of such accounts and records.
- vii) (a) According to the information and explanations given to us, except in respect of tax deducted at source and income tax, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employee's State Insurance, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other statutory dues to the extent applicable to it. According to the information and explanations given to us, there are no undisputed amounts payable in respect of aforesaid dues for a period of more than six months from the date they become payable except ₹ 9,89,047 and ₹ 4,12,410 in respect of tax deducted at source and income tax respectively.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited on account of dispute except as given below :



Statute	Nature of Tax	Forum where Dispute is Pending	Amount (₹)	Period to which amount relates
The Income Tax Act, 1961	Income Tax	CIT (Appeals)	2,86,33,470	FY 2010-11, 2011-12
The West Bengal Value Added Tax Rules, 2005	Sales Tax	Joint Commissioner	22,52,013	FY 2012-13
The Finance Act, 1994	Service Tax	CESTAT	15,41,477	FY 2007-08

- viii) According to the information and explanations given to us, the Company has not defaulted in repayment of borrowings from banks. The Company has no loans or borrowings from financial institutions, government or debenture holders during the year.
- ix) In our opinion and according to the information and explanations given to us, term loans have been utilised for the purposes for which they were raised. The Company has not raised any amount by way of public offer.
- x) During the course of our examinations of the books of accounts carried out in accordance with the generally accepted auditing practices in India, we have neither come across any incidence of fraud on or by the Company, nor have we been informed of any such case by the management.
- xi) According to the information and explanations given to us, the managerial remuneration paid or provided during the year was in accordance with provisions of Section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly, the provision of Clause 3(xii) of the Order is not applicable to the Company.
- xiii) According to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements 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 accordingly, the provision of Clause 3(xiv) of the Order is not applicable to the Company.
- xv) According to the information and explanations given to us and based on our examination of the records, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with the directors and accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provision of Clause 3(xvi) of the Order is not applicable to the Company.

For **Lodha & Co.**
Chartered Accountants
Firm's ICAI Registration No. 301051E

Sd/- **H K Verma**
Partner
Membership No. 055104

Place : Kolkata
Dated : 29th May, 2017



“ANNEXURE – B” TO AUDITORS’ REPORT referred to in our report of even date

Report on the Internal Financial Controls 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 **Energy Development Company Limited** (“the Company”) as at March 31, 2017 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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.

Place : Kolkata
Dated : 29th May, 2017

For **Lodha & Co.**
Chartered Accountants
Firm's ICAI Registration No. 301051E

Sd/- **H K Verma**
Partner
Membership No. 055104



BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	Amount in ₹	
		As at 31st March 2017	As at 31st March 2016
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	47,50,00,000	47,50,00,000
Reserves and Surplus	3	1,32,40,63,146	1,29,25,64,489
		<u>1,79,90,63,146</u>	<u>1,76,75,64,489</u>
Non Current Liabilities			
Long Term Borrowings	4	6,84,50,000	2,75,00,000
Deferred Tax Liabilities (Net)	5	27,03,596	57,65,067
Long Term Provisions	6	20,18,000	32,76,000
		<u>7,31,71,596</u>	<u>3,65,41,067</u>
Current Liabilities			
Short-term borrowings	7	9,66,41,776	6,31,55,932
Trade payables	8		
– Dues to Micro and Small Enterprises		–	–
– Dues to Others		30,51,55,770	24,39,94,273
Other current liabilities	9	67,99,56,679	37,71,03,131
Short-term provisions	10	16,35,000	2,93,19,941
		<u>1,08,33,89,225</u>	<u>71,35,73,277</u>
Total		<u>2,95,56,23,967</u>	<u>2,51,76,78,833</u>
ASSETS			
Non Current Assets			
Fixed Assets			
– Tangible assets	11	41,81,63,006	44,62,28,344
– Intangible assets	11	4,06,720	5,76,824
		<u>41,85,69,726</u>	<u>44,68,05,168</u>
Non Current Investments	12	92,69,53,679	1,14,67,83,279
Long Term Loans and Advances	13	49,89,00,021	48,27,87,470
Other Non Current Assets	14	95,000	95,000
		<u>1,84,45,18,426</u>	<u>2,07,64,70,917</u>
Current Assets			
Inventories	15	1,11,55,296	1,48,01,875
Trade Receivables	16	44,39,72,126	33,30,97,447
Cash and Bank Balances	17	7,20,57,004	6,40,17,092
Short Term Loans and Advances	18	1,94,81,336	2,38,95,318
Other Current Assets	19	56,44,39,779	53,96,184
		<u>1,11,11,05,541</u>	<u>44,12,07,916</u>
Total		<u>2,95,56,23,967</u>	<u>2,51,76,78,833</u>

Significant Accounting Policies

The accompanying notes (1-37) form an integral part of financial statements.

As per our Report of even date
For **Lodha & Co.**
Chartered Accountants
Firm's ICAI Registration No. 301051E

H K Verma
Partner
Membership No. 055104

Place : Kolkata
Dated : 29th May, 2017

For and on behalf of the Board of Directors

Sd/- **Sanjiv Saraf**, Executive Director (DIN : 00506650)

Sd/- **Sanjay Kumar Gupta**, Director (DIN : 01538117)

Sd/- **Vijoy Kumar**, Director (DIN : 02970626)

Sd/- **Amit Damani**, Chief Financial Officer

Sd/- **Vijayshree Binnani**, Company Secretary



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	Amount in ₹	
		Year ended 31st March 2017	Year ended 31st March 2016
REVENUE :			
Revenue from operations	20	1,03,21,26,168	1,33,74,95,375
Other Income	21	47,49,896	48,69,560
Total Revenue		1,03,68,76,064	1,34,23,64,935
EXPENSES :			
Cost of Materials Consumed	22	2,88,38,274	3,80,90,227
Purchase of Stock-in-Trade	23	82,04,81,291	55,03,96,687
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	2,60,749	1,15,14,178
Employee Benefits Expenses	25	3,00,22,602	2,55,72,747
Finance Cost	26	2,46,76,041	1,62,84,585
Depreciation and Amortization Expense	11	3,05,18,930	3,29,69,733
Contract, Consultancy & Service Charges		3,55,49,610	57,85,72,834
Other Expenses	27	7,33,91,382	6,59,40,815
Total Expenses		1,04,37,38,879	1,31,93,41,807
Profit/(Loss) before exceptional items and tax		(68,62,813)	2,30,23,128
Exceptional Items	35	5,39,00,000	–
Profit/(Loss) before tax for the year		4,70,37,187	2,30,23,128
Tax Expense :			
– Current tax		1,86,00,000	64,00,000
– Deferred tax charge / (credit)		(30,61,470)	4,79,080
Total Tax Expense		1,55,38,530	68,79,080
Profit/(Loss) after tax for the year		3,14,98,657	1,61,44,048
Earnings per equity share of ₹ 10 each fully paid-up	32		
– Basic & Diluted		0.66	0.46

Significant Accounting Policies

1

The accompanying notes (1-37) form an integral part of financial statements.

As per our Report of even date
For **Lodha & Co.**
Chartered Accountants
Firm's ICAI Registration No. 301051E

H K Verma
Partner
Membership No. 055104

Place : Kolkata
Dated : 29th May, 2017

For and on behalf of the Board of Directors

Sd/- **Sanjiv Saraf**, Executive Director (DIN : 00506650)

Sd/- **Sanjay Kumar Gupta**, Director (DIN : 01538117)

Sd/- **Vijoy Kumar**, Director (DIN : 02970626)

Sd/- **Amit Damani**, Chief Financial Officer

Sd/- **Vijayshree Binnani**, Company Secretary



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 1

SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The accounts have been prepared under the historical cost convention and in accordance with the provisions of the Companies Act 2013 ("the Act") and accounting standards specified under section 133 of the Act. Accounting policies unless specifically stated to be otherwise, are consistent and are in consonance with generally accepted accounting principles.

1.2 Use of Estimates

The preparation of financial Statements require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the Balance Sheet date and the reported amounts of income and expenses during the year. Difference between the actual results and the estimates are recognised in the year in which the results become known/ materialise.

1.3 Property, Plant and Equipment (PPE)

(a) Property, Plant and Equipment are stated at cost which comprise its purchase price and any attributable cost of bringing the assets to its working condition for its intended use. In case of construction/erection of property, plant and equipment, cost comprise those costs that relate directly to the specific asset and those that are attributable to the construction/erection activities in general and can be allocated to the specific assets. Cost includes machinery, spares, interest and pre-operative expenses.

(b) Expenditure during Construction Period

Expenditure related to and incurred during implementation of capital project is included under Capital Work-in-progress and the same is allocated to the respective Property, Plant and Equipment on completion of its construction /erection. Interest on borrowing costs related to qualifying asset is worked out on the basis of actual utilization of funds out of project specific loans and / or other borrowings to the extent identifiable with the qualifying asset and are capitalized with the cost of qualifying assets.

(c) Machinery Spare which meet the definition of PPE have been capitalised.

1.4 Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortisation.

1.5 Depreciation and Amortisation

Depreciation on all assets, other than the generating plant and equipment, building and roads, hydraulic works, transmission lines, transformers and cable network has been provided on written down value method at the rates and in the manner specified in Schedule II to the Companies Act, 2013.

In respect of assets of generating plant and equipment, building and roads, hydraulic works, transmission lines, transformers and cable network depreciation has been provided on straight line method over useful life of 30 years as per the implementation agreement with the authorities. Erection and maintenance tools are amortised over a period of five years on pro-rata basis. Intangible assets are amortised over its useful life of 5 years. Leasehold land is amortised over the period of lease on straight line method.

1.6 Investments

Long-term investments are valued at cost. Current investments are valued at lower of cost and fair value as on the date of the Balance Sheet. In respect of long term investments, the Company provides for diminution in the value of investments, other than temporary in nature.

1.7 Revenue Recognition

a) Revenue in respect of sale of electricity generated is accounted for on delivery to the grid.

b) Revenue in respect of Contract Division & Trading Division from goods/services is recognized on delivery of the goods/ rendering of services. Revenue against construction/consultancy contracts is recognized progressively on the basis of Percentage of Completion method. Stage of completion of contracts in progress is determined by reference to the physical proportion of the contract work completed and billed.



1.8 Inventories

Inventories are valued at cost or estimated net realisable value, whichever is lower. Cost of inventory comprising stores, spares and consumables are determined applying weighted average method.

Cost in respect of work in progress represents cost of materials remaining uncertified/incomplete under the construction/consultancy contracts undertaken by the company.

1.9 Impairment

Property, Plant and Equipment are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of property, plant and equipment is determined. An impairment loss is recognised, whenever the carrying amount of assets exceed recoverable amount. The recoverable amount is the greater of assets net selling price or its value in use. In assessing the value in use, the estimated future cash flows from the use of assets are discounted to their present value at appropriate rate. An impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets on a pro-rata basis. Subsequent to recognition of impairment loss/reversal thereof, depreciation is provided on the revised carrying amount of the asset, on a systematic basis, over its remaining useful life.

1.10 Employee Benefits

Employee benefits are accrued in the year services are rendered by the employees.

Contribution to defined contribution schemes such as Provident Fund etc. are recognized as and when incurred.

Long term employee benefits under defined benefit scheme such as contribution to gratuity, leave etc. are determined at close of the year at present value of the amount payable using actuarial valuation techniques.

Actuarial gains and losses are recognised in the year when they arise.

1.11 Taxation

Provision for tax is made for current and deferred taxes. Current tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing differences, which are capable of reversal in subsequent years are recognised using tax rates and tax laws, which have been enacted or substantively enacted. Deferred tax assets other than in respect of carried forward losses or unabsorbed depreciation are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized.

Entitlement credit in respect of Minimum Alternate Tax is recognised only if there is convincing evidence of realisation of the same.

1.12 Borrowing Costs

Borrowing costs that are attributable to the acquisition / construction/erection of fixed assets are capitalized as part of the assets. Other borrowing costs are recognised as expenses in the year in which they are incurred. Capitalisation of borrowing costs are ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

1.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not provided for and are disclosed by way of notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

1.14 Leases

Lease rental payments for operating leases are recognised as an expense on straight- line basis over the lease term and paid / provided for as per terms of the agreement on an accrual basis.



	As at 31st March 2017 ₹	As at 31st March 2016 ₹
NOTE 2		
SHARE CAPITAL		
Authorised		
5,00,00,000 (5,00,00,000) Equity shares of ₹ 10/- each	50,00,00,000	50,00,00,000
	<u>50,00,00,000</u>	<u>50,00,00,000</u>
Issued, Subscribed and Paid-up		
4,75,00,000 (4,75,00,000) Equity shares of ₹ 10/- each fully paid up	47,50,00,000	47,50,00,000
	<u>47,50,00,000</u>	<u>47,50,00,000</u>

Reconciliation of the number of equity shares outstanding	No. of Shares	No. of Shares
At the beginning	4,75,00,000	2,75,00,000
Add : Issued during the year	-	2,00,00,000
At the end	<u>4,75,00,000</u>	<u>4,75,00,000</u>

Shareholders holding more than 5% of equity shares	Nos.of shares (%)	Nos.of shares (%)
Sterlite Merchants LLP	-	1,35,62,084 (28.5%)
Sarvottam Caps Private Limited	1,18,00,000 (24.8%)	1,18,00,000 (24.8%)
Mr. Amar Singh	14,58,453 (3.1 %)	14,58,453 (3.1 %)
Mrs. Pankaja Kumari Singh	4,68,938 (1.0 %)	4,68,938 (1.0 %)
Shivmangal Securities Pvt Ltd. (*)	1,14,67,476 (24.1 %)	-

(*) Held by clearing member due for transfer to Mr.Amar Singh and Mrs.Pankaja Kumari Singh increasing their shareholding to 1,04,58,453 shares (22 %) and 29,36,414 shares (6.2 %) respectively.

Rights, Preferences and Restrictions attached to each classes of shares including restrictions on the distribution of dividends and the repayment of capital.

- The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity is entitled to one vote per share. The dividend, if any proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by them.
- The Board of Directors has recommended payment of dividend @ 5% (₹ 0.50) per equity share on the paid-up share capital of the company for the financial year 2016-2017 subject to approval of members at the ensuing Annual General Meeting.

NOTE 3

RESERVES AND SURPLUS

Capital Reserve on Amalgamation	11,65,345	11,65,345
Capital Reserve	12,40,00,000	12,40,00,000
Securities Premium		
Opening Balance	59,00,00,000	35,00,00,000
Add : Received on shares issued	-	24,00,00,000
Closing Balance	<u>59,00,00,000</u>	<u>59,00,00,000</u>
General Reserve	22,88,636	22,88,636
Surplus in Statement of Profit and Loss		
Opening Balance	57,51,10,508	58,75,51,401
Add : Profit for the year transferred from Statement of Profit and Loss	3,14,98,657	1,61,44,048
Less : Appropriations		
Proposed Dividend on Equity shares [Dividend per share ₹ 0.50/-]	-	2,37,50,000
Tax on Dividend	-	48,34,941
Balance at the end of the year	<u>60,66,09,165</u>	<u>57,51,10,508</u>
Total	<u>1,32,40,63,146</u>	<u>1,29,25,64,489</u>



	As at 31st March 2017 ₹	As at 31st March 2016 ₹
NOTE 4		
LONG-TERM BORROWINGS		
Unsecured		
Loan from Related Parties		
From Bodies Corporate (Refer Note 29)	4,99,50,000	1,50,00,000
Loan from Others		
From Bodies Corporate	<u>1,85,00,000</u>	<u>1,25,00,000</u>
	<u>6,84,50,000</u>	<u>2,75,00,000</u>

Terms of Repayment

These loans are repayable in the financial year 2018-19. Interest rate wherever applicable, is 12%.

NOTE 5

DEFERRED TAX LIABILITIES (NET)

Deferred Tax Liabilities (Net) (*)	<u>27,03,596</u>	<u>57,65,067</u>
	<u>27,03,596</u>	<u>57,65,067</u>

(*) Break Up

Deferred Tax Liabilities

Depreciation Difference	68,77,102	86,52,618
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Deferred Tax Assets

Expenses allowable on payment basis	(36,38,547)	(28,87,551)
Provision for dimunition in Investments	<u>(5,34,959)</u>	<u>—</u>
	<u>27,03,596</u>	<u>57,65,067</u>

NOTE 6

LONG TERM PROVISIONS

Provision for Employee benefits

Provision for Leave Encashment	20,18,000	22,56,000
Provision for Gratuity	<u>—</u>	<u>10,20,000</u>
	<u>20,18,000</u>	<u>32,76,000</u>

NOTE 7

SHORT-TERM BORROWINGS

(Secured)

(Repayable on Demand)

Cash Credit from Bank	<u>9,66,41,776</u>	<u>6,31,55,932</u>
	<u>9,66,41,776</u>	<u>6,31,55,932</u>

(Secured by hypothecation of entire stocks and other movables of the company including all movable Plant and Machinery, Furniture and Fixtures, Vehicles, Computers and other accessories etc. stored or to be stored, at the premises / godowns of the company's contract division and also all present and future book debts, outstanding monies, receivables, claims, bills etc. and equitable mortgage of immovable properties at 9MW Harangi Hydro Electric Project).



	As at 31st March 2017 ₹	As at 31st March 2016 ₹
NOTE 8		
TRADE PAYABLES		
Payables for goods and services		
– Dues to Micro and Small Enterprises	–	–
– Dues to Others (*)(**)	30,51,55,770	24,39,94,273
	<u>30,51,55,770</u>	<u>24,39,94,273</u>

(*) Includes ₹ NIL/- (Previous Year ₹ 5,24,000/-) payable to Subsidiaries and Associate (Refer Note 29)

(**) Includes ₹ 92,243/- (Previous Year ₹ NIL/-) payable to other related parties (Refer Note 29)

- a) The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under the Act has not been given.
- b) Payables for goods and services includes acceptances amounting to ₹ 18,09,06,500/- (Previous year ₹ 10,00,75,310/-)

NOTE 9

OTHER CURRENT LIABILITIES

Interest accrued and due on borrowings		
– Related parties (Refer Note 29)	42,59,905	7,94,466
– Others	26,94,230	8,78,794
	<u>69,54,135</u>	<u>16,73,260</u>
Interest accrued and due on Others	1,57,63,471	1,23,32,447
Unpaid Dividends (*)	6,95,657	7,20,663
Payable towards Purchase of Investments	42,41,81,369	19,86,81,369
Advance against Sale of Investments	16,00,00,000	10,00,00,000
Advance against Sale of Shares (Secured)[Refer Note 12(b)]	54,000	–
Advance from customers	6,66,80,341	4,69,90,885
Statutory Payables	54,58,669	1,65,39,710
Other Payables	1,69,037	1,64,797
	<u>67,99,56,679</u>	<u>37,71,03,131</u>

(*) As at the year end there are no amounts due for payment to the Investor Education and Protection Fund u/s 125 of the Companies Act 2013.

NOTE 10

SHORT TERM PROVISIONS

Provision for Employee benefits

Provision for Leave Encashment	16,35,000	7,35,000
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Other Provisions

Provision for Proposed Dividend	–	2,37,50,000
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Provision for Dividend Distribution Tax	–	48,34,941
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	<u>16,35,000</u>	<u>2,93,19,941</u>
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NOTE 11

FIXED ASSETS

Name of the Assets	Gross Block				Depreciation/ Amortization			Net Block		
	Cost as at 31.03.2016	Additions / Adjustment	Deletions/ Adjustments	Cost as at 31.03.2017	As at 31.03.2016	During the year	Deletions/ Adjustments	Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
(A) Tangible Assets										
Freehold Land	2,08,300	-	-	2,08,300	-	-	-	-	2,08,300	2,08,300
Leasehold Land [Note a & b]	-	-	-	-	-	-	-	-	-	-
Buildings and Roads	11,29,33,241	-	-	11,29,33,241	3,05,14,210	35,52,804	-	3,40,67,014	7,88,66,227	8,24,19,031
Plant & Equipment [Note e]	38,34,67,816	20,88,619	-	38,55,56,435	22,30,52,251	1,10,16,316	1,17,235	23,39,51,332	15,16,05,103	16,04,15,565
Hydraulic Works	15,51,10,028	-	-	15,51,10,028	9,12,32,845	38,05,482	617	9,50,37,710	6,00,72,318	6,38,77,183
Transmission Lines,										
Transformers, Cable										
Network etc [Note c]	5,34,66,018	-	-	5,34,66,018	3,31,52,946	12,72,765	(1,17,852)	3,45,43,563	1,89,22,455	2,03,13,072
Office Equipment	99,24,196	1,94,869	-	1,01,19,065	89,67,015	3,85,379	-	93,52,394	7,66,671	9,57,181
Furniture and Fixtures	1,54,81,503	-	-	1,54,81,503	1,27,15,399	8,22,491	-	1,35,37,890	19,43,613	27,66,104
Motor Vehicle	3,46,71,516	-	-	3,46,71,516	2,97,84,313	15,82,603	-	3,13,66,916	33,04,600	48,87,203
Windmill [Note d]	18,47,67,000	-	-	18,47,67,000	7,43,82,295	79,10,986	-	8,22,93,281	10,24,73,719	11,03,84,705
Total (A)	95,00,29,618	22,83,488	-	95,23,13,106	50,38,01,274	3,03,48,826	-	53,41,50,099	41,81,63,006	44,62,28,344
(B) Intangible Assets										
Computer Software	31,24,108	-	-	31,24,108	25,47,284	1,70,104	-	27,17,388	4,06,720	5,76,824
Total (B)	31,24,108	-	-	31,24,108	25,47,284	1,70,104	-	27,17,388	4,06,720	5,76,824
Total (A+B)	95,31,53,726	22,83,488	-	95,54,37,214	50,63,48,558	3,05,18,930	-	53,68,67,488	41,85,69,726	44,68,05,168
Previous Year	95,29,78,426	1,75,300	-	95,31,53,726	47,33,78,826	3,29,69,733	-	50,63,48,559	44,68,05,168	

Note : (a) 7.21 acres of Land has been taken on lease for 40 years w.e.f.14th July,1999 at an annual lease rent of ₹ 72,100/-.

(b) 1.2 acre of Land has been taken on lease for 30 years w.e.f. 30th August,2010 at an annual lease rent of ₹ 1,20,000/-.

(c) Transmission Lines,Transformers, Cable network etc. include Power Evacuating facilities put up in relation to the Hydro Electric Generating Station, which has been handed over to the Electricity Board for transmission of Electricity and maintenance thereof

(d) Gross Block of Windmill includes Leasehold Land of ₹ 3,600,000 /- (Previous year ₹ 3,600,000/-)

(e) Spare parts, earlier treated as inventories under AS 2- Valuation of Inventories, and which are now required to be capitalised in accordance with AS 10- Property, Plant and Equipment, have been so capitalised at their respective carrying amounts of inventories on 1st April, 2016 and included in additions / adjustments to plant and equipment above.



Particulars		No. of Shares 31.03.2017	As at 31st March 2017 ₹	No. of Shares 31.03.2016	As at 31st March 2016 ₹
NOTE 12					
NON CURRENT INVESTMENTS					
(Long Term)(At cost,unless otherwise stated)(Other than trade Investments)					
Investment in Equity shares of Subsidiaries (Unquoted)					
(i)	Ayyappa Hydro Power Limited (FV of ₹ 10/- each fully paid up) [Refer Note (a) below] [Maximum amount during the year ₹ 30,00,00,000/- (Previous Year ₹ 30,00,00,000/-)]	3,00,00,000	30,00,00,000	3,00,00,000	30,00,00,000
(ii)	EDCL Power Projects Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 4,00,00,000/- (Previous Year ₹ 4,00,00,000/-)]	37,50,000	4,00,00,000	37,50,000	4,00,00,000
(iii)	Eastern Ramganga Valley Hydel Projects Company Private Limited (FV of ₹ 10/- each fully paid up) [Refer Note (b) below] [Maximum amount during the year ₹ 1,00,000/- (Previous Year ₹ 1,00,000/-)]	5,100	51,000	10,000	1,00,000
(iv)	Sarju Valley Hydel Projects Company Private Limited (FV of ₹ 10/- each fully paid up) [Refer Note (b) below] [Maximum amount during the year ₹ 1,00,000/- (Previous Year ₹ 1,00,000/-)]	5,100	51,000	10,000	1,00,000
(v)	EDCL Arunachal Hydro Project Private Limited (FV of ₹ 10/- each fully paid up) [Refer Note (e) below] [Maximum amount during the year ₹ 1,01,00,000/- (Previous Year ₹ NIL/-)]	10,10,000	1,01,00,000	-	-
(vi)	Arunachal Hydro Power Limited (FV of ₹ 10/- each fully paid up) [Refer Note (c & d) below] [Maximum amount during the year ₹ 14,80,00,000/- (Previous Year ₹ 14,80,00,000/-)]	-	-	1,48,00,000	14,80,00,000
			35,02,02,000		48,82,00,000
Investment in Equity shares of Subsidiaries of (vi) above (Unquoted)					
(vii)	EDCL Arunachal Hydro Project Private Limited (FV of ₹ 10/- each fully paid up) [Refer Note (e) below] [Maximum amount during the year ₹ 1,00,000/- (Previous Year ₹ 1,00,000/-)]	-	-	10,000	1,00,000
			-		1,00,000
Investment in Equity shares of Associates (Unquoted)					
viii)	Arunachal Hydro Power Limited (FV of ₹ 10/- each fully paid up) [Refer Note (c & d) below] [Maximum amount during the year ₹ 3,55,20,000/- (Previous Year ₹ NIL/-)]	35,52,000	3,55,20,000	-	-
			3,55,20,000		-
Total Investment in Equity shares		(A)	38,57,22,000		48,83,00,000



Investment in 10% Cumulative Redeemable Preference Shares of Subsidiaries (Unquoted)					
(ix)	Ayyappa Hydro Power Limited (FV of ₹ 10/- each fully paid up) [Refer Note (a) below] [Maximum amount during the year ₹ 22,00,00,000/- (Previous Year ₹ 22,00,00,000/-)]	2,20,00,000	22,00,00,000	2,20,00,000	22,00,00,000
			22,00,00,000		22,00,00,000
Investment in 0.01% Non Cumulative Redeemable Preference Shares of Subsidiaries (Unquoted)					
(x)	Eastern Ramganga Valley Hydel Projects Company Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 15,91,20,000/- (Previous Year ₹ 15,91,20,000/-)]	4,32,000	3,81,88,800	18,00,000	15,91,20,000
(xi)	Sarju Valley Hydel Projects Company Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 9,72,40,000/- (Previous Year ₹ 9,72,40,000/-)]	2,64,000	2,33,37,600	11,00,000	9,72,40,000
			6,15,26,400		25,63,60,000
Investment in 0.01% Non Cumulative Redeemable Preference Shares of Associate (Unquoted)					
(xii)	Arunachal Hydro Power Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 33,00,00,000/- (Previous Year ₹ NIL/-)]	35,88,000	7,92,00,000	-	-
			7,92,00,000		-
Investment in 0.01% Cumulative Redeemable Preference Shares of Subsidiaries of (vi) above (Unquoted)					
(xiii)	EDCL Seppa Riang Power Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 1,89,83,368/- (Previous Year ₹ 1,89,83,368/-)]	3,50,000	1,89,83,368	3,50,000	1,89,83,368
(xiv)	EDCL Seppa Beyong Hydro Electric Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ 2,17,20,000/-)]	4,00,000	2,17,20,000	4,00,000	2,17,20,000
(xv)	EDCL Seppa Dunkho Hydro Electric Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ 2,17,20,000/-)]	4,00,000	2,17,20,000	4,00,000	2,17,20,000
(xvi)	EDCL Seppa Jung Power Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ 2,17,20,000/-)]	4,00,000	2,17,20,000	4,00,000	2,17,20,000
(xvii)	EDCL Seppa Kawa Power Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ 2,17,20,000/-)]	4,00,000	2,17,20,000	4,00,000	2,17,20,000
(xviii)	EDCL Seppa Lada Hydro Electric Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ 2,17,20,000/-)]	4,00,000	2,17,20,000	4,00,000	2,17,20,000



(xix)	EDCL Seppa Marjingla Hydro Electric Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ 2,17,20,000/-)]	4,00,000	2,17,20,000	4,00,000	2,17,20,000
(xx)	EDCL Seppa Nire Hydro Electric Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 1,08,71,369/- (Previous Year ₹ 1,08,71,369/-)]	2,00,000	1,08,71,369	2,00,000	1,08,71,369
(xxi)	EDCL Seppa Pachuk Power Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ 2,17,20,000/-)]	4,00,000	2,17,20,000	4,00,000	2,17,20,000
			18,18,94,737		18,18,94,737
Total Investment in Preference shares		(B)	54,26,21,137		65,82,54,737
Investment through PMS (Unquoted)					
(xxii)	Sai Rayalaseema Paper Mills Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 2,28,542/- (Previous Year ₹ 2,28,542/-)]	18,810	2,28,542	18,810	2,28,542
Total Investment in PMS		(C)	2,28,542		2,28,542
		Total (A+B+C)	92,85,71,679		1,14,67,83,279
Less : Provision for Dimuinition in value of long-term investments			16,18,000		-
			92,69,53,679		1,14,67,83,279
Aggregate amount of unquoted investments			92,85,71,679		1,14,67,83,279
Aggregate provision for Dimuinition in value of long-term investments			16,18,000		-

Notes :

- The shares held in Ayyappa Hydro Power Limited (a subsidiary) are pledged (3,00,00,000 equity shares and 2,20,00,000 preference shares) with the lender of the said subsidiary.
- The company has pledged 2,700 (out of 5,100) equity shares held in Eastern Ramganga Valley Hydel Projects Company Private Limited and 2,700 (out of 5,100) equity shares held in Sarju Valley Hydel Projects Company Private Limited with other investors of these subsidiaries till implementation of the agreement mentioned in (c) below. The company has also received in advance, consideration on sale of these investments as shown in Note 9.
- In terms of agreement dated 9th November, 2015, 76% of the Company's investment in various wholly owned subsidiaries undertaking hydel power plants in the State of Arunachal Pradesh and Uttarakhand having aggregate capacity of 660 MW approximately (herein after collectively referred to as "Undertakings"), were proposed to be transferred to another strategic investor and accordingly, investments in equity shares of these subsidiaries of ₹ 11,25,78,000/- [out of (iii),(iv) and (vi) above] and preference shares of ₹ 44,56,33,000/- [out of (x) to (xii) above] have been transferred to the said investor and consequential effect of the same has been given in these accounts. Remaining amount of investment to the extent of ₹ 13,82,40,000/- [out of mentioned in (iii) to (iv) and (xiii) to (xxi) above], out of the said 76% holding of the Company will be further transferred to the said investor in due course of time. In terms of the above, company's investment of ₹ 21,99,49,137/- as on 31st March, 2017 representing 24% in the undertakings implementing the above projects, being long term and strategic in nature, no dimuinition in the value thereof is expected to arise in this respect.
- Consequent to above, Arunachal Hydro Power Limited [through its subsidiaries (undertaking executing the projects in the state of Andhra Pradesh)] has ceased to be a subsidiary w.e.f from 28th March, 2017. Consequently Arunachal Hydro Power Limited has become an associate of the company from 28th March, 2017.
- The company has further purchased equity shares in EDCL Arunachal Hydro Project Private Limited and consequently, it has ceased to become a subsidiary of Arunachal Hydro Power Limited and has become a wholly-owned subsidiary of the company w.e.f. 1st October, 2016.
- In pursuance of Section 187(2)(c) of the Companies Act, 2013, investments purchase [mentioned in (v) / (xiii) to (xxi)] by the Company are still lying in the name of transferor for want of performance of obligation undertaken by the Company, as per agreement entered with the seller.



	As at 31st March 2017 ₹	As at 31st March 2016 ₹
NOTE 13		
LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Security Deposits/Retention money with customers	1,41,65,051	1,33,90,124
Other Security Deposits	40,10,435	40,10,435
Loan to Subsidiaries & Associates (Refer Note 29) (*) (**)	40,38,10,097	37,21,90,001
Advance Income Tax (Net of provisions)	4,37,27,778	5,48,80,250
MAT Credit Entitlement	3,27,15,860	3,80,15,860
Receivable from Gratuity Fund	3,26,000	-
Other Advances (Refer Note 18)	1,44,800	3,00,800
	<u>49,89,00,021</u>	<u>48,27,87,470</u>

(*) Particulars of loans to subsidiaries & Associates

(i) Ayyappa Hydro Power Limited	30,13,53,919	28,08,50,001
[Maximum amount during the year ₹ 30,28,03,919/- (P.Y ₹ 31,57,50,001/-)]		
(ii) EDCL Arunachal Hydro Project Private Limited	15,50,000	15,00,000
[Maximum amount during the year ₹ 15,50,000/- (P.Y ₹ 15,00,000/-)]		
(iii) EDCL Power Projects Limited	2,27,90,000	1,65,25,000
[Maximum amount during the year ₹ 2,39,25,000/- (P.Y ₹ 14,19,00,000/-)]		
(iv) Eastern Ramganga Valley Hydel Projects Company Private Limited	65,38,329	57,00,000
[Maximum amount during the year ₹ 65,73,000 /- (P.Y ₹ 57,00,000/-)]		
(v) Sarju Valley Hydel Projects Company Private Limited	27,06,094	23,15,000
[Maximum amount during the year ₹ 28,50,000/- (P.Y ₹ 23,15,000/-)]		
(vi) Arunachal Hydro Power Limited	6,88,71,755	6,53,00,000
[Maximum amount during the year ₹ 6,92,00,000/- (P.Y ₹ 6,53,00,000/-)]		
	<u>40,38,10,097</u>	<u>37,21,90,001</u>

(**) These loans to Subsidiaries & Associates have been given for business purposes. They are repayable in FY 2018-19.

NOTE 14

OTHER NON CURRENT ASSETS

Other bank balances

- on Margin Money Accounts (*)	95,000	95,000
(with more than 12 months maturity) [Refer Note 17 (a)]		
	<u>95,000</u>	<u>95,000</u>

(*) Security deposit with Sales tax authorities

NOTE 15

INVENTORIES

(At Lower of Cost and Net Realisable Value)

(As taken, valued and certified by the management)

Contract work-in-progress	91,97,042	94,57,791
Goods in transit (*)	-	14,88,886
Stores, Spares and Consumables	19,58,254	38,55,198
	<u>1,11,55,296</u>	<u>1,48,01,875</u>

(*) Under Broad Heads

Steel	-	14,88,886
	<u>-</u>	<u>14,88,886</u>



	As at 31st March 2017 ₹	As at 31st March 2016 ₹
NOTE 16		
TRADE RECEIVABLES		
(Unsecured, considered good)		
Outstanding for a period of more than six months	33,47,93,531	5,37,78,225
Other Debts	10,91,78,595	27,93,19,222
	<u>44,39,72,126</u>	<u>33,30,97,447</u>

–Trade receivables in respect of sale of power from generation by 6MW Harangi-II SHP are subject to a charge in favour of lenders of one of the subsidiaries.

NOTE 17

CASH AND BANK BALANCES

Cash and cash equivalents

– Balance with Banks on Current Accounts	1,42,73,420	2,36,68,747
– Cash on hand	1,57,453	3,97,682
	<u>1,44,30,873</u>	<u>2,40,66,429</u>

Other bank balances

– on Unpaid Dividend Account	6,95,657	7,20,663
– on Margin Money Accounts [Refer Note (a) below] (with less than 12 months maturity)	5,69,30,474	3,92,30,000
	<u>5,76,26,131</u>	<u>3,99,50,663</u>
	<u>7,20,57,004</u>	<u>6,40,17,092</u>

(a) Margin money are deposited with banks against bank guarantees and Letter of Credit issued.

NOTE 18

SHORT TERM LOANS AND ADVANCES

(Unsecured, considered good)

Advance to suppliers	1,45,01,796	1,46,92,599
Prepaid expenses	28,00,921	31,97,852
Balance with Government authorities	1,80,946	28,77,548
Other Advances (*)(**)(***)	19,97,673	31,27,319
	<u>1,94,81,336</u>	<u>2,38,95,318</u>

(*) Includes ₹ 21,660 /- (Previous Year ₹ 6,29,000/-) recoverable from subsidiaries and associate (Refer Note 29)

(**) Includes ₹ 3,194/- (Previous Year ₹ 75,643/-) recoverable from other related parties (Refer Note 29)

(***) Other Advances includes ₹ 2,29,300/- (Previous Year ₹ 199,603/-) under Short Term Loans and Advances and ₹ 1,44,800/- (Previous Year ₹ 300,800/-) under Long Term Loans and Advances in respect of loan to employees. Maximum outstanding ₹ 6,84,527 /- (Previous Year ₹ 10,13,986/-)

NOTE 19

OTHER CURRENT ASSETS

(Unsecured, considered good)

Receivable against Sale of Shares	55,82,11,600	–
Interest Receivable	62,28,179	53,96,184
	<u>56,44,39,779</u>	<u>53,96,184</u>



	Year ended 31st March 2017 ₹	Year ended 31st March 2016 ₹
NOTE 20		
REVENUE FROM OPERATIONS		
Sale of Products		
- Hydro power (*)	8,64,60,514	7,46,05,704
- Wind power (*)	2,17,65,096	1,77,61,423
- Construction contracts	4,32,32,883	7,79,78,956
- Traded goods (**)	83,04,40,675	57,64,45,001
	<u>98,18,99,168</u>	<u>74,67,91,084</u>
Sale of Services (***)	5,02,27,000	60,12,44,094
Less : Service Tax	-	1,05,39,803
	<u>5,02,27,000</u>	<u>59,07,04,291</u>
	<u>1,03,21,26,168</u>	<u>1,33,74,95,375</u>
(*) Total number of the units generated and sold (In million units)		
- Hydro power	25.66 m.u.	21.07 m.u.
- Wind power	6.39 m.u.	5.22 m.u.
(**) Under Broad Heads		
- Tin Metals	26,67,93,618	-
- Solar Photovoltaic Module	56,36,47,057	57,64,45,001
	<u>83,04,40,675</u>	<u>57,64,45,001</u>
(***) Under Broad Heads		
- Civil Work	5,02,27,000	59,07,04,291
	<u>5,02,27,000</u>	<u>59,07,04,291</u>
NOTE 21		
OTHER INCOME		
Interest Income on loans & deposits	47,30,171	48,46,498
Liability & Provision no longer required written back	19,561	22,057
Insurance Claim Received	164	-
Miscellaneous income	-	1,005
	<u>47,49,896</u>	<u>48,69,560</u>
NOTE 22		
COST OF MATERIALS CONSUMED (*) (**)		
Cost of Material Consumed	2,88,38,274	3,80,90,227
	<u>2,88,38,274</u>	<u>3,80,90,227</u>
(*) Under Broad Heads		
Steel	80,14,038	1,62,08,906
Cement	47,86,636	35,48,559
Aggregate	79,24,294	70,76,360
Concrete	35,37,240	62,86,200
Bearings	32,33,135	6,33,163
Others	13,42,931	43,37,039
	<u>2,88,38,274</u>	<u>3,80,90,227</u>

(**) The entire consumption is out of indigenous supplies.



	Year ended 31st March 2017 ₹	Year ended 31st March 2016 ₹
NOTE 23		
PURCHASE OF STOCK-IN-TRADE (*)		
Purchase of Stock-In-Trade	<u>82,04,81,291</u>	<u>55,03,96,687</u>
	<u>82,04,81,291</u>	<u>55,03,96,687</u>
(*) Under Broad Heads		
Tin Metals (Imported)	26,45,57,931	–
Solar Photovoltaic Module (Indigenous)	<u>55,59,23,360</u>	<u>55,03,96,687</u>
	<u>82,04,81,291</u>	<u>55,03,96,687</u>
NOTE 24		
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening stock of Contract Work-in-Progress	94,57,791	2,09,71,969
Less :Closing stock of Contract Work-in-Progress	<u>91,97,042</u>	<u>94,57,791</u>
	<u>2,60,749</u>	<u>1,15,14,178</u>
NOTE 25		
EMPLOYEE BENEFITS EXPENSES		
Salaries & Wages	2,70,22,117	2,28,80,060
Contribution to Provident and other Funds	9,70,132	9,39,526
Staff welfare expenses	<u>20,30,353</u>	<u>17,53,161</u>
	<u>3,00,22,602</u>	<u>2,55,72,747</u>



EMPLOYEES BENEFITS :

The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006 (AS-15), are given below :

(i) Defined Contribution Scheme

Contribution to Defined Contribution Plan, recognized for the year are as under:

Employer's Contribution to Provident Fund ₹ 1,47,360 /- (Previous year ₹ 1,61,016/-)

Employer's Contribution to Pension Fund ₹ 3,34,065 /- (Previous year ₹ 3,64,978/-)

(ii) Defined Benefit Scheme

The employee's gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for Leave Encashment is recognized in the same manner as gratuity.

(₹ in lacs)

	Particulars	Gratuity (Funded)	Leave Encashment (Non-Funded)	Gratuity (Funded)	Leave Encashment (Non-Funded)
		2016-2017	2016-2017	2015-2016	2015-2016
	Expenses Recognized in the Statement of Profit & Loss				
1	Current Service Cost	6.47	3.69	4.94	3.03
2	Interest Cost	4.38	2.34	4.50	2.14
3	Expected return on plan assets	(4.07)	-	(4.02)	-
4	Actuarial Losses / (Gains)	(2.25)	1.22	(1.67)	(3.46)
	Total Expenses	4.53	7.25	3.75	1.71
	Change in the obligation during the year				
1	Present value of Defined Benefit Obligation at the beginning of the year	55.41	29.91	57.70	28.18
2	Current Service Cost	6.47	3.69	4.94	3.03
3	Interest Cost	4.38	2.34	4.50	2.14
4	Acquisition Adjustment	-	-	(9.11)	1.59
5	Benefit Paid	-	(0.63)	-	(1.57)
6	Actuarial (Gains) / Losses	(1.59)	1.22	(2.62)	(3.46)
7	Present value of Defined Benefit Obligation at the end of the year	64.67	36.53	55.41	29.91
	Change in Assets during the year ended March 31, 2017				
1	Plan Assets at the beginning of the year	45.20	-	39.50	-
2	Contribution by Employer	-	-	-	-
3	Acquisition Adjustment	18.00	-	(7.80)	-
4	Expected return on plan assets	4.07	-	4.02	-
5	Actual Company Contributions	-	-	10.44	-
6	Benefit Paid	-	-	-	-
7	Actuarial Gains / (Losses)	0.66	-	(0.95)	-
	Plan Assets at the end of the year	67.93	-	45.20	-
	Reconciliation of Net Asset / (Liability) recognised in the Balance Sheet during the year ended March 31, 2017				
1	Net Asset / (Liability) at beginning of the year	(10.20)	(29.91)	(18.20)	(28.18)
2	Acquisition Adjustment	18.00	-	1.31	(1.59)
3	Employer (Expense)/Credit	(4.53)	(7.25)	(3.75)	(1.71)
4	Employer Contributions	-	0.63	10.44	1.57
5	Net Asset / (Liability) at the end of the year	3.27	(36.53)	(10.20)	(29.91)
	Actuarial Assumptions				
1	Discount Rate	7.20%	7.20%	7.90%	7.90%
2	Expected Rate of Return on Plan Assets	9.00%	Not Applicable	9.00%	Not Applicable
3	Rate of Salary Increases	7.00%	7.00%	10.00%	10.00%



(iii) Disclosure in terms of Para 120(n) of AS 15

(₹ in lacs)

Particulars	Gratuity (Funded)				
	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
Present value of defined benefit obligations	(64.67)	(55.41)	(57.70)	(70.47)	(68.59)
Fair value of plan assets	67.93	45.21	39.50	64.51	54.95
Surplus/(Deficit)	3.26	(10.21)	(18.20)	(5.96)	(13.64)
Experience adjustment on plan liabilities (loss)/gain	(10.28)	1.94	14.06	6.03	3.95
Experience adjustment on plan assets (loss)/gain	0.66	(0.95)	(0.01)	(0.34)	(0.16)
Actuarial Gain/(Loss) due to change in assumptions	11.87	0.68	(8.71)	10.85	(3.59)

(iv) Details of Plan assets

	Gratuity (Funded)	
	2016-2017	2015-2016
Other assets including under scheme of insurance	100%	100%
Actual return on plan assets	4.73	3.07

Notes :

- Assumptions related to future salary increases, attrition, interest rate for discount and overall expected rate of return on Assets have been considered based on relevant economic factors such as inflation, market growth and other factors applicable to the period over which the obligation is expected to be settled.
- Acquisition adjustment represents amount in respect of certain employees transferred into / transferred from the company.
- The expected contribution to the fund by the company during the year 2017-18 is yet to be determined.

Year ended 31st March 2017 ₹	Year ended 31st March 2016 ₹
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NOTE 26

FINANCE COSTS

Interest Expenses

– On Cash Credit	1,06,75,345	92,40,825
– On Other Borrowings	58,67,639	18,59,178
– On Others	34,82,047	34,91,633

Other Borrowing Costs

	2,00,25,031	1,45,91,636
	46,51,010	16,92,949
	2,46,76,041	1,62,84,585

NOTE 27

OTHER EXPENSES

Payment to Auditors (excluding Service tax):

– As Auditors	2,50,000	2,50,000
– For Taxation matters	1,60,000	1,60,000
– Other Services	3,30,000	2,40,000

Cost of Power Purchased

	22,06,009	22,95,712
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Stores and Spares consumed (*)

	16,86,353	10,38,019
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Discount & Rebate

	14,09,401	13,80,757
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Rent (Refer Note 30)

	1,00,27,850	67,42,949
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Repairs & Maintenance :

– Plant & Machinery	1,09,97,499	76,25,720
– Others	42,65,925	37,98,784



	Year ended 31st March 2017 ₹	Year ended 31st March 2016 ₹
Rates & Taxes	1,62,45,585	1,23,28,529
Travelling & Conveyance Expenses	40,24,069	47,73,152
Insurance	9,83,066	12,56,360
Legal & Professional charges	50,66,371	1,04,19,640
Security Services.	16,22,606	15,49,311
Telephone,Fax,Postal etc.	16,62,727	16,52,216
Bad Debts & Irrecoverable balance written off	2,028	9,06,056
Provision for dimunition in value of long-term Investments	16,18,000	-
Miscellaneous Expenses (**)	1,08,33,893	95,23,611
	7,33,91,382	6,59,40,815

(*) Value of consumption of stores and spare parts:

(i) The entire consumption is out of indigenous supplies.

(ii) Consumption as above includes ₹ NIL/- (Previous year ₹ 1,49,974/-) on account of amortisation of spares.

(iii) Stores and Spare parts included in inventory are largely consumed as replacements and hence their consumption may not be comparable on a year on year basis.

(**) Includes Net (Gain) / Loss on foreign currency transactions of (-) ₹ 6,43,759 /- (Previous Year : ₹ 7,48,027/-)

Particulars	As at 31st March 2017 ₹	As at 31st March 2016 ₹
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NOTE 28

CONTINGENT LIABILITIES AND COMMITMENTS

(To the extent not provided for)

a) Contingent Liabilities

Claims against the company not acknowledged as debts

i) Income Tax matters under disputes and pending in appeal	6,03,40,939	3,66,96,131
ii) Sales Tax matters under disputes and pending in appeal	22,52,013	1,44,33,700
iii) Service Tax matters under disputes and pending in appeal	15,41,477	-

The Company's pending litigation comprise of proceedings with income tax, sales tax and service tax authorities. The company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The company does not expect the outcome of these proceedings to have material impact on its financial position. Future cash outflows if any in respect of (i) to (iii) above are dependent upon the outcome of the decision/judgements.

b) Guarantees

i) The company has given guarantee in respect of loan taken by one of its subsidiaries. - Outstanding Loan Balance	-	90,24,99,878
ii) Bank guarantees given	6,32,70,000	8,79,27,677

c) Commitments

(a) Estimated amount of contracts remaining to be executed on capital account (net of advances)	-	5,51,36,888
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NOTE 29

RELATED PARTY DISCLOSURES PURSUANT TO ACCOUNTING STANDARD - 18

(A)	Key Management Personnel and their relative	
	Sanjiv Saraf (Executive Director)	
	Indira Saraf (Wife of the Executive Director)	
(B)	Subsidiary / Associate Companies	
	1	Ayyappa Hydro Power Limited (Subsidiary)
	2	EDCL Power Projects Limited (Subsidiary)
	3	Eastern Ramganga Valley Hydel Projects Company Private Limited (Subsidiary)
	4	Sarju Valley Hydel Projects Company Private Limited (Subsidiary)
	5	EDCL Arunachal Hydro Projects Private Limited (Subsidiary w.e.f 1st October, 2016)
	6	Arunachal Hydro Power Limited [Refer Note 12(d)]
	Subsidiaries of Arunachal Hydro Power Limited (upto 27th March, 2017) [Refer Note 12 (d)] :-	
	(i)	EDCL Seppa Beyong Hydro Electric Private Limited
	(ii)	EDCL Seppa Dunkho Hydro Electric Private Limited
	(iii)	EDCL Seppa Jung Power Private Limited
	(iv)	EDCL Seppa Kawa Power Private Limited
	(v)	EDCL Seppa Lada Hydro Electric Private Limited
	(vi)	EDCL Seppa Marjingla Hydro Electric Private Limited
	(vii)	EDCL Seppa Nire Hydro Electric Private Limited
	(viii)	EDCL Seppa Pachuk Power Private Limited
	(ix)	EDCL Seppa Riang Power Private Limited
	(x)	EDCL Tawang Lower Tsachu Hydro Electric Private Limited
	(xi)	EDCL Tawang Power Private Limited
	(xii)	EDCL Tawang Upper Tsachu Hydro Electric Private Limited
	(xiii)	EDCL Arunachal Hydro Projects Private Limited (till 30th September, 2016)
(C)	Individuals having significant influence directly or indirectly (Promoter and their relatives)	
	Amar Singh (Non Executive Chairman)	
	Pankaja Kumari Singh (Wife of the Non Executive Chairman)	
(D)	Enterprises over which individuals mentioned in (C) above exercises significant influence	
	1	Startrack Vinimay Private Limited
	2	Sarvottam Caps Private Limited



The aggregate amount of transactions with the related parties as mentioned in (A) above is as below :

Particulars	2016-17 (₹)	2015-16 (₹)
i) Remuneration :		
– Sanjiv Saraf	48,20,000	48,20,000
ii) Rent Paid (excluding service tax)		
– Indira Saraf	10,54,200	10,54,200
Balances as at the year end :		
i) Trade Payable		
– Indira Saraf	92,243	–

The aggregate amount of transactions with the related parties as mentioned in (B) above is as given below :

(i) Investments in shares of subsidiaries / Associate :-

Amount in ₹

Subsidiary Company	Transactions during the year		Outstanding Balances as at the year end	
	Investment in Equity shares		as at the year end	
	2016-17	2015-16	31.03.2017	31.03.2016
Equity Share :				
1 AYYAPPA HYDRO POWER LIMITED	–	–	30,00,00,000	30,00,00,000
2 EDCL POWER PROJECTS LIMITED	–	–	4,00,00,000	4,00,00,000
3 EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	–	–	51,000	1,00,000
4 SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	–	–	51,000	1,00,000
5 EDCL ARUNACHAL HYDRO PROJECT PRIVATE LIMITED	–	–	1,01,00,000	1,00,000
6 ARUNACHAL HYDRO POWER LIMITED	–	14,75,00,000	3,55,20,000	14,80,00,000
Total :	–	14,75,00,000	38,57,22,000	48,83,00,000
Preference Share :				
1 AYYAPPA HYDRO POWER LIMITED	–	–	22,00,00,000	22,00,00,000
2 EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	–	–	3,81,88,800	15,91,20,000
3 SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	–	–	2,33,37,600	9,72,40,000
4 ARUNACHAL HYDRO POWER LIMITED	–	–	7,92,00,000	–
5 EDCL SEPPA BEYONG HYDRO ELECTRIC PRIVATE LIMITED	–	–	–	2,17,20,000
6 EDCL SEPPA DUNKHO HYDRO ELECTRIC PRIVATE LIMITED	–	–	–	2,17,20,000
7 EDCL SEPPA JUNG POWER PRIVATE LIMITED	–	–	–	2,17,20,000
8 EDCL SEPPA KAWA POWER PRIVATE LIMITED	–	–	–	2,17,20,000
9 EDCL SEPPA LADA HYDRO ELECTRIC PRIVATE LIMITED	–	–	–	2,17,20,000
10 EDCL SEPPA MARJINGLA HYDRO ELECTRIC PRIVATE LIMITED	–	–	–	2,17,20,000
11 EDCL SEPPA NIRE HYDRO ELECTRIC PRIVATE LIMITED	–	–	–	1,08,71,369
12 EDCL SEPPA PACHUK POWER PRIVATE LIMITED	–	–	–	2,17,20,000
13 EDCL SEPPA RIANG POWER PRIVATE LIMITED	–	–	–	1,89,83,368
Total :	–	–	36,07,26,400	65,82,54,737

(a) Purchase / Sale of Shares of the subsidiaries / associate with other parties has been adjusted in outstanding balances as at the year end.



(ii) Loans given to subsidiaries / associate :-

(Amount in ₹)

	Subsidiary Company	Transactions during the year				Outstanding Balances as at the year end	
		Loans Given		Proceeds from Repayment of Loans		Loans	
		2016-17	2015-16	2016-17	2015-16	31.03.2017	31.03.2016
1	AYYAPPA HYDRO POWER LIMITED	5,20,85,918	33,38,50,000	3,15,82,000	5,67,00,000	30,13,53,919	28,08,50,001
2	EDCL POWER PROJECTS LIMITED	1,78,90,000	26,53,75,000	1,16,25,000	25,07,00,000	2,27,90,000	1,65,25,000
3	EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	10,20,000	53,00,000	1,81,671	-	65,38,329	57,00,000
4	SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	6,40,000	21,15,000	2,48,906	-	27,06,094	23,15,000
5	EDCL ARUNACHAL HYDRO PROJECT PRIVATE LIMITED	50,000	5,00,000	-	-	15,50,000	15,00,000
6	ARUNACHAL HYDRO POWER LIMITED	55,07,000	6,53,00,000	19,35,245	-	6,88,71,755	6,53,00,000
7	EDCL SEPPA BEYONG HYDRO ELECTRIC PRIVATE LIMITED	-	30,00,000	-	35,94,341	-	-
8	EDCL SEPPA DUNKHO HYDRO ELECTRIC PRIVATE LIMITED	-	60,00,000	-	68,41,511	-	-
9	EDCL SEPPA JUNG POWER PRIVATE LIMITED	-	6,00,000	-	10,06,605	-	-
10	EDCL SEPPA KAWA POWER PRIVATE LIMITED	-	38,00,000	-	41,03,208	-	-
11	EDCL SEPPA LADA HYDRO ELECTRIC PRIVATE LIMITED	-	55,00,000	-	59,56,134	-	-
12	EDCL SEPPA MARJINGLA HYDRO ELECTRIC PRIVATE LIMITED	-	87,00,000	-	89,12,511	-	-
13	EDCL SEPPA NIRE HYDRO ELECTRIC PRIVATE LIMITED	-	22,00,000	-	25,35,379	-	-
14	EDCL SEPPA PACHUK POWER PRIVATE LIMITED	-	1,36,00,000	-	1,47,28,183	-	-
15	EDCL SEPPA RIANG POWER PRIVATE LIMITED	-	2,00,000	-	5,85,378	-	-
16	EDCL TAWANG LOWER TSACHU HYDRO ELECTRIC PRIVATE LIMITED	-	61,50,000	-	62,88,573	-	-
17	EDCL TAWANG POWER PRIVATE LIMITED	-	1,02,00,000	-	1,11,69,435	-	-
18	EDCL TAWANG UPPER TSACHU HYDRO ELECTRIC PRIVATE LIMITED	-	16,00,000	-	18,98,505	-	-
	Total :	7,71,92,918	73,39,90,000	4,55,72,822	37,50,19,763	40,38,10,097	37,21,90,001

(iii) Payment of expenses on behalf of subsidiaries / associate :-

(Amount in ₹)

	Subsidiary Company	Transactions during the year				Outstanding Balances as at the year end	
		Expenses incurred on behalf		Amount Recovered		Other Receivables	
		2016-17	2015-16	2016-17	2015-16	31.03.2017	31.03.2016
1	AYYAPPA HYDRO POWER LIMITED	21,81,935	51,03,607	21,71,977	59,56,782	9,958	-
2	EDCL POWER PROJECTS LIMITED	19,33,816	55,12,581	19,22,378	55,12,581	11,438	-
3	EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	20,677	12,67,856	20,633	12,67,856	44	-
4	SARJU VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	10,448	5,20,397	10,404	5,20,397	44	-
5	EDCL ARUNACHAL HYDRO PROJECT PRIVATE LIMITED	176	2,667	-	2,667	176	-
6	ARUNACHAL HYDRO POWER LIMITED	230	8,977	142	8,977	-	-
7	EDCL SEPPA BEYONG HYDRO ELECTRIC PRIVATE LIMITED	15,314	5,63,371	15,226	5,63,371	-	-
8	EDCL SEPPA DUNKHO HYDRO ELECTRIC PRIVATE LIMITED	75,966	10,01,783	75,878	10,01,783	-	-
9	EDCL SEPPA JUNG POWER PRIVATE LIMITED	7,658	3,39,089	7,570	3,39,089	-	-
10	EDCL SEPPA KAWA POWER PRIVATE LIMITED	62,480	8,04,197	62,392	8,04,197	-	-
11	EDCL SEPPA LADA HYDRO ELECTRIC PRIVATE LIMITED	14,205	6,33,458	14,117	6,33,458	-	-
12	EDCL SEPPA MARJINGLA HYDRO ELECTRIC PRIVATE LIMITED	1,35,407	10,42,883	1,35,319	10,42,883	-	-
13	EDCL SEPPA NIRE HYDRO ELECTRIC PRIVATE LIMITED	4,852	2,12,931	4,764	2,12,931	-	-
14	EDCL SEPPA PACHUK POWER PRIVATE LIMITED	14,44,761	55,08,664	14,44,585	55,08,664	-	-
15	EDCL SEPPA RIANG POWER PRIVATE LIMITED	4,852	2,12,931	4,764	2,12,931	-	-
16	EDCL TAWANG LOWER TSACHU HYDRO ELECTRIC PRIVATE LIMITED	2,12,551	13,26,880	2,12,375	13,26,880	-	-
17	EDCL TAWANG POWER PRIVATE LIMITED	9,32,587	40,56,516	9,32,411	40,56,516	-	-
18	EDCL TAWANG UPPER TSACHU HYDRO ELECTRIC PRIVATE LIMITED	7,658	3,36,993	7,570	3,36,993	-	-
	Total :	70,65,573	2,84,55,781	70,42,505	2,93,08,956	21,660	-



(iv) Net Provision (Liability - Assets) for Employee Retirement Benefits transferred (to) / from the party : (Amount in ₹)

	Subsidiary Company	Transactions during the year				Outstanding Balances as at the year end			
		Gratuity		Leave Encashment		Other Receivables		Payables	
		2016-17	2015-16	2016-17	2015-16	31.03.2017	31.03.2016	31.03.2017	31.03.2016
1	AYYAPPA HYDRO POWER LIMITED	69,000	69,000	5,41,000	5,41,000	-	6,94,000	-	84,000
2	EASTERN RAMGANGA VALLEY HYDEL PROJECTS COMPANY PRIVATE LIMITED	3,000	3,000	46,000	46,000	-	49,000	-	-
3	EDCL SEPPA PACHUK POWER PRIVATE LIMITED	5,000	5,000	11,000	11,000	-	16,000	-	-
4	EDCL TAWANG POWER PRIVATE LIMITED	(1,30,000)	(1,30,000)	(4,40,000)	(4,40,000)	-	(1,30,000)	-	4,40,000
	Total :	(53,000)	(53,000)	1,58,000	1,58,000	-	6,29,000	-	5,24,000

(v) Sale of Investments to Subsidiaries : (Amount in ₹)

	Subsidiary Company	Transactions during the year	
		Sale consideration on sale of Investments	
		2016-17	2015-16
1	ARUNACHAL HYDRO POWER LIMITED	-	14,58,95,029

(vi) Purchase of Investments from the Subsidiary / Associate :- (Amount in ₹)

	Related Party	Transactions during the year		Outstanding Balances as at the year end
		Cost of Investments		
		2016-17	2015-16	
1	ARUNACHAL HYDRO POWER LIMITED	1,00,00,000	-	1,00,00,000

(vii) Guarantee given to banks on behalf of subsidiary :- (Amount in ₹)

	Particular	2016-17 (₹)	2015-16 (₹)
1	AYYAPPA HYDRO POWER LIMITED (for business purpose)		
	Outstanding balance of such loan	90,24,99,878	90,24,99,878

The aggregate amount of transactions with the related parties as mentioned in (C) above is as below :

Particulars		2016-17 (₹)	2015-16 (₹)
Transactions during the year :			
(i)	Board Meeting Fees		
	- Amar Singh	80,000	1,40,000
	- Pankaja Kumari Singh	20,000	60,000
(ii)	Committee Meeting Fees		
	- Pankaja Kumari Singh	40,000	40,000

The aggregate amount of transactions with the related parties as mentioned in (D) above is as given below :

Particulars		2016-17 (₹)	2015-16 (₹)
Transactions during the year :			
(i)	Unsecured Loan received		
	- Startrack Vinimay Private Limited	-	1,50,00,000
	- Sarvottam Caps Private Limited	3,49,50,000	-
(ii)	Interest Expenses		
	- Startrack Vinimay Private Limited	18,00,000	8,82,740
	- Sarvottam Caps Private Limited	20,50,488	-



Particulars		2016-17 (₹)	2015-16 (₹)
(iii)	Purchase of Investments		
	– Startrack Vinimay Private Limited	14,51,33,780	34,59,33,368
	– Sarvottam Caps Private Limited	18,48,66,220	9,23,21,369
(iv)	Sale of Investment		
	– Startrack Vinimay Private Limited	5,88,00,000	–
(v)	Proceed from issue of Equity Shares		
	– Startrack Vinimay Private Limited	–	4,01,50,000
	– Sarvottam Caps Private Limited	–	25,96,00,000
(vi)	Expenses incurred by the company on behalf of the party		
	– Startrack Vinimay Private Limited	11,985	50,113
	– Sarvottam Caps Private Limited	11,667	25,530
(vii)	Expenses Reimbursed to the company		
	– Startrack Vinimay Private Limited	60,342	–
	– Sarvottam Caps Private Limited	35,759	–
Balances as at the year end :			
(i)	Unsecured Loans		
	– Startrack Vinimay Private Limited	1,50,00,000	1,50,00,000
	– Sarvottam Caps Private Limited	3,49,50,000	–
(ii)	Interest accrued and due (Payable)		
	– Startrack Vinimay Private Limited	24,14,466	7,94,466
	– Sarvottam Caps Private Limited	18,45,439	–
(iii)	Payable towards purchase of Investments		
	– Startrack Vinimay Private Limited	22,50,15,149	19,86,81,369
	– Sarvottam Caps Private Limited	18,48,66,220	–
(iv)	Advance (Reimbursable Expenses)		
	– Startrack Vinimay Private Limited	1,756	50,113
	– Sarvottam Caps Private Limited	1,438	25,530

Notes :

- a) In respect of above parties, there is no provision for doubtful debts as on 31st March 2017 and no amount has been written off or written back during the year in respect of debts due from / to them.
- b) The above Related Party information is as identified by the Management and relied upon by the auditors.

NOTE 30**OPERATING LEASE**

The Company has taken several premises under cancellable operating leases. The lease term is upto 5 years and have the option of renewal on expiry of the lease period based on mutual agreement of both the parties. Certain lease arrangements have been terminated during the year based upon mutual agreement of both the parties. Rental expenses towards cancellable operating lease charged to statement of profit and loss amounts to ₹ 88,66,000 /- (Previous year ₹ 52,12,900/-) and has been disclosed as "Rent" in Note 27 of the financial statement.

The Company has taken certain machineries under cancellable operating leases. The lease term has an option of renewal on expiry of the lease period based on the mutual agreement of both the parties. The lease arrangement has been terminated during the year based upon mutual agreement of both the parties. Rental expenses towards such cancellable operating lease charged to statement of profit and loss amounts to ₹ 5,40,000 /- (Previous Year ₹ 7,20,000/-) and has been disclosed as "Rent" in Note 27 of the financial statement.



NOTE 31

CONSTRUCTION CONTRACTS DISCLOSURES :

a)	Particulars	2016-17 (₹)	2015-16 (₹)
i)	Contract revenue recognised as revenue in the period	4,32,32,883	7,79,78,956
ii)	Contract costs incurred upto the reporting date	53,01,95,695	47,79,49,408
iii)	Advances received	2,69,90,635	2,69,90,635
iv)	Retention money with customers	1,41,65,051	1,33,90,124
v)	Gross amount due from customers for contract work	9,76,35,555	9,16,13,941

b) In case of long term contracts in operation, the foreseeable losses if any are recognised based on the management's estimation of percentage of completion and cost involved thereagainst.

NOTE 32

EARNING PER SHARE (EPS) :

Particulars	2016-17 (₹)	2015-16 (₹)
Basic and Diluted Earnings per share has been computed as under :		
Profit/(Loss) after tax for the year	3,14,98,657	1,61,44,048
Weighted Average Number of Equity Shares issued (Nos.)	4,75,00,000	3,47,67,760
Basic and Diluted Earnings per Share (Face Value ₹ 10/- per share fully paid up)	0.66	0.46

NOTE 33

(A) EXPORT OF GOODS (EARNINGS IN FOREIGN CURRENCY) :

Particulars	2016-17 (₹)	2015-16 (₹)
Sale of traded goods	26,67,93,618	–

(B) VALUE OF IMPORTS (PAYMENT IN FOREIGN CURRENCY) :

Particulars	2016-17 (₹)	2015-16 (₹)
Purchase of Stock in Trade	26,45,57,931	–

(C) OTHER EXPENDITURE IN FOREIGN CURRENCY :

Particulars	2016-17 (₹)	2015-16 (₹)
Travelling & Conveyance Expenses (*)	1,32,614	2,25,126
Legal & Professional Charges (**)	–	–

(*) Net of recovery of ₹ NIL /- (Previous year ₹ 3,54,556/-) from Subsidiary and Associates.

(**) Net of recovery of ₹ NIL /- (Previous year ₹ 51,31,959 /-) from Subsidiary and Associates.

(D) UNHEDGED FOREIGN CURRENCY EXPOSURE OF THE COMPANY AS AT THE YEAR END :

Particulars	2016-17	2015-16
Payables		
– Imports		
EURO	80,784	80,784
USD	16,660	16,660
Receivables		
USD	31,726	–



NOTE 34
SEGMENT REPORTING

Segments have been identified in line with the Accounting Standards AS-17 taking into account the organization structure as well as the differencing risk and return. The Company's business segment comprises of (1) Generating Division - Generation and sale of electricity (2) Contract Division - Construction development, implementation, operation & maintenance of projects and consultancies (3) Trading Division - Trading of Power equipments, metals etc. These have been identified by the type of their respective sales and services rendered.

Amount in ₹

Particulars	Generating Division		Contract Division		Trading Division		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Revenue:								
External sales (*)	10,82,25,611	9,23,67,127	9,34,59,883	66,86,83,247	83,04,40,675	57,64,45,001	1,03,21,26,169	1,33,74,95,375
Result:								
Segments	5,59,39,018	4,31,07,700	52,51,350	1,70,47,285	33,57,801	2,57,28,813	6,45,48,169	8,58,83,798
Less : Interest and Finance Charges							2,46,76,041	1,62,84,585
Less : Other common expenses (net)							(71,65,059)	4,65,76,085
Total Profit Before Tax							4,70,37,187	2,30,23,128
Provisions For Tax							1,55,38,530	68,79,080
Profit After Tax							3,14,98,657	1,61,44,048
Segments Assets	42,70,60,160	43,73,02,165	22,37,83,250	20,89,25,912	25,02,93,565	17,64,45,001	90,11,36,975	82,26,73,078
Unallocable Corporate Assets							2,05,44,86,991	1,69,50,05,755
TOTAL							2,95,56,23,965	2,51,76,78,833
Segments Liabilities	34,71,403	50,05,802	13,12,06,334	16,85,76,132	22,92,03,319	12,90,44,037	36,38,81,056	30,26,25,971
Unallocable Corporate Liabilities							79,26,79,763	44,74,88,373
TOTAL							1,15,65,60,819	75,01,14,344

Particulars	Generating Division		Contract Division		Trading Division		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Capital expenditure for the segment	1,91,538	19,200	-	-	-	-	1,91,538	19,200
Unallocable Corporate Capital Expenditure							97,500	1,56,100
Total Capital Expenditure							2,89,038	1,75,300
Depreciation and amortisation for the segment	2,57,89,800	2,63,75,286	23,89,390	32,64,924	-	-	2,81,79,190	2,96,40,210
Unallocable Depreciation and amortisation							23,39,738	33,29,523
Total depreciation and amortisation							3,05,18,928	3,29,69,733
Non cash expenditure, other than depreciation and amortisation for the segment	-	1,49,974	2,000	50,610	-	-	2,000	2,00,584
Unallocable non cash expenditure, other than depreciation and amortisation							16,18,028	8,55,446
Total non cash expenditure, other than depreciation and amortisation							16,20,028	10,56,030

- (a) Revenue and expenses have been identified to segment on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relates to enterprise as a whole and not allocable to segment on a reasonable basis have been included under the head other common expenses.
- (b) As the company operates entirely in India no secondary segment has been identified for the above purpose.



NOTE 35

EXCEPTIONAL ITEMS

Exceptional items represents profit on investments sold during the year.

NOTE 36

NOTE PURSUANT TO MCA NOTIFICATION NO. GSR 308(E) dated 30th March,2017

Details of 'Specified Bank Notes' (SBN) held and transacted during the period 08th November, 2016 to 30th December, 2016 is provided in the Table below :-

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8-11-2016	1,02,000	2,56,266	3,58,266
(+) Permitted receipts	-	3,05,000	3,05,000
(-) Permitted payments	-	(3,71,133)	(3,71,133)
(-) Amount deposited in Banks	(1,02,000)	-	(1,02,000)
Closing cash in hand as on 30-12-2016	-	1,90,133	1,90,133

NOTE 37

COMPARATIVES

The previous year's figures have been regrouped and rearranged wherever considered necessary.

As per our Report of even date
For **Lodha & Co.**
Chartered Accountants
Firm's ICAI Registration No. 301051E

H K Verma
Partner
Membership No. 055104

Place : Kolkata
Dated : 29th May, 2017

For and on behalf of the Board of Directors

Sd/- **Sanjiv Saraf**, *Executive Director* (DIN : 00506650)

Sd/- **Sanjay Kumar Gupta**, *Director* (DIN : 01538117)

Sd/- **Vijoy Kumar**, *Director* (DIN : 02970626)

Sd/- **Amit Damani**, *Chief Financial Officer*

Sd/- **Vijayshree Binnani**, *Company Secretary*



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	31.03.2017		31.03.2016	
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
A) Cash Flow From Operating Activities:				
Profit / (Loss) before tax		4,70,37,187		2,30,23,128
Adjustments for :				
Depreciation & Amortisation	3,05,18,930		3,29,69,733	
Exceptional items	(5,39,00,000)		-	
Amortisation of Stores, Spares & Tools	-		1,49,974	
Interest & Finance Charges	2,46,76,041		1,73,00,567	
Interest Income on loans & deposits	(47,30,171)		(48,46,498)	
Bad debts and advances written off	2,028		9,06,056	
Provision for Investment	16,18,000		-	
Liability no longer required written back	(19,561)	(18,34,732)	(22,057)	4,64,57,775
Operating Profit before Working Capital Changes		4,52,02,455		6,94,80,903
Adjustments for :				
(Increase) / Decrease in Inventory	16,52,130		1,09,61,874	
(Increase) / Decrease in Trade and Other receivables	(10,74,07,652)		(24,53,98,823)	
Increase / (Decrease) in Trade and Other payables	6,94,10,707	(3,63,44,815)	22,06,71,950	(1,37,65,001)
Cash generated from operations		88,57,640		5,57,15,902
Direct Taxes paid (Net of refund)		(21,47,527)		(1,51,68,126)
Net Cash Flow from Operating Activities		67,10,112		4,05,47,777
B) Cash Flow from Investing Activities				
Purchase of Property, Plant and Equipment	(2,89,038)		(1,75,300)	
Sale of Investments	5,88,00,000		14,58,95,028	
Advance received against Sale of Investments of subsidiaries/associates	6,00,54,000		10,00,00,000	
Purchase of Investments of subsidiaries/associates	(11,88,00,000)		(38,70,73,427)	
Other purchase of investments	(6,00,000)		-	
Deposit / redemption of Margin Money and other bank balances	(1,76,75,469)		(1,04,67,902)	
Loan (Given) / Proceeds on repayment	(3,16,20,096)		(35,89,70,237)	
Interest Received	38,98,175	(4,62,32,428)	3,26,48,470	(47,81,43,368)
Net Cash Flow from Investing Activities		(4,62,32,428)		(47,81,43,368)
C) Cash Flow from Financing Activities				
Proceeds from / (repayments) of borrowings	7,44,35,844		4,42,48,490	
Proceeds from Issue of Equity Share	-		44,00,00,000	
Interest & Finance Charges paid	(1,59,64,142)		(1,22,00,808)	
Dividend Paid	(2,37,50,000)		(1,37,50,000)	
Dividend Distribution Tax Paid	(48,34,941)	2,98,86,761	(27,99,176)	45,54,98,506
Net Cash flow from Financing Activities		2,98,86,761		45,54,98,506
Net Increase/(Decrease) in Cash and Cash Equivalents		(96,35,555)		1,79,02,914
Cash and Cash equivalents at the beginning of the year		2,40,66,429		61,63,514
Cash and Cash equivalents at the end of the year (Refer Note 17)		1,44,30,874		2,40,66,429

Notes :

- 1) Cash Flow Statement is prepared by the indirect method as set out in Accounting Standard - 3 on Cash Flow Statement.
- 2) Cash & Cash Equivalents presented in the statement consists of cash on hand and balances with banks on current account as on the balance sheet date.
- 3) Previous year's figures have been re-grouped/rearranged wherever considered necessary.

As per our Report of even date
For **Lodha & Co.**
Chartered Accountants
Firm's ICAI Registration No. 301051E

H K Verma
Partner
Membership No. 055104

Place : Kolkata
Dated : 29th May, 2017

For and on behalf of the Board of Directors

Sd/- **Sanjiv Saraf**, Executive Director (DIN : 00506650)

Sd/- **Sanjay Kumar Gupta**, Director (DIN : 01538117)

Sd/- **Vijoy Kumar**, Director (DIN : 02970626)

Sd/- **Amit Damani**, Chief Financial Officer

Sd/- **Vijayshree Binnani**, Company Secretary



CONSOLIDATED FINANCIAL STATEMENTS



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ENERGY DEVELOPMENT COMPANY LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Energy Development Company Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates, comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the Companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group including its associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group and its associates as at 31st March, 2017, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 11(a) and 29(a) of the financial statements, considering the transaction being undertaken



for the transfer of 76% of holding in undertakings, which are involved in setting up hydel power plants at various locations, no diminution in the value of remaining investment of ₹ 15,11,76,964/- as on 31st March, 2017 representing 24% long term and strategic holding and no impairment in the capital work in progress, has been considered necessary. Adjustment with respect to these being determinable on the status of the projects, resultant impact in this respect as such is presently not ascertainable.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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 purpose of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company, subsidiary companies and associateas on March 31, 2017, taken on record by the respective Board of Directors, none of the directors of the Group and its associates are disqualified as on March 31, 2017, 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure - A".
- 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. Pending litigations (other than those already recognised in the financial statements) having material impact on the financial position of the Group have been disclosed in the financial statements as required in terms of relevant accounting standards and provisions of the Act [Note No. 28(a)].
 - ii. As explained to us, the Group and its associates have made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, on long-term contracts, including derivative contracts [Note No. 30(b)].
 - iii. During the year, the amounts which were required to be transferred to the Investor Education and Protection Fund have been transferred by the Holding Company within the due date. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Subsidiary or Associate Companies.
 - iv. The Group has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes (Bank notes of denominations of five hundred and one thousand rupees) during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Group and as produced to us by the Management.

For **Lodha & Co.**
Chartered Accountants
Firm's ICAI Registration No. 301051E

Sd/- **H K Verma**
Partner
Membership No. 055104

Place : Kolkata
Dated : 29th May, 2017



“ANNEXURE – A” TO AUDITORS’ REPORT referred to in our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of Energy Development Company Limited (hereinafter referred to as “the Holding Company”) and its subsidiaries (the holding Company and its subsidiary together referred to as “the Group”) and its associates, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its Subsidiary Companies and its associates are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Group’s and its associates internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group and its associates 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, the Group and its associates 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, 2017, based on the internal control over financial reporting criteria established by the respective 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.

Place : Kolkata
Dated : 29th May, 2017

For **Lodha & Co.**
Chartered Accountants
Firm's ICAI Registration No. 301051E

Sd/- **H K Verma**
Partner
Membership No. 055104



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	Amount in ₹	
		As at 31st March 2017	As at 31st March 2016
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	47,50,00,000	47,50,00,000
Reserves and Surplus	3	77,16,59,929	1,01,89,02,914
		<u>1,24,66,59,929</u>	<u>1,49,39,02,914</u>
Preference shares (Issued by subsidiaries outside the group)		33,04,00,000	1,60,50,00,000
Non Current Liabilities			
Long Term Borrowings	4	1,25,62,03,535	1,18,14,99,878
Long Term Provisions	5	27,48,000	57,81,000
		<u>1,25,89,51,535</u>	<u>1,18,72,80,878</u>
Current Liabilities			
Short Term Borrowings	6	10,59,01,544	6,31,55,932
Trade Payables	7		
– Dues to Micro and Small Enterprises		–	–
– Dues to Others		31,55,64,229	25,75,29,841
Other Current Liabilities	8	83,58,92,164	48,29,05,825
Short Term Provisions	9	18,91,000	2,94,19,941
		<u>1,25,92,48,937</u>	<u>83,30,11,539</u>
Total		<u>4,09,52,60,401</u>	<u>5,11,91,95,331</u>
ASSETS			
Non Current Assets			
Fixed Assets			
– Tangible assets	10	1,91,14,05,444	1,99,75,05,629
– Intangible Assets	10	5,93,77,697	6,86,15,751
– Capital Work-in-Progress	29	46,93,90,905	2,44,17,91,017
		<u>2,44,01,74,046</u>	<u>4,50,79,12,397</u>
Non Current Investments	11	28,80,27,506	2,28,542
Deferred Tax Assets (Net)	12	2,02,69,252	25,37,234
Long Term Loans and Advances	13	16,49,64,018	11,17,87,297
Other Non Current Assets	14	2,47,500	2,47,500
		<u>2,91,36,82,322</u>	<u>4,62,27,12,970</u>
Current assets			
Inventories	15	1,24,19,851	2,38,40,668
Trade Receivables	16	45,52,35,695	34,22,75,156
Cash and Bank Balances	17	7,36,27,635	9,10,68,141
Short Term Loans and Advances	18	2,78,21,561	3,38,83,677
Other Current Assets	19	61,24,73,337	54,14,719
		<u>1,18,15,78,079</u>	<u>49,64,82,361</u>
Total		<u>4,09,52,60,401</u>	<u>5,11,91,95,331</u>
Significant Accounting Policies	1		
The accompanying notes (1-38) form an integral part of financial statements			

As per our Report of even date
For **Lodha & Co.**
Chartered Accountants
Firm's ICAI Registration No. 301051E

H K Verma
Partner
Membership No. 055104

Place : Kolkata
Dated : 29th May, 2017

For and on behalf of the Board of Directors

Sd/- **Sanjiv Saraf**, Executive Director (DIN : 00506650)

Sd/- **Sanjay Kumar Gupta**, Director (DIN : 01538117)

Sd/- **Vijoy Kumar**, Director (DIN : 02970626)

Sd/- **Amit Damani**, Chief Financial Officer

Sd/- **Vijayshree Binnani**, Company Secretary



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	Amount in ₹	
		Year ended 31st March 2017	Year ended 31st March 2016
REVENUE :			
Revenue from operations	20	1,15,40,19,917	1,49,45,06,937
Other Income	21	64,09,789	72,19,039
Total Revenue		1,16,04,29,706	1,50,17,25,976
EXPENSES :			
Cost of materials consumed	22	2,88,38,274	3,80,90,227
Purchase of Stock-in-Trade	23	82,04,81,291	55,03,96,687
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	2,60,749	1,15,14,178
Employee Benefits Expense	25	5,01,60,901	5,86,51,700
Finance Costs	26	18,63,65,433	19,70,12,722
Depreciation and Amortization Expense	10	10,98,80,416	11,03,25,677
Contract, Consultancy & Service Charges		3,55,49,610	57,85,72,834
Other Expenses	27	12,97,32,739	14,78,02,114
		1,36,12,69,413	1,69,23,66,139
Less : Expenses transferred to Pre Operative Expenses Account		(1,19,73,121)	(4,46,64,178)
Total Expenses		1,34,92,96,291	1,64,77,01,961
Profit/(Loss) before exceptional items and tax		(18,88,66,585)	(14,59,75,985)
Exceptional Items	36	12,11,82,851	–
Profit/(Loss) before tax for the year		(6,76,83,734)	(14,59,75,985)
Tax Expense :			
– Current tax		1,86,00,000	64,00,000
– Tax for earlier years		–	(41,616)
– Deferred tax charge / (credit)		(1,77,32,018)	(12,53,694)
Total Tax Expense		8,67,982	51,04,690
Profit/(Loss) after tax for the year		(6,85,51,716)	(15,10,80,675)
Share of profit/(loss) in associates		(19,606)	–
Profit/(Loss) for the year		(6,85,71,322)	(15,10,80,675)
Earnings per equity share of ₹ 10 each fully paid-up	35		
– Basic & Diluted		(1.44)	(4.35)

Significant Accounting Policies

1

The accompanying notes (1-38) form an integral part of financial statements

As per our Report of even date
For **Lodha & Co.**
Chartered Accountants
Firm's ICAI Registration No. 301051E

H K Verma
Partner
Membership No. 055104

Place : Kolkata
Dated : 29th May, 2017

For and on behalf of the Board of Directors

Sd/- **Sanjiv Saraf**, Executive Director (DIN : 00506650)

Sd/- **Sanjay Kumar Gupta**, Director (DIN : 01538117)

Sd/- **Vijoy Kumar**, Director (DIN : 02970626)

Sd/- **Amit Damani**, Chief Financial Officer

Sd/- **Vijayshree Binnani**, Company Secretary



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 1

SIGNIFICANT ACCOUNTING POLICIES

1.1 Principles of Consolidation

- a) The Consolidated Financial Statements of Energy Development Company Limited (“the Company”), its Subsidiary Companies and its Associate Companies have been prepared in accordance with Accounting Standard (AS 21) on “Consolidated Financial Statements” and Accounting Standard (AS 23) on “Accounting for Investments in Associates in Consolidated Financial Statements”. The basis of preparation of the Consolidated Financial Statements is as follows:
- The financial statements (the Balance Sheet and the Statement of Profit & Loss) of the Company, Subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and transactions if any and the resulting unrealized profits or losses.
 - The financial statement of the subsidiaries and associates used in the consolidation is drawn upto 31st March 2017, the same reporting date as that of the Company.
 - The differential with respect to the cost of investments in the subsidiary over the Company’s portion of net assets is recognized as Goodwill or Capital Reserve.
 - Investment in associate are valued and accounted for under equity method of accounting in accordance with AS 23. Under the said method, the investments are initially recorded at cost which includes goodwill / capital reserve arising at the time of acquisition and adjusted thereafter for the post acquisition change in the Company’s share in the net assets of the investee company. Unrealised profit/loss, if any, are eliminated to the extent of company’s interest in the associate.
- b) The Subsidiaries and Associates (all incorporated in India) which have been included in this Consolidated Financial Statements along with the Company’s holdings therein are given here under :

Sl No.	Name of the Company	% of holdings	
		As at 31st March 2017	As at 31st March 2016
Subsidiary Companies			
1	Ayyappa Hydro Power Limited (AHPL)	100	100
2	EDCL Power Projects Limited (PPL)	100	100
3	Eastern RamGanga Valley Hydel Projects Company Private Limited	51	100
4	Sarju Valley Hydel Projects Company Private Limited	51	100
5	EDCL Arunachal Hydro Project Private Limited (*)	100	0.99
6	Arunachal Hydro Power Limited (till 27th March, 2017) [Refer Note 11(b)]	–	100
Associate Companies			
7	Arunachal Hydro Power Limited (w.e.f. 28th March, 2017) [Refer Note 11(b)]	24	–

Note :

- (*) The entire share capital of EDCL Arunachal Hydro Project Private Limited was held by Energy Development Company Limited directly or through Arunachal Hydro Power Limited during both the years.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

- c) The share of net assets and profit or loss of the company, its subsidiaries and associate companies in consolidated net assets and consolidated loss are provided below :

Sl No.	Name of the Company	Net Assets		Share in profit or loss	
		As a % of consolidated net assets	Amount (₹)	As a % of consolidated profit or loss	Amount (₹)
		As at 31st March 2017	As at 31st March 2017	2016-17	2016-17
1	Energy Development Company Limited	45.51%	71,76,56,110	45.94%	3,14,98,657
Subsidiaries					
2	Ayyappa Hydro Power Limited	24.61%	38,81,51,144	(132.93%)	(9,11,51,041)
3	EDCL Power Projects Limited	4.19%	6,61,00,300	(40.96%)	(2,80,84,389)
4	Eastern RamGanga Valley Hydel Projects Company Private Limited	11.57%	18,24,34,753	(0.15%)	(99,968)
5	Sarju Valley Hydel Projects Company Private Limited	7.03%	11,09,41,752	(0.15%)	(1,00,527)
6	EDCL Arunachal Hydro Project Private Limited (w.e.f 01st October, 2016)	0.27%	42,53,644	(0.93%)	(6,40,466)
7	Arunachal Hydro Power Limited (till 27th March, 2017)	-	-	-	2,00,26,018
Associate					
8	Arunachal Hydro Power Limited (w.e.f. 28th March, 2017)	6.82%	10,75,22,227	(0.03%)	(19,606)
	Total		1,57,70,59,930		(6,85,71,322)

1.2 Basis of preparation of financial statements

The accounts have been prepared under the historical cost convention and in accordance with the provisions of the Companies Act 2013 ("the Act") and accounting standards specified under section 133 of the Act. Accounting policies unless specifically stated to be otherwise, are consistent and are in consonance with generally accepted accounting principles.

1.3 Use of Estimates

The preparation of financial Statements require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the Balance Sheet date and the reported amounts of income and expenses during the year. Difference between the actual results and the estimates are recognised in the year in which the results become known/ materialise.

1.4 Property, Plant and Equipment (PPE)

(a) Property, Plant and Equipment are stated at cost which comprise its purchase price and any attributable cost of bringing the assets to its working condition for its intended use. In case of construction/erection of property, plant and equipment, cost comprise those costs that relate directly to the specific asset and those that are attributable to the construction/erection activities in general and can be allocated to the specific assets. Cost includes machinery, spares, interest and pre-operative expenses.

(b) Expenditure during Construction Period

Expenditure related to and incurred during implementation of capital project is included under Capital Work-in-progress and the same is allocated to the respective Property, Plant and Equipment on completion of its construction / erection. Interest on borrowing costs related to qualifying asset is worked out on the basis of actual utilization of funds out of project specific loans and / or other borrowings to the extent identifiable with the qualifying asset and are capitalized with the cost of qualifying assets.

(c) Machinery Spare which meet the definition of PPE have been capitalised.



1.5 Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortisation.

1.6 Depreciation and Amortisation

Depreciation on all assets, other than the generating plant and equipment, building and roads, hydraulic works, transmission lines, transformers and cable network has been provided on written down value method at the rates and in the manner specified in Schedule II to the Companies Act, 2013. In respect of assets of generating plant and equipment, building and roads, hydraulic works, transmission lines, transformers and cable network depreciation has been provided on straight line method over useful life of 30 years as per the implementation agreement with the authorities. Erection and maintenance tools are amortised over a period of five years on pro-rata basis. Unclassified Land and Site Development (R & R) expenditure capitalised as Intangible fixed assets are amortised over a period of 10 years. Other intangible assets are amortised over their useful life of 5 years. Leasehold land is amortised over the period of lease on straight line method."

1.7 Investments

Long-term investments are valued at cost. Current investments are valued at lower of cost and fair value as on the date of the Balance Sheet. In respect of long term investments, the Company provides for diminution in the value of investments, other than temporary in nature.

1.8 Revenue Recognition

- a) Revenue in respect of sale of electricity generated is accounted for on delivery to the grid.
- b) Revenue in respect of Contract Division & Trading Division from goods/services is recognized on delivery of the goods/ rendering of services. Revenue against construction/consultancy contracts is recognized progressively on the basis of Percentage of Completion method. Stage of completion of contracts in progress is determined by reference to the physical proportion of the contract work completed and billed.

1.9 Inventories

Inventories are valued at cost and estimated net realisable value whichever is lower. Cost of inventory comprising stores, spares and consumables are determined, applying weighted average method.

Cost in respect of work in progress represents cost of materials remaining uncertified/incomplete under the construction/ consultancy contracts undertaken by the company.

1.10 Impairment

Property, Plant and Equipment are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of property, plant and equipment is determined. An impairment loss is recognised, whenever the carrying amounts of assets exceeds recoverable amount. The recoverable amount is the greater of assets net selling price or its value in use. In assessing the value in use, the estimated future cash flows from the use of assets are discounted to their present value at appropriate rate. An impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets.

1.11 Employee Benefits

Employee benefits are accrued in the year services are rendered by the employees.

Contribution to defined contribution schemes such as Provident Fund etc. are recognized as and when incurred.

Long term employee benefits under defined benefit scheme such as contribution to gratuity, leave etc. are determined at close of the year at present value of the amount payable using actuarial valuation techniques.

Actuarial gains and losses are recognised in the year when they arise.

1.12 Taxation

Provision for tax is made for current and deferred taxes. Current tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing differences, which are capable of



reversal in subsequent years are recognised using tax rates and tax laws, which have been enacted or substantively enacted. Deferred tax assets other than in respect of carried forward losses or unabsorbed depreciation are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized.

Entitlement credit in respect of Minimum Alternate Tax is recognised only if there is convincing evidence of realisation of the same.

1.13 Borrowing Costs

Borrowing costs that are attributable to the acquisition / construction/erection of fixed assets are capitalized as part of the assets. Other borrowing costs are recognised as expenses in the year in which they are incurred. Capitalisation of borrowing costs are ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

1.14 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not provided for and are disclosed by way of notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

1.15 Goodwill

Goodwill arising out of acquisition of equity stake in subsidiary is amortized in equal amount over a period of five years from the subsequent year of acquisition.

1.16 Grants and Subsidies from Government

Grants from Government relating to Fixed Assets are shown as a deduction from the gross value of Fixed Assets and those in the nature of Project Capital Subsidy, are credited to Capital Reserve.

1.17 Leases

Lease rental for operating leases are recognised as an expense/income on straight- line basis over the lease term as per terms of the agreement on an accrual basis.



Particulars	Amount in ₹	
	As at 31st March 2017	As at 31st March 2016
NOTE 2		
SHARE CAPITAL		
Authorised		
5,00,00,000 (5,00,00,000) Equity shares of ₹ 10/- each	50,00,00,000	50,00,00,000
	<u>50,00,00,000</u>	<u>50,00,00,000</u>
Issued, Subscribed and Paid-up		
4,75,00,000 (4,75,00,000) Equity shares of ₹ 10/- each fully paid up	47,50,00,000	47,50,00,000
	<u>47,50,00,000</u>	<u>47,50,00,000</u>

Reconciliation of the number of equity shares outstanding	No. of Shares	No. of Shares
At the beginning	4,75,00,000	2,75,00,000
Add : Issued during the year	-	2,00,00,000
At the end	<u>4,75,00,000</u>	<u>4,75,00,000</u>

Shareholders holding more than 5% of equity shares	Nos.of shares (%)	Nos.of shares (%)
Sterlite Merchants LLP	-	1,35,62,084 (28.5%)
Sarvottam Caps Private Limited	1,18,00,000 (24.8%)	1,18,00,000 (24.8%)
Mr. Amar Singh	14,58,453 (3.1 %)	14,58,453 (3.1 %)
Mrs. Pankaja Kumari Singh	4,68,938 (1.0 %)	4,68,938 (1.0 %)
Shivmangal Securities Pvt Ltd. (*)	1,14,67,476 (24.1 %)	-

(*) Held by clearing member due for transfer to Mr.Amar Singh and Mrs.Pankaja Kumari Singh increasing their shareholding to 1,04,58,453 shares (22 %) and 29,36,414 shares (6.2 %) respectively.

Rights, Preferences and Restrictions attached to each classes of shares including restrictions on the distribution of dividends and the repayment of capital.

- The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity is entitled to one vote per share. The dividend, if any proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by them.
- The Board of Directors has recommended payment of dividend @ 5% (₹ 0.50) per equity share on the paid-up share capital of the company for the financial year 2016-17 subject to approval of members at the ensuing Annual General Meeting.



Particulars	Amount in ₹	
	As at 31st March 2017	As at 31st March 2016
NOTE 3		
RESERVES AND SURPLUS		
Capital Reserve on Amalgamation	11,65,345	11,65,345
Capital Reserve	14,80,00,000	14,80,00,000
Capital Reserve on consolidation		
Opening Balance	19,41,99,956	74,54,693
Add : Adjustment on disposal [Refer Note 11(a to c)]	(17,86,71,663)	18,67,45,263
Closing Balance	1,55,28,293	19,41,99,956
Securities Premium		
Opening Balance	59,00,00,000	35,00,00,000
Add : Received on shares issued	–	24,00,00,000
Closing Balance	59,00,00,000	59,00,00,000
General Reserve	22,88,636	22,88,636
Surplus in Statement of Profit and Loss		
Opening Balance	8,32,48,977	26,29,14,593
Add : Profit for the year transferred from Statement of Profit and Loss	(6,85,71,322)	(15,10,80,675)
Less : Appropriations		
Proposed Dividend on Equity shares [Dividend per share ₹ 0.50/-]	–	2,37,50,000
Tax on Dividend	–	48,34,941
Balance at the end of the year	1,46,77,655	8,32,48,977
Total	77,16,59,929	1,01,89,02,914

NOTE 4

LONG-TERM BORROWINGS

(a) Secured

Term Loan from Indian Renewable Energy Development Agency Ltd. (IREDA)
[Refer Note 4(i)(a) & (b) below]

83,89,99,878 83,89,99,878

(b) Unsecured (Refer Note 4(ii) below)

Loan from Related Parties

From Bodies Corporate (Refer Note 33)

18,49,50,000 12,00,00,000

Loan from Others

From Bodies Corporate

23,22,53,657 22,25,00,000

1,25,62,03,535 1,18,14,99,878

Terms of Repayment

4.(i) Secured

a) Secured by all the immovable and movable assets/properties, both present and future, wherever situated, pertaining to the 15 MW Karikayam SHP of the company and charge on the entire receivables of the 6 MW Harangi - II SHP of the holding company. The holding company has pledged 3,00,00,000 equity shares and 2,20,00,000 preference shares of the company and has given corporate guarantee in respect of the aforesaid loan.

b) As on the balance sheet date, the subsidiary has defaulted in repayment of principal amount for the following installments :

Repayment Date	Amount in ₹	
	As at 31st March 2017	As at 31st March 2016
31st December 2015	–	2,37,50,000
31st March 2016	–	2,37,50,000



Particulars	Amount in ₹	
	As at 31st March 2017	As at 31st March 2016
However, the above due dates for repayment were revised subsequent to the previous year end. There has been a further revision in due dates for repayment during the year as given in (c) below.		
Further, as on the balance sheet date, the subsidiary has defaulted in payment of interest amount of ₹ 2,52,61,341/- payable on 31st March 2017 pertaining to the last quarter of the financial year. However out of the aforesaid amount ₹ 2,12,89,356 /- has been paid subsequent to the year end.		
c) The loan of ₹ 95 crores [Outstanding Balance as on 31st March 2017 ₹ 90,24,99,878 /- (Including ₹ 6,35,00,000/- under other current liabilities as current maturities of long term debt)] is repayable in 12 years beginning with installment of ₹ 2,41,00,000/- with effect from 30th September 2017 and thereafter equal quarterly instalments of ₹ 1,97,00,000 w.e.f 31st December 2017. Interest rate as on 31st March 2017 is 12.70%.		
Maturity Profile of the principal amount		
2016-17	–	6,35,00,000
2017-18	6,35,00,000	7,88,00,000
2018-19	7,88,00,000	7,88,00,000
2019-20	7,88,00,000	7,88,00,000
2020-21	7,88,00,000	7,88,00,000
2021-22	7,88,00,000	7,88,00,000
2022-23	7,88,00,000	7,88,00,000
2023-24	7,88,00,000	7,88,00,000
2024-25	7,88,00,000	7,88,00,000
2025-26	7,88,00,000	7,88,00,000
2026-27	7,88,00,000	7,88,00,000
2027-28	7,88,00,000	5,09,99,878
2028-29	5,09,99,878	–
Total	90,24,99,878	90,24,99,878

4.(ii) Unsecured

These loans are repayable in the financial year 2018-19. Rate of Interest, wherever applicable, is 12%.

NOTE 5

LONG TERM PROVISIONS

Provision for Employee Benefits

Provision for Leave Encashment	27,48,000	42,23,000
Provision for Gratuity	–	15,58,000
	27,48,000	57,81,000

NOTE 6

SHORT-TERM BORROWINGS

(Repayable on Demand)

(a) Secured

Cash Credit from Bank (*)	9,66,41,776	6,31,55,932
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(b) Unsecured

Loan from Bodies Corporate	92,59,768	–
	10,59,01,544	6,31,55,932

(*) Secured by hypothecation of entire stocks and other movables of the company including all movable Plant and Machinery, Furniture and Fixtures, Vehicles, Computers and other accessories etc. stored or to be stored, at the premises / godowns of the company's contract division and also all present and future book debts, outstanding monies, receivables, claims, bills etc. and equitable mortgage of immovable properties at 9MW Harangi Hydro Electric Project.



Particulars	Amount in ₹	
	As at 31st March 2017	As at 31st March 2016
NOTE 7		
TRADE PAYABLES		
Payables for goods and services		
– Dues to Micro and Small Enterprises	–	–
– Dues to Others (*)	31,55,64,229	25,75,29,841
	<u>31,55,64,229</u>	<u>25,75,29,841</u>

(*) Includes ₹ 92,243/- (Previous Year ₹ NIL/-) payable to related parties (Refer Note 33).

- a) The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under the Act has not been given.
- b) Payables for goods and services includes acceptances amounting to ₹ 18,09,06,500 /- (Previous year ₹ 10,00,75,310/-).

NOTE 8

OTHER CURRENT LIABILITIES

Current maturities of long-term debt: TERM Loan from IREDA [Refer Note 4(i)(a) & (c)]	6,35,00,000	6,35,00,000
Interest accrued and due on borrowings		
– Related Parties (Refer Note 33)	4,07,57,216	2,36,26,078
– Others	4,52,56,283	78,91,395
	<u>8,60,13,499</u>	<u>3,15,17,473</u>
Interest accrued and due on others	1,57,63,471	1,23,32,447
Unpaid Dividends [Refer (b) below]	6,95,657	7,20,663
Payable towards purchase of Investments	42,78,81,369	19,86,81,369
Advance against sale of Investments	16,00,00,000	10,00,00,000
Advance against sale of Investments (Secured) [Refer (a) below]	54,000	–
Advance from customers	6,66,80,341	4,69,90,885
Capital Vendors	56,06,446	75,47,830
Statutory Payables	95,28,344	2,14,50,361
Other Payables	1,69,037	1,64,797
	<u>83,58,92,164</u>	<u>48,29,05,825</u>

- a) Advance received against pledge of 2,700 (out of 5,100) equity shares held in Eastern Ramganga Valley Hydel Projects Company Private Limited and 2,700 (out of 5,100) equity shares held in Sarju Valley Hydel Projects Company Private Limited with other investors of these subsidiaries till transfer of pledged shares as per agreement mentioned in Note 11(a).
- b) As at the year end there are no amounts due for payment to the Investor Education and Protection Fund u/s 125 of the Companies Act 2013.

NOTE 9

SHORT TERM PROVISIONS

Provision for Employee benefits

Provision for Leave Encashment	18,91,000	8,35,000
Others		
Provision for Proposed Dividend	–	2,37,50,000
Provision for Dividend Distribution Tax	–	48,34,941
	<u>18,91,000</u>	<u>2,94,19,941</u>



**NOTE 10
FIXED ASSETS**

Name of the Assets	Gross Block			Depreciation/ Amortization			Net Block			
	Cost as at 31.03.2016	Additions	Deduction	Cost as at 31.03.2017	As at 31.03.2016	During the year	Deductions/ Adjustments	Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
(A) Tangible Assets										
Freehold Land	7,32,17,053	-	-	7,32,17,053	-	-	-	-	7,32,17,053	7,32,17,053
Leasehold Land (Note a & b)	-	-	-	-	-	-	-	-	-	-
Buildings and Roads (Note f)	47,32,23,609	-	-	47,32,23,609	10,40,81,516	2,58,36,996	-	12,99,18,512	34,33,05,097	36,91,42,093
Plant & Equipment (Note f, g and h)	1,01,34,67,165	1,33,64,257	-	1,02,68,31,422	32,90,57,778	3,30,64,097	8,66,090	36,12,55,785	66,55,75,637	68,49,16,399
Hydraulic Works (Note f)	89,43,85,311	-	-	89,43,85,311	20,86,09,269	2,72,29,850	617	23,58,38,502	65,85,46,809	68,57,76,042
Transmission Lines, Transformers, Cable										
Network etc (Note c and f)	10,56,02,233	-	-	10,56,02,233	4,23,33,643	29,20,364	(1,17,852)	4,53,71,859	6,02,30,374	6,32,68,590
Office Equipment	1,21,07,594	3,62,969	-	1,24,70,563	1,05,27,406	6,99,547	-	1,12,26,953	12,43,610	10,73,177
Furniture and Fixtures	1,81,95,663	66,100	-	1,82,61,763	1,36,75,147	12,96,513	-	1,49,71,660	32,90,103	45,20,517
Motor Vehicle	3,57,25,271	-	-	3,57,25,271	3,05,18,220	16,84,009	-	3,22,02,229	35,23,042	52,07,051
Windmill (Note d)	18,47,67,000	-	-	18,47,67,000	7,43,82,295	79,10,986	-	8,22,93,281	10,24,73,719	11,03,84,705
Total (A)	2,81,06,90,899	1,37,93,326	-	2,82,44,84,225	81,31,85,274	10,06,42,362	7,48,855	91,30,78,781	1,91,14,05,444	1,99,75,05,629
(B) Intangible Assets										
Computer Software	31,36,132	-	-	31,36,132	25,59,308	1,70,104	-	27,29,412	4,06,720	5,76,824
Goodwill	1,41,448	-	-	1,41,448	1,41,448	-	-	1,41,448	-	-
Unclassified Land & Site	9,06,79,500	-	-	9,06,79,500	2,26,40,573	90,67,950	-	3,17,08,523	5,89,70,977	6,80,38,927
Development (R&R) (Note e)										
Total (B)	9,39,57,080	-	-	9,39,57,080	2,53,41,329	92,38,054	-	3,45,79,383	5,93,77,697	6,86,15,751
Total (A+B)	2,90,46,47,979	1,37,93,326	-	2,91,84,41,305	83,85,26,603	10,98,80,416	7,48,855	94,76,58,164	1,97,07,83,141	2,06,61,21,380
Previous Year	2,90,04,45,834	76,44,852	34,42,707	2,90,46,47,979	68,23,14,211	11,03,25,677	21,13,284	79,05,26,603	2,06,61,21,380	-

Note :

- 7.21 acres of Land has been taken on lease for 40 years w.e.f. 14th July, 1999 at an annual lease rent of ₹ 72,100/-.
- 1.2 acre of Land has been taken on lease for 30 years w.e.f. 30th August, 2010 at an annual lease rent of ₹ 1,20,000/-.
- Transmission Lines, Transformers, Cable network etc. include Power Evacuating facilities put up in relation to the Hydro Electric Generating Station, which has been handed over to the Electricity Board for transmission of Electricity and maintenance thereof.
- Gross Block of Windmill includes Leasehold Land of ₹ 36,00,000 /- (Previous Year- ₹ 36,00,000/-).
- Unclassified land and site development comprises of resettlement and rehabilitation compensations (R&R) for use and submergence of adjacent areas and this has been amortised proportionately over the period of 10 years.
- Recoverable amount of fixed assets of one of the subsidiaries was estimated as at the year ended 31st March, 2014 and impairment loss of ₹ 4,80,00,000/- was recognised in the said year as impairment loss for the carrying value of the fixed assets. In absence of any indication for significant variation in the amount of impairment so recognized in the earlier years, no further adjustment in this respect has been considered necessary. The amount for impairment loss included above are :
Building and Roads ₹ 1,02,46,711/- (Previous Year ₹ 1,02,46,711/-)
Plant & Equipment ₹ 1,60,42,859/- (Previous Year ₹ 1,60,42,859/-)
Hydraulic Works ₹ 2,04,47,032/- (Previous Year ₹ 2,04,47,032/-)
Transmission lines, Transformers, Cable Network etc ₹ 12,63,398/- (Previous Year ₹ 12,63,398/-)
Includes Plant and Equipments given under operating leases [Refer Note 34 (b)]
Gross block ₹ 50,19,097/- (Previous Year ₹ 50,19,097/-)
Accumulated Depreciation ₹ 13,23,531/- (Previous Year ₹ 2,73,410/-)
Net Block ₹ 36,95,516/- (Previous Year ₹ 47,45,687/-)
- Spare parts, earlier treated as inventories under AS 2- Valuation of Inventories, and which are now required to be capitalised in accordance with AS 10- Property, Plant and Equipment, have been so capitalised at their respective carrying amounts of inventories on 1st April, 2016 and included in additions / adjustments to plant and equipment above.



Particulars	No. of Shares 31.03.2017	As at 31st March 2017 ₹	As at 31st March 2016 ₹
NOTE 11			
NON CURRENT INVESTMENTS			
(Long Term)(At cost, unless otherwise stated) (Other than trade Investments)			
Investment in Equity shares of Associate Company (Unquoted)			
(i) Arunachal Hydro Power Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 2,83,41,833/- (Previous Year ₹ NIL/-)] (Including Goodwill of ₹ NIL/-)	35,52,000	2,83,41,833	-
Less : Share of profit/(loss) in associate		(19,606)	-
Total Investment in Equity shares	(A)	2,83,22,227	-
Investment in 0.01% Non Cumulative Redeemable Preference Shares of Associate Company (Unquoted)			
(ii) Arunachal Hydro Power Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 7,92,00,000/- (Previous Year ₹ NIL/-)]	35,88,000	7,92,00,000	-
		7,92,00,000	-
Investment in 0.01% Cumulative Redeemable Preference Shares (Unquoted)			
(iii) EDCL Seppa Rieng Power Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 1,89,83,368/- (Previous Year ₹ NIL/-)]	3,50,000	1,89,83,368	-
(iv) EDCL Seppa Beyond Hydro Electric Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ NIL/-)]	4,00,000	2,17,20,000	-
(v) EDCL Seppa Dunkho Hydro Electric Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ NIL/-)]	4,00,000	2,17,20,000	-
(vi) EDCL Seppa Jung Power Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ NIL/-)]	4,00,000	2,17,20,000	-
(vii) EDCL Seppa Kawa Power Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ NIL/-)]	4,00,000	2,17,20,000	-
(viii) EDCL Seppa Lada Hydro Electric Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ NIL/-)]	4,00,000	2,17,20,000	-
(ix) EDCL Seppa Marjingla Hydro Electric Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ NIL/-)]	4,00,000	2,17,20,000	-
(x) EDCL Seppa Nire Hydro Electric Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 1,08,71,369/- (Previous Year ₹ NIL/-)]	2,00,000	1,08,71,369	-
(xi) EDCL Seppa Pachuk Power Private Limited (FV of ₹ 100/- each fully paid up) [Maximum amount during the year ₹ 2,17,20,000/- (Previous Year ₹ NIL/-)]	4,00,000	2,17,20,000	-
		18,18,94,737	-
Total Investment in Preference shares	(B)	26,10,94,737	-



Particulars	No. of Shares 31.03.2017	As at 31st March 2017 (₹)	As at 31st March 2016 (₹)
Investment in PMS (Unquoted)			
(xii) Sai Rayalaseema Paper Mills Limited (FV of ₹ 10/- each fully paid up) [Maximum amount during the year ₹ 2,28,542/- (Previous Year ₹ 2,28,542/-)]	18,810 (P.Y. 18,810)	2,28,542	2,28,542
Total Investment in PMS	(C)	2,28,542	2,28,542
	Total (A+B+C)	28,96,45,506	2,28,542
Less : Provision for Dimuinition in value of long-term investments		16,18,000	-
		28,80,27,506	2,28,542
Aggregate amount of unquoted investments		28,96,45,506	2,28,542
Aggregate provision for Dimuinition in value of long-term investments		16,18,000	-

- (a) In terms of agreement dated 9th November, 2015, 76% of the Company's investment in various wholly owned subsidiaries undertaking hydel power plants in the State of Arunachal Pradesh and Uttarakhand having aggregate capacity of 660 MW approximately (herein after collectively referred to as "Undertakings"), were proposed to be transferred to another strategic investor and accordingly, certain investments in equity shares of these subsidiaries and preference shares have been transferred to the said investor and consequently, Arunachal Hydro Power Limited (undertaking in the state of Arunachal Pradesh) has ceased to be a subsidiary of the company and it has become an associate of the Company with effect from 28th March, 2017. Remaining amount of investment to the extent of ₹ 13,82,40,000/- [included (iii) to (xi) above], out of the said 76% holding of the Company will be further transferred to the said investor in due course of time. In terms of the above, company's investment of ₹ 15,11,76,964/- as on 31st March, 2017 representing 24% in the associate implementing the above projects, being long term and strategic in nature, no dimuinition in the value thereof is expected to arise in this respect.
- (b) Consequent to transfer of company's investment in Arunachal Hydro Power Limited as given in (a) above, necessary adjustments in terms of AS-21 and AS-23 has been given in these consolidated financial statements. Profit of ₹ 2,31,84,851/- associated with the loss of control has been recognised and included in exceptional items. Accordingly, the assets and liabilities of the said subsidiary and related capital reserve on consolidation (₹ 15,31,05,263/-) has been derecognised from the Consolidated Financial Statements. In view of disposal of the investment in the aforesaid subsidiary, the figures of consolidated financial statements for the year are not comparable with corresponding figures of the previous year.
- (c) Consequent to part transfer of company's investment in undertakings in Uttarakhand as given in (a) above, profit of ₹ 98,000/- associated with the part disposal of investment has been recognised and included in exceptional items and related capital reserve on consolidation (₹ 2,55,66,400/-) has been derecognised from the Consolidated Financial Statements.
- (d) In pursuance of Section 187(2)(c) of the Companies Act, 2013, investments purchase [mentioned in (iii) to (xi)] by the Company are still lying in the name of transferor for want of performance of obligation undertaken by the Company, as per agreement entered with the seller.



Particulars	Amount in ₹	
	As at 31st March 2017	As at 31st March 2016
NOTE 12		
DEFERRED TAX ASSETS (NET)		
Deffered Tax Assets (Net)	2,02,69,252	25,37,234
	<u>2,02,69,252</u>	<u>25,37,234</u>
(*) BREAK UP		
Deferred Tax Assets		
Expenses allowable on payment basis	40,87,761	33,55,685
Provision on assets	6,61,701	3,95,641
Depreciation Difference	1,55,19,790	-
Unabsorbed depreciation difference	-	23,959
Deferred Tax Liabilities		
Depreciation Difference	-	(12,38,051)
	<u>2,02,69,252</u>	<u>25,37,234</u>

a) For certain subsidiaries, in absense of virtual certainty, deferred tax assets have not been recognised except to the extent of deferred tax liability, if any.

NOTE 13

LONG TERM LOANS AND ADVANCES

(Unsecured, considered good)

Capital Advances	-	4,50,580
Security Deposits/Retention money with customers	1,41,65,051	1,33,90,124
Other Security Deposits	40,30,719	40,30,719
Loan to Associate (*) (**)	6,88,71,755	-
Advance Income Tax & Fringe Benefit Taxes (net of provisions)	4,41,44,833	5,55,68,214
MAT Credit Entitlement	3,27,15,860	3,80,15,860
Receivable from Gratuity Fund	8,91,000	-
Other Advances	1,44,800	3,31,800
	<u>16,49,64,018</u>	<u>11,17,87,297</u>

(*) Particulars of loans to Associate

Arunachal Hydro Power Limited		
[Maximum amount during the year ₹6,88,71,755 /- (P.Y ₹ NIL/-)]	6,88,71,755	-
	<u>6,88,71,755</u>	<u>-</u>

(**) Loan to associate company have been given for business purposes. It is repayable in FY 2018-19.

NOTE 14

OTHER NON CURRENT ASSETS

Other bank balances

- on Margin Money Accounts [Refer Note 17] (*) (with more than 12 months maturity)	2,47,500	2,47,500
	<u>2,47,500</u>	<u>2,47,500</u>

(*) Security deposit with authorities



Particulars	As at 31st March 2017	Amount in ₹ As at 31st March 2016
NOTE 15		
INVENTORIES		
(At Lower of Cost and Net Realisable Value)		
(As taken, valued and certified by the management)		
Contract work-in-progress	91,97,042	94,57,791
Goods in transit (*)	2,69,663	14,88,886
Stores, Spares and Consumables	29,53,146	1,28,93,991
	<u>1,24,19,851</u>	<u>2,38,40,668</u>
(*) Under Broad Heads		
Steel	–	14,88,886
Machinery Spares and Parts	2,69,663	–
	<u>2,69,663</u>	<u>14,88,886</u>
NOTE 16		
TRADE RECEIVABLES		
(Unsecured, considered good)		
Outstanding for a period of more than six months	33,49,40,531	5,37,78,225
Other Debts	12,02,95,164	28,84,96,931
	<u>45,52,35,695</u>	<u>34,22,75,156</u>
(Unsecured, considered doubtful)		
Outstanding for a period of more than six months	12,80,391	12,80,391
Less : Provision for bad & doubtful debt	12,80,391	12,80,391
	<u>–</u>	<u>–</u>
	<u>45,52,35,695</u>	<u>34,22,75,156</u>
– Trade receivables in respect of sale of power from generation by 6MW Harangi-II SHP are subject to a charge in favour of lenders of one of the subsidiaries.		
NOTE 17		
CASH AND BANK BALANCES		
Cash and cash equivalents		
– Balance with Banks on Current Accounts	1,57,92,801	4,99,04,006
– Cash on hand	2,08,703	12,13,472
	<u>1,60,01,504</u>	<u>5,11,17,478</u>
Other bank balances		
– on Unpaid Dividend Account	6,95,657	7,20,663
– on Margin Money Accounts (*) (with less than 12 months maturity)	5,69,30,474	3,92,30,000
	<u>5,76,26,131</u>	<u>3,99,50,663</u>
	<u>7,36,27,635</u>	<u>9,10,68,141</u>

(*) Margin money are deposited with banks against bank guarantees and letters of credit issued.



Particulars	Amount in ₹	
	As at 31st March 2017	As at 31st March 2016
NOTE 18		
SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Advance to suppliers	1,87,14,308	1,95,79,622
Prepaid expenses	39,27,158	45,19,552
Balance with Government authorities	1,80,946	28,00,000
Security Deposit	27,73,016	27,23,016
Other Advances (*)	22,26,133	42,61,487
	<u>2,78,21,561</u>	<u>3,38,83,677</u>

(*) Includes ₹ 3,194 /- (Previous Year ₹ 75,643/-) recoverable from other related parties (Refer Note 33).

NOTE 19

OTHER CURRENT ASSETS

(Unsecured, considered good)

Receivable against Sale of Shares	60,62,11,600	–
Interest Receivable	62,61,737	54,14,719
	<u>61,24,73,337</u>	<u>54,14,719</u>
	Year ended 31st March 2017	Year ended 31st March 2016

NOTE 20

REVENUE FROM OPERATION

Sale of Products

– Hydro Power [Refer (b) below]	20,83,54,263	23,16,17,267
– Wind Power	2,17,65,096	1,77,61,423
– Construction Contracts	4,32,32,883	7,79,78,956
– Traded Goods (*)	83,04,40,675	57,64,45,001
	<u>1,10,37,92,917</u>	<u>90,38,02,646</u>
Sale of Services (**)	5,02,27,000	60,12,44,094
Less : Service Tax	–	1,05,39,803
	<u>5,02,27,000</u>	<u>59,07,04,291</u>
	<u>1,15,40,19,917</u>	<u>1,49,45,06,937</u>

(a) Total number of the units generated and sold (In million units)

– Hydro power	60.32 m.u.	66.38 m.u.
– Wind power	6.39 m.u.	5.22 m.u.

(b) In respect of one of the subsidiaries, the power purchase agreement (PPA) with the Kerala State Electricity Board (KSEB) was signed as approved by Kerala State Electricity Regulatory Commission (KSERC) in earlier years. However, the tariff has been provisionally approved @ ₹ 4.16 per unit subject to determination of cost of projects and Capacity Utilisation Factor (CUF). Necessary adjustments, if any, arising out of variation in tariff shall be carried out on finalisation of approval thereof.

(*) Under Broad Heads

Tin Metals	26,67,93,618	–
Solar Photovoltaic Module	56,36,47,057	57,64,45,001
	<u>83,04,40,675</u>	<u>57,64,45,001</u>

(**) Under Broad Heads

Civil Work	5,02,27,000	59,07,04,291
	<u>5,02,27,000</u>	<u>59,07,04,291</u>



Particulars	Year ended 31st March 2017	Amount in ₹ Year ended 31st March 2016
NOTE 21		
OTHER INCOME		
Profit on Sale of Fixed Assets	–	55,654
Interest Income	51,33,038	68,45,534
Insurance Claim	9,23,628	1,29,000
Rental Income on Plant & Equipment [Refer Note 34(b)]	3,00,000	1,50,000
Liability no longer required written back	53,123	4,22,36,051
Miscellaneous Income	–	1,005
	<u>64,09,789</u>	<u>4,94,17,244</u>
Less : Transferred to Capital Work in Progress	–	4,21,98,205
	<u>64,09,789</u>	<u>72,19,039</u>
NOTE 22		
COST OF MATERIALS CONSUMED (*) (**)		
Cost of Material Consumed	<u>2,88,38,274</u>	<u>3,80,90,227</u>
	<u>2,88,38,274</u>	<u>3,80,90,227</u>
(*) Under Broad Heads		
Steel	80,14,038	1,62,08,906
Cement	47,86,636	35,48,559
Aggregate	79,24,294	70,76,360
Concrete	35,37,240	62,86,200
Bearings	32,33,135	6,33,163
Others	13,42,931	43,37,039
	<u>2,88,38,274</u>	<u>3,80,90,227</u>
(**) The entire consumption is out of indigenous supplies		
NOTE 23		
PURCHASE OF STOCK-IN-TRADE (*)		
Purchase of Stock-in-Trade	<u>82,04,81,291</u>	55,03,96,687
	<u>82,04,81,291</u>	<u>55,03,96,687</u>
(*) Under Broad Heads		
Tin Metals (Imported)	26,45,57,931	–
Solar Photovoltaic Module (Indigenous)	55,59,23,360	55,03,96,687
	<u>82,04,81,291</u>	<u>55,03,96,687</u>
NOTE 24		
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening stock of Contract Work-in-Progress	94,57,791	2,09,71,969
Less : Closing stock of Contract Work-in-Progress	<u>91,97,042</u>	<u>94,57,791</u>
	<u>2,60,749</u>	<u>1,15,14,178</u>
NOTE 25		
EMPLOYEE BENEFIT EXPENSES		
Salaries & Wages	4,51,37,064	5,17,97,772
Contribution to Provident and Other Funds	3,52,133	17,28,409
Staff Welfare Expenses	46,71,704	51,25,519
	<u>5,01,60,901</u>	<u>5,86,51,700</u>



Particulars	Amount in ₹	
	As at 31st March 2017	As at 31st March 2016

EMPLOYEES BENEFITS

The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006 (AS-15), are given below :

(i) Defined Contribution Scheme

Contribution to Defined Contribution Plan, recognized for the year are as under :
Employer's Contribution to Provident Fund ₹ 2,24,792/- (Previous year ₹ 2,43,378/-)
Employer's Contribution to Pension Fund ₹ 5,10,170/- (Previous year ₹ 5,52,053/-)

(ii) Defined Benefit Scheme

The employee's gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for Leave Encashment is recognized in the same manner as gratuity.

(₹ in lacs)

	Particulars	Gratuity (Funded)		Leave Encashment (Non-Funded)	
		2016-2017	2016-2017	2015-2016	2015-2016
	Expenses Recognized in the Statement of Profit & Loss				
1	Current Service Cost	10.68	7.25	13.52	9.15
2	Interest Cost	6.97	3.27	7.62	3.65
3	Expected return on plan assets	(6.72)	-	(7.02)	-
4	Actuarial Losses / (Gains)	(15.38)	(6.97)	(5.48)	(8.03)
	Total Expenses	(4.45)	3.55	8.64	4.77
	Change in the obligation during the year				
1	Present value of Defined Benefit Obligation at the beginning of the year	108.21	50.57	97.54	47.81
2	Current Service Cost	10.68	7.25	13.52	9.15
3	Interest Cost	6.97	3.27	7.62	3.65
4	Acquisition Adjustment	(20.03)	(8.86)	(5.38)	0.01
5	Benefit Paid	-	(0.63)	-	(2.01)
6	Actuarial (Gains) / Losses	(15.17)	(6.97)	(5.09)	(8.04)
7	Present value of Defined Benefit Obligation at the end of the year	90.66	44.63	108.21	50.57
	Change in Assets during the year ended March 31, 2017				
1	Plan Assets at the beginning of the year	92.64	-	66.77	-
2	Contribution by Employer	-	-	-	-
3	Acquisition Adjustments	-	-	(4.59)	-
4	Expected return on plan assets	6.72	-	7.02	-
5	Actual Company Contribution	-	-	23.05	-
6	Benefit Paid	-	-	-	-
7	Actuarial Gains / (Losses)	0.21	-	0.39	-
	Plan Assets at the end of the year	99.57	-	92.64	-
	Reconciliation of Net Asset / (Liability) recognised in the Balance Sheet during the year ended March 31, 2017				
1	Net Asset / (Liability) at beginning of the year	(15.57)	(50.57)	(30.77)	(47.81)
2	Acquisition	20.03	8.86	0.79	-
3	Employer (Expenses)/Credit	4.45	(3.55)	(8.64)	(4.77)
4	Employer Contributions	-	0.63	23.05	2.01
5	Net Asset / (Liability) at the end of the year	8.91	(44.63)	(15.57)	(50.57)
	Actuarial Assumptions				
1	Discount Rate	7.20%	7.20%	7.90%	7.90%
2	Expected Rate of Return on Plan Assets	9.00%	Not Applicable	9.00%	Not Applicable
3	Rate of Salary Increases	7.00%	7.00%	10.00%	10.00%



(iii) Disclosure in terms of Para 120(n) of AS 15

(₹ in lacs)

	Particulars	Gratuity (Funded)				
		2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
1	Present value of defined benefit obligations	(90.66)	(108.21)	(97.54)	(72.88)	(70.40)
2	Fair value of plan assets	99.57	92.64	66.77	64.51	54.95
3	Surplus/(Deficit)	8.91	(15.57)	(30.77)	(8.37)	(15.45)
4	Experience adjustment on plan liabilities (loss)/gain	(7.14)	3.48	5.48	6.03	3.95
5	Experience adjustment on plan assets (loss)/gain	0.21	0.39	(0.01)	(0.34)	(0.16)
6	Actuarial Gain / (Loss) due to change in assumptions	22.31	1.61	(11.22)	-	-

(iv) Details of Plan assets

(₹ in lacs)

	Gratuity (Funded)	
	2016-2017	2015-2016
Other assets including under scheme of insurance	100%	100%
Actual return on plan assets	6.93	7.41

Notes :

- Assumptions related to future salary increases, attrition, interest rate for discount and overall expected rate of return on Assets have been considered based on relevant economic factors such as inflation, market growth and other factors applicable to the period over which the obligation is expected to be settled.
- Acquisition adjustment represents amount in respect of certain employees transferred into / transferred from the group.
- The expected contribution to the fund by the group during the year 2017-18 is yet to be determined.

Particulars	Amount in ₹	
	Year ended 31st March 2017	Year ended 31st March 2016
NOTE 26		
FINANCE COSTS		
Interest Expenses		
– Cash Credit	1,06,75,345	92,40,825
– Term Loan	11,91,87,235	12,35,94,673
– On Other Borrowings	4,73,69,557	5,64,21,367
– On Others	34,82,047	34,91,633
	<u>18,07,14,184</u>	<u>19,27,48,498</u>
Other Borrowing Costs	56,51,249	42,64,224
	<u>18,63,65,433</u>	<u>19,70,12,722</u>

NOTE 27

OTHER EXPENSES

Payment to Auditors (excluding Service tax):

– As Auditors	7,41,576	7,30,000
– For Taxation matters	2,10,000	2,10,000
– Other Services	4,00,000	2,40,000
Cost of Power Purchased	24,86,948	24,36,264
Stores and Spares consumed (*)	25,75,982	27,38,712
Discount & Rebate	38,42,549	45,18,178
Rent [Refer Note 34 (a)]	1,48,76,192	1,08,61,394
Repairs & Maintenance :		
– Plant & Machinery	3,30,00,762	1,83,05,065
– Others	51,71,313	48,42,015
Rates & Taxes	2,29,15,003	2,18,87,780
Travelling & Conveyance Expenses	64,35,468	1,08,39,667



Particulars	Amount in ₹	
	Year ended 31st March 2017	Year ended 31st March 2016
Insurance	24,29,689	28,36,032
Legal & Professional charges	1,52,82,239	4,36,76,086
Security Services	30,07,145	27,89,404
Project Development Expenses	1,95,793	1,93,930
Telephone, Fax, Postal etc.	18,69,673	26,14,692
Bad Debts & Irrecoverable balance written off	3,038	12,45,237
Fixed Asset Scrapped	-	39,172
Preoperative Expenses written off	-	53,98,518
Provision for diminution in value of long-term investments	16,18,000	-
Miscellaneous Expenses (**)	1,26,71,369	1,13,99,968
	<u>12,97,32,739</u>	<u>14,78,02,114</u>

(*) Value of consumption of stores and spare parts:

(i) The entire consumption is out of indigenous supplies.

(ii) Consumption as above includes ₹ NIL/- (Previous year ₹ 6,48,173 /-) on account of amortisation of spares.

(iii) Stores and Spare parts included in inventory are largely consumed as replacements and hence their consumption may not be comparable on a year on year basis.

(**) Includes Net (Gain) / Loss on foreign exchange transactions (-) ₹ 643,759/- (Previous Year ₹ 748,027/-)

Particulars	Amount in ₹	
	As at 31st March 2017	As at 31st March 2016

NOTE 28

CONTINGENT LIABILITIES AND COMMITMENTS

(To the extent not provided for)

Contingent Liabilities

a) Claims against the company not acknowledged as debts

i) Income Tax matters under disputes and pending in appeal

6,03,40,939 3,66,96,131

ii) Sales Tax matters under disputes and pending in appeal

22,52,013 1,44,33,700

iii) Service Tax matters under disputes and pending in appeal

15,41,477 -

The Company's pending litigation comprise of proceedings with income tax, sales tax and service tax authorities. The company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The company does not expect the outcome of these proceedings to have material impact on its financial position. Future cash outflows if any in respect of (i) to (iii) above are dependent upon the outcome of the decision/judgements.

b) Bank guarantees given

6,32,70,000 8,79,27,677

Commitments

a) Estimated amount of contracts remaining to be executed on capital account (net of advances)

- 5,51,36,888

NOTE 29

CAPITAL WORK IN PROGRESS

Capital Work in Progress	46,93,90,905	2,44,17,91,017
	<u>46,93,90,905</u>	<u>2,44,17,91,017</u>



- a) Project survey, geological investigation and formulation of Detailed Project Report (DPR) and other allied works are under progress in respect of the projects in Uttarakhand. Pending completion of transfer formalities of undertakings in Uttarakhand as stated in Note 11(a), approval of DPR and determination of viability thereof, administrative and other expenses including finance cost incurred by the Uttarakhand subsidiaries aggregating to ₹ 2,971.24 lacs as on 31st March, 2017 are being carried forward as pre-operative expenses under Capital Work in Progress in the financial statements of these subsidiaries. Adjustments in this respect or allocation thereof to the project cost etc. will be carried out on determination of implementation status of the project and impact on this as such is presently not ascertainable.
- b) Capital work-in-progress includes :
- machinery in stock, inventory of construction / erection materials etc.
 - pre-operative expenditure incurred during implementation of project in terms of (a) above.
 - pre-operative expenditure incurred during IInd Phase of an existing power plant of one of the subsidiaries.

Particulars	Amount in ₹	
	As at 31st March, 2017	As at 31st March, 2016
Balance brought forward	2,30,43,56,953	2,30,72,89,498
Salaries and Wages	55,05,208	1,54,07,873
Rent	4,48,907	21,94,654
Rates and Taxes	71,592	16,32,076
Legal and Professional Charges	39,68,750	1,19,65,580
Travelling and Conveyance Expenses	10,57,495	44,90,034
Interest on Term Loan	-	62,68,743
Other Borrowing Cost	-	8,47,264
Project Development Expenses	83,671	1,93,930
Service Charges	3,23,288	-
Miscellaneous Expenses	5,14,210	16,64,024
Total	2,31,63,30,074	2,35,19,53,676
Less : Liability no longer required written back	-	4,21,98,205
Less : Pre Operative Expenses written off	-	53,98,518
Less : Sale of Subsidiaries [Refer Note 11(a & b)]	2,01,02,20,900	-
Balance Carried forward	30,61,09,174	2,30,43,56,953

NOTE 30

CONSTRUCTION CONTRACTS DISCLOSURES

a)	Particulars	2016-17 (₹)	2015-16 (₹)
i)	Contract revenue recognised as revenue in the period	4,32,32,883	7,79,78,956
ii)	Contract costs incurred upto the reporting date	53,01,95,695	47,79,49,408
iii)	Advances received	2,69,90,635	2,69,90,635
iv)	Retention money with customers	1,41,65,051	1,33,90,124
v)	Gross amount due from customers for contract work	9,76,35,555	9,16,13,941

- b) In case of long term contracts in operation, the foreseeable losses if any are recognised based on the management's estimation of percentage of completion and cost involved thereagainst.

NOTE 31

SEGMENT REPORTING

Segments have been identified in line with the Accounting Standards AS-17 taking into account the organization structure as well as the differencing risk and return. The Company's business segment comprises of (1) Generating Division - Generation and sale of electricity (2) Contract Division - Construction development, implementation, operation & maintenance of projects and consultancies (3) Trading Division - Trading of Power equipments, metals etc. These have been identified by the type of their respective sales and services rendered.

Particulars	Amount in ₹							
	Generating Division		Contract Division		Trading Division		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Revenue:								
External sales (*)	23,01,19,359	24,93,78,690	9,34,59,883	66,86,83,247	83,04,40,675	57,64,45,001	1,15,40,19,917	1,49,45,06,937
Result:								
Segments	7,97,32,987	5,49,31,849	52,51,350	1,70,47,285	33,57,801	2,57,28,813	8,83,42,138	9,77,07,947
Less: Interest and Finance Charges	-	-	-	-	-	-	18,63,65,433	18,98,96,715
Less: Other common expenses (net)	-	-	-	-	-	-	(3,03,39,561)	5,37,87,206
Total Profit Before Tax	-	-	-	-	-	-	(6,76,83,734)	(14,59,75,974)
Provisions For Tax	-	-	-	-	-	-	8,67,982	51,04,690
Profit After Tax	-	-	-	-	-	-	(6,85,51,716)	(15,10,80,664)
Share of profit/(loss) in associates	-	-	-	-	-	-	(19,606)	-
Profit/(Loss) for the year	-	-	-	-	-	-	(6,85,71,322)	(15,10,80,664)
Assets and Liabilities as at the year end:								
Segments Assets	2,53,80,29,937	4,55,60,07,875	22,37,83,250	20,89,25,912	25,02,93,565	17,64,45,001	3,01,21,06,752	4,94,13,78,788
Unallocable Corporate Assets	-	-	-	-	-	-	1,08,31,53,649	17,78,16,543
TOTAL	-	-	-	-	-	-	4,09,52,60,401	5,11,91,95,331
Segments Liabilities	1,36,68,13,231	1,28,03,50,726	13,12,06,334	16,85,76,132	22,92,03,319	12,90,44,037	1,72,72,22,885	1,57,79,70,895
Unallocable Corporate Liabilities	-	-	-	-	-	-	79,09,77,586	44,23,21,522
TOTAL	-	-	-	-	-	-	2,51,82,00,471	2,02,02,92,417
Particulars	Generating Division		Contract Division		Trading Division		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Capital expenditure for the segment	36,60,754	9,03,320	-	-	-	-	36,60,754	9,03,320
Unallocable Corporate Capital Expenditure	-	-	-	-	-	-	97,500	67,41,532
Total Capital Expenditure	-	-	-	-	-	-	37,58,254	76,44,852
Depreciation and amortisation for the segment	10,29,04,719	10,33,38,403	23,89,390	32,64,924	-	-	10,52,94,109	10,66,03,327
Unallocable Depreciation and amortisation	-	-	-	-	-	-	38,37,452	37,22,350
Total depreciation and amortisation	-	-	-	-	-	-	10,91,31,561	11,03,25,677
Non cash expenditure, other than depreciation and amortisation for the segment	1,010	10,26,526	2,000	50,610	-	-	3,010	10,77,136
Unallocable non cash expenditure, other than depreciation and amortisation	-	-	-	-	-	-	16,18,028	62,53,964
Total non cash expenditure, other than depreciation and amortisation	-	-	-	-	-	-	16,21,038	73,31,100

(a) Revenue and expenses have been identified to segment on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relates to enterprise as a whole and not allocable to segment on a reasonable basis have been included under the head other common expenses.

(b) As the company operates entirely in India no secondary segment has been identified for the above purpose.



NOTE 32

(A) EXPORT OF GOODS (EARNINGS IN FOREIGN CURRENCY) :

Particulars	2016-17 (₹)	2015-16 (₹)
Sale of traded goods	26,67,93,618	–

(B) VALUE OF IMPORTS (PAYMENT IN FOREIGN CURRENCY) :

Particulars	2016-17 (₹)	2015-16 (₹)
Purchase of Stock in Trade	26,45,57,931	–

(C) OTHER EXPENDITURE IN FOREIGN CURRENCY :

Particulars	2016-17 (₹)	2015-16 (₹)
Travelling & Conveyance Expenses	1,32,614	5,79,682
Legal & Professional Charges	–	51,31,959

(D) UNHEDGED FOREIGN CURRENCY EXPOSURE OF THE COMPANY AS AT THE YEAR END :

Particulars	Amount in foreign currency	
	31st March 2017	31st March 2016
Payables		
– Imports		
EURO	80,784	80,784
USD	16,660	16,660
Receivables		
USD	31,726	–

NOTE 33

RELATED PARTY DISCLOSURES PURSUANT TO ACCOUNTING STANDARD - 18

(A) Key Management Personnel and their relative	
	Sanjiv Saraf (Executive Director)
	Indira Saraf (Wife of the Executive Director)
(B) Associate Companies	
1.	Arunachal Hydro Power Limited (w.e.f 28th March, 2017) [Refer Note 11(a) & (b)]
(C) Individuals having significant influence directly or indirectly (Promoter and their relatives)	
	Amar Singh (Non Executive Chairman)
	Pankaja Kumari Singh (Wife of the Non Executive Chairman)
(D) Enterprises over which individuals mentioned in (C) above exercises significant influence	
1.	Startrack Vinimay Private Limited
2.	Sarvottam Caps Private Limited



The aggregate amount of transactions with the related parties as mentioned in (A) above is as below :

Particular		2016-17 (₹)	2015-16 (₹)
Transactions during the year :			
i)	Remuneration :		
	– Sanjiv Saraf	48,20,000	48,20,000
ii)	Rent Paid (excluding service tax)		
	– Indira Saraf	10,54,200	10,54,200
Balances as at the year end :			
i)	Trade Payable		
	– Indira Saraf	92,243	–

The aggregate amount of transactions with the related parties as mentioned in (B) above is as given below :

Particulars			As at 31st March 2017 (₹)
(i)	Investment in Equity Shares of associate		
	– Arunachal Hydro Power Limited		
	Investment in associate initially recognised	2,83,41,833	
	Less: Share of Profit/(Loss) in Associates for the year	(19,606)	2,83,22,227
(ii)	Investment in Preference Shares of associate and its subsidiaries		
	– Arunachal Hydro Power Limited		7,92,00,000
(iii)	Loans given to associate		
	– Arunachal Hydro Power Limited		6,88,71,755
(iv)	Receivable towards payment of expenses on behalf of the parties		
	– Arunachal Hydro Power Limited		88
(v)	Payable towards purchase of investments		
	– Arunachal Hydro Power Limited		1,00,00,000

The aggregate amount of transactions with the related parties as mentioned in (C) above is as below :

Particular		2016-17 (₹)	2015-16 (₹)
Transaction during the year :			
i)	Rent Paid :		
	– Amar Singh	–	7,00,000
	– Pankaja Kumari Singh	–	4,20,000
ii)	Board Meeting Fees :		
	– Amar Singh	83,000	1,61,500
	– Pankaja Kumari Singh	27,000	76,500
iii)	Committee Meeting Fees :		
	– Pankaja Kumari Singh	40,000	40,000
iv)	Consideration for sale of car :		
	– Pankaja Kumari Singh (*)	–	13,45,905

(*) Profit on sale of Car ₹ 55,654 /-



The aggregate amount of transactions with the related parties as mentioned in (D) above is as given below :

Particular		2016-17 (₹)	2015-16 (₹)
Transaction during the year :			
i)	Unsecured Loan received		
	– Startrack Vinimay Private Limited	–	4,50,00,000
	– Sarvottam Caps Private Limited	6,49,50,000	12,00,00,000
ii)	Unsecured Loan repaid		
	– Sarvottam Caps Private Limited	–	30,00,00,000
iii)	Interest Expenses		
	– Startrack Vinimay Private Limited	56,50,488	9,02,466
	– Sarvottam Caps Private Limited	1,36,34,598	2,42,30,137
iv)	Interest payable written back		
	– Startrack Vinimay Private Limited	–	2,35,42,934
	– Sarvottam Caps Private Limited	–	1,86,29,997
v)	Purchase of Investments		
	– Startrack Vinimay Private Limited	14,51,33,780	34,59,33,368
	– Sarvottam Caps Private Limited	18,48,66,220	9,23,21,369
vi)	Sale of Investment		
	– Startrack Vinimay Private Limited	10,68,00,000	–
vii)	Proceed from issue of Equity Shares		
	– Startrack Vinimay Private Limited	–	4,01,50,000
	– Sarvottam Caps Private Limited	–	25,96,00,000
viii)	Expenses incurred by the company on behalf of the party		
	– Startrack Vinimay Private Limited	11,985	50,113
	– Sarvottam Caps Private Limited	11,667	25,530
ix)	Expenses Reimbursed to the company		
	– Startrack Vinimay Private Limited	60,342	–
	– Sarvottam Caps Private Limited	35,759	–
Balances as at the year end :			
i)	Unsecured Loans		
	– Startrack Vinimay Private Limited	4,50,00,000	4,50,00,000
	– Sarvottam Caps Private Limited	13,99,50,000	7,50,00,000
ii)	Interest accrued and due (Payable)		
	– Startrack Vinimay Private Limited	66,36,051	17,76,051
	– Sarvottam Caps Private Limited	3,41,21,165	2,18,50,027



Particular		2016-17 (₹)	2015-16 (₹)
iii)	Payable towards purchase of Investments		
	– Startrack Vinimay Private Limited	22,50,15,149	19,86,81,369
	– Sarvottam Caps Private Limited	18,48,66,220	–
iv)	Other Advance (Reimbursable Expenses)		
	– Startrack Vinimay Private Limited	1,756	50,113
	– Sarvottam Caps Private Limited	1,438	25,530
v)	Receivable against Sale of Shares		
	– Startrack Vinimay Private Limited	4,80,00,000	–

Notes :

- In respect of above parties, there is no provision for doubtful debts as on 31st March, 2017 and no amount has been written off or written back during the year in respect of debts due from/to them except to the extent disclosed above.
- The above Related Party information is as identified by the Management and relied upon by the auditors.

NOTE 34

OPERATING LEASES

a) As a lessee

The group has taken several premises under cancellable operating leases. The lease term is upto 5 years and have the option of renewal on expiry of the lease period based on mutual agreement of both the parties. Certain lease arrangements have been terminated during the year based upon mutual agreement of both the parties. Rental expenses towards cancellable operating lease charged to statement of profit and loss amounts to ₹ 1,32,58,000/- (Previous year ₹ 81,44,900/-). The aggregate lease rentals are included as “Rent” in Note 27 of the financial statement.

The Company has taken certain machineries under cancellable operating leases. The lease term has an option of renewal on expiry of the lease period based on the mutual agreement of both the parties. The lease arrangement has been terminated during the year based upon mutual agreement of both the parties. Rental expenses towards such cancellable operating lease charged to statement of profit and loss amounts to ₹ 5,40,000/- (Previous Year ₹ 7,20,000/-) and has been disclosed as “Rent” in Note 27 of the financial statement.

b) As a lessor

The group has given certain plant & equipments under cancellable operating leases. The Lease term had an option of renewal on expiry of the lease period based on the mutual agreement of both the parties.

NOTE 35

EARNING PER SHARE (EPS)

Particulars	2016-17 (₹)	2015-16 (₹)
Basic and Diluted Earnings per share has been computed as under:		
Profit/(Loss) available for Equity Shareholders	(6,85,71,322)	(15,10,80,675)
Weighted Average Number of Equity Shares issued (Nos.)	4,75,00,000	3,47,67,760
Basic & Diluted Earnings per share (Face Value ₹ 10/- per share, fully paid up)	(1.44)	(4.35)

NOTE 36

EXCEPTIONAL ITEMS

Exceptional items represents profit on investments sold during the year (Also Refer Note 11(b & c)).



NOTE 37

NOTE PURSUANT TO MCA NOTIFICATION NO. GSR 308(E) dated 30th March, 2017

Details of 'Specified Bank Notes' (SBN) held and transacted during the period 08th November, 2016 to 30th December, 2016 is provided in the Table below :

Amount in ₹

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8-11-2016	8,61,000	3,86,958	12,47,958
(+) Permitted receipts	-	5,58,500	5,58,500
(-) Permitted payments	-	(6,48,243)	(6,48,243)
(-) Amount deposited in Banks	(8,61,000)	-	(8,61,000)
Closing cash in hand as on 30-12-2016	-	2,97,215	2,97,215

NOTE 38

COMPARATIVES

As given in Note 11(a & b), previous year's figures are not comparable to the current year. Previous year's figures have been regrouped and rearranged wherever considered necessary.

As per our Report of even date
For **Lodha & Co.**
Chartered Accountants
Firm's ICAI Registration No. 301051E

H K Verma
Partner
Membership No. 055104

Place : Kolkata
Dated : 29th May, 2017

For and on behalf of the Board of Directors

Sd/- **Sanjiv Saraf**, Executive Director (DIN : 00506650)

Sd/- **Sanjay Kumar Gupta**, Director (DIN : 01538117)

Sd/- **Vijoy Kumar**, Director (DIN : 02970626)

Sd/- **Amit Damani**, Chief Financial Officer

Sd/- **Vijayshree Binnani**, Company Secretary



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	31.03.2017		31.03.2016	
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
A) Cash Flow From Operating Activities:				
Profit/(Loss) before tax		(6,76,83,734)		(14,59,75,985)
Adjustments for :				
Depreciation and amortisation expenses	10,98,80,416		11,03,25,677	
Amortisation of Stores, Spares & Tools	-		6,48,173	
Exceptional Items	(12,11,82,851)		-	
Interest & Finance Charges	18,63,65,433		19,07,43,979	
(Profit)/Loss on Sale of Fixed Assets(Net)	-		(55,654)	
Interest Income	(51,33,038)		(68,45,534)	
Fixed Assets Scrapped	-		39,172	
Pre operative Expenses written Off	-		53,98,518	
Bad debts and advances written off	3,038		12,45,237	
Provision for dimunition in value of long-term investments	16,18,000		-	
Liabilty no longer required written back	(53,123)	17,14,97,874	(37,846)	30,14,61,722
Operating Profit before Working Capital Changes		10,38,14,140		15,54,85,737
Adjustments for :				
(Increase)/Decrease in Inventory	13,85,745		1,06,99,151	
(Increase)/Decrease in Trade and Other receivables	(10,85,78,366)		(24,53,44,758)	
Increase/(Decrease) in Trade and Other payables	7,12,50,352	(3,59,42,268)	19,73,63,702	(3,72,81,905)
Cash generated from operations		6,78,71,872		11,82,03,832
Direct Taxes paid (Net of refund)		(18,76,619)		(1,35,72,351)
Net Cash Flow from Operating Activities		6,59,95,253		10,46,31,481
B) Cash Flow from Investing Activities :				
Purchase of Fixed Assets and Capital Work in Progress	(4,75,55,021)		(12,35,63,994)	
Sale of Fixed Assets	-		79,31,333	
Purchase of Investment of subsidiaries/associates	(11,88,00,000)		(23,95,73,368)	
Other purchase of investments	(9,00,000)		-	
Sale of Investment	5,88,00,000		-	
Advance received against Sale of Investments of subsidiaries/associates	6,00,54,000		10,00,00,000	
Deposit / redemption of Margin Money and other bank balances	(1,76,75,468)		(1,05,45,402)	
Interest Received	42,86,020	(6,17,90,469)	54,82,058	(26,02,69,373)
Net Cash Flow from Investing Activities		(6,17,90,469)		(26,02,69,373)
C) Cash Flow from Financing Activities :				
Proceeds from / (repayments) of borrowings	11,82,03,001		(9,57,51,510)	
Proceeds from Issue of Equity Shares	-		44,00,00,000	
Interest & Finance Charges	(12,84,38,383)		(16,31,52,112)	
Dividend Paid	(2,37,50,000)		(1,37,50,000)	
Dividend Distribution Tax Paid	(48,34,941)	(3,88,20,323)	(27,99,176)	16,45,47,202
Net Cash flow from Financing Activities		(3,88,20,323)		16,45,47,202
Net Increase/(Decrease) in Cash and Cash Equivalents		(3,46,15,540)		89,09,310
Cash and Cash equivalents of subsidiaries sold during the year as referred in Note 11 (a & b)		(5,00,435)		-
Cash and Cash equivalents at the beginning of the year		5,11,17,478		4,22,08,168
Cash and Cash equivalents at the end of the year (Note 17)		1,60,01,504		5,11,17,478

Notes :

- Cash Flow Statement is prepared by the indirect method as set out in Accounting Standard - 3 on Cash Flow Statement.
- Cash and Cash Equivalents presented in the statement consists of cash on hand and balances with banks on current account as on the balance sheet date.
- Previous year's figures have been re-grouped/rearranged wherever considered necessary.

As per our Report of even date
For **Lodha & Co.**
Chartered Accountants
Firm's ICAI Registration No. 301051E

H K Verma
Partner
Membership No. 055104

Place : Kolkata
Dated : 29th May, 2017

For and on behalf of the Board of Directors

Sd/- **Sanjiv Saraf**, Executive Director (DIN : 00506650)

Sd/- **Sanjay Kumar Gupta**, Director (DIN : 01538117)

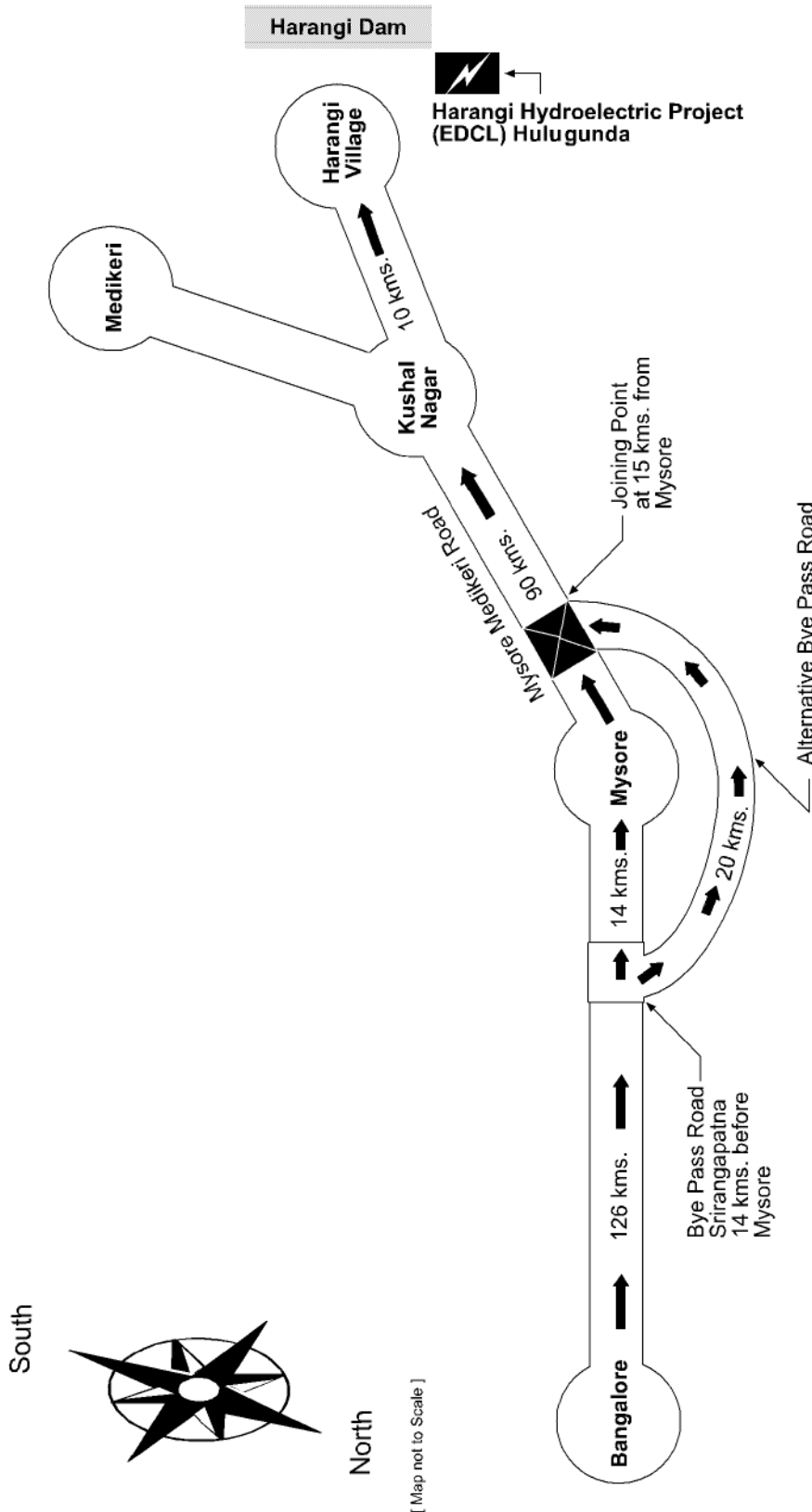
Sd/- **Vijoy Kumar**, Director (DIN : 02970626)

Sd/- **Amit Damani**, Chief Financial Officer

Sd/- **Vijayshree Binnani**, Company Secretary



ROUTE MAP TO THE VENUE OF THE 22ND ANNUAL GENERAL MEETING



**ROUTE MAP TO EDCL PLANT SITE AT HARANGI
HARANGI HYDROELECTRIC PROJECT**

Hulugunda Via. Kushal Nagar
Dist. : Kodagu, Karnataka - 571 233



ENERGY DEVELOPMENT COMPANY LIMITED

CIN : L85110KA1995PLC017003

Regd. Office : Harangi Hydroelectric Project, Village – Hulugunda, Taluka – Somawarpet, District – Kodagu, Karnataka – 571 233

Phone : (08276) 277040, Fax : (08276) 277012

E-mail : edclhhep@gmail.com, Website : www.edclgroup.com

PROXY FORM – MGT -11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) :

Registered Address :

E-mail Id :

Folio No. / Client ID :

DP ID :

I / We, being the member(s) holding shares of abovementioned Company hereby appoint :

- (1) Name Address
E-mail ID Signature or failing him / her;
- (2) Name Address
E-mail ID Signature or failing him / her;
- (3) Name Address
E-mail ID Signature

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 22nd Annual General Meeting of the Company, to be held on Saturday, the September 30, 2017 at 10:00 A. M. at Harangi Hydro Electric Project, Village – Hulugunda, Taluka – Somawarpet, District – Kodagu, Karnataka – 571 233 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description	OPTIONAL	
		FOR	AGAINST
Ordinary Business			
1.	To adopt the audited standalone and consolidated Financial Statements together with Directors' Report and Auditors' Report thereon for the year ended on March 31, 2017.		
2.	To Declare Dividend for the financial year ended on March 31, 2017.		
3.	To appoint Mrs. Pankaja Kumari Singh (DIN : 00199454) as Director, who retires by rotation and being eligible, offers herself for re-appointment.		
4.	To appoint Mr. Sanjay Kumar Gupta (DIN : 01538117) as Director, who retires by rotation and being eligible, offers himself for re-appointment.		
5.	To appoint Auditors and to fix their remuneration.		
Special Business			
6.	To ratify remuneration of Cost Auditors for the financial year 2017-18.		
7.	To re - appoint Mr. Sanjiv Saraf (DIN : 00506650) as an Executive Director.		
8.	To approve Material Related Party Transactions.		
9.	To keep registers, returns etc. at a place other than Registered Office.		

Signed this day of, 2017.

Signature of Shareholder(s)

Signature of Proxy holders(s)

Affix
Re.1/-
Revenue
Stamp

Note : This form of proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





ENERGY DEVELOPMENT COMPANY LIMITED

CIN : L85110KA1995PLC017003

Regd. Office : Harangi Hydroelectric Project, Village – Hulugunda, Taluka – Somawarpet, District – Kodagu, Karnataka – 571 233

Phone : (08276) 277040, Fax : (08276) 277012

E-mail : edclhhep@gmail.com, Website : www.edclgroup.com

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint Shareholders may obtain additional slip on request.

Name and Address of the Shareholder :

Folio No. :

DP ID :

Client ID :

No. of Shares :

I hereby record my presence at the **22nd Annual General Meeting** of the Company, to be held on Saturday, the September 30, 2017 at 10:00 A. M. at the Registered Office of the Company at Harangi Hydro Electric Project, Village – Hulugunda, Taluka – Somawarpet, District – Kodagu, Karnataka – 571 233.

.....
Signature of the Shareholder / Proxy*

*Strike out whichever is not applicable.





Energy Development Company Limited

'EDCL House', 1A Elgin Road, Kolkata - 700 020