IL&FS TAMIL NADU POWER COMPANY LIMITED

Annual Report

2016 - 17

Index

IL&FS Tamil Nadu Power Company Limited
Corporate Identity Number: U72200TN2006PLC060330
Registered Office: 4^{th} Floor, KPR Tower, Old No. 21, New No. 2, 1^{st} Street, Subba Rao Avenue, College Road, Chennai 600 006, Tamil Nadu

NOTICE

Notice is hereby given that the Eleventh Annual General Meeting of the Members of IL&FS Tamil Nadu Power Company Limited (the "Company") is scheduled to be held at 12.30 P.M. on Wednesday, the 27^{th} September 2017, at 4^{th} Floor, KPR Tower, Old No. 21, New No. 2, 1^{st} Street, Subba Rao Avenue, College Road, Chennai 600 006, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:

   (a) the Audited Financial Statements for the year ended March 31, 2017 together with the Report of the Board of Directors and the Auditors thereon;

   (b) the Audited Consolidated Financial Statements for the year ended March 31, 2017 together with the Report of the Auditors thereon

2. To confirm payment of Interim Dividend at the rate of 93.5% i.e. Rs. 9.35/- per equity share to the equity shareholders as on March 29, 2017

3. To appoint a Director in the place of Mr. Ramesh C Bawa who retires by rotation and being eligible, offers himself for re-appointment.

4. To ratify appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration and further to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, pursuant to the recommendations of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the Members at the AGM held on September 29, 2014, the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 008072S) as the Auditors of the Company to hold office till the conclusion of the 13^{th} Annual General Meeting of the Company to be held in the year 2019 be and is hereby ratified and that the Board of Directors be and are hereby authorized to fix the remuneration payable to them for the year ending March 31, 2018"

SPECIAL BUSINESS

5. **Appointment of Mr. Maharudra M Wagle as a Director retiring by rotation**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Maharudra M Wagle (DIN: 02115124), who was appointed as an Additional Director and who holds office up to the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

6. **Appointment of Mr. Ashwani Kumar as a Director retiring by rotation**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Ashwani Kumar (DIN: 00910864), who was appointed as an Additional Director and who holds office up to the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

7. **Re-appointment of Mr. M S Srinivasan, Chairman & Whole-time Director**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V of the Act, and subject to such approvals as may be necessary, the Company hereby approves re-appointment of Mr. M S Srinivasan, Chairman & Whole-time Director of the Company for a period of 1 year with effect from November 4, 2017 on the same terms and conditions as approved by the Members in the Extra-ordinary General Meeting held on June 30, 2014 as detailed below up to end of his extended tenure (i.e. up to November 3, 2018), with the liberty to the Board of Directors on the recommendations of the Nomination and Remuneration Committee, to alter and vary the terms and conditions as may be agreed to and between the Board of Directors and Mr. M S Srinivasan, Chairman & Whole-time Director:

Salary and allowances:

Mr. M S Srinivasan shall be paid a monthly salary, including vehicle and housing allowances, of Rs. 12,66,640.

Performance related pay:

Mr. M S Srinivasan shall be entitled to performance related pay as may be approved by the Board upon the recommendations of the Nomination and Remuneration Committee.

Leave Travel Allowance:

Leave Travel allowance for Mr M S Srinivasan and his family, which shall include spouse, dependent children and parents, as per the Company's policy not exceeding Rs. 3 lakhs per annum

Medical Reimbursements:

Medical Reimbursements for Mr M S Srinivasan and his family, which shall include spouse, dependent children and parents, as per the Company's policy not exceeding Rs. 27000 per annum

House Maintenance Allowance:

Mr. M S Srinivasan shall be entitled to House Maintenance Allowance of Rs. 2500 per month

Mediclaim Insurance:

Mediclaim Insurance policy for Mr M S Srinivasan and his family, which shall include spouse, dependent children and parents, subject to a maximum of 6 members, for a total floater cover of Rs. 10 lakhs.

Telephone / Mobile Expenses:

The Company shall reimburse the expenses incurred for maintenance of Landline at Residence and Mobile Connection of Mr M S Srinivasan at actuals.

Personal Accident Insurance:

Personal Accident Insurance shall be provided for Mr M S Srinivasan as per Company policy.

Furniture and Household appliances:

Mr. M S Srinivasan shall be entitled to purchase furniture and household appliances not exceeding Rs. 5 lakhs during his tenure.

Club Membership:

Club membership fee for one club shall be reimbursed.

Restaurant Coupons:

Mr. M S Srinivasan shall be entitled to restaurant coupons not exceeding Rs. 24,000 per annum

Entitlement to Leave:

As per Company policy

Other terms:

Mr. M S Srinivasan shall not be liable to retire by rotation during his tenure as Chairman of the Company.

Mr. M S Srinivasan shall be entitled to sitting fees for attending the meetings of the Board of Directors or Committee thereof, as may be fixed by the Board of Directors from time to time.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, during the currency of the tenure of Mr. M S Srinivasan, Chairman & Whole-time Director, the remuneration by way of salary, perquisites and other allowances as stated above be paid to Mr. M S Srinivasan as minimum remuneration notwithstanding the fact that the said remuneration shall be in excess of the ceiling provided in Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modifications thereof) and subject to the approval of the Central Government or such other statutory authority, as may be required.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board is hereby authorised to resolve and settle all questions, difficulties or doubts that may arise in this regard, to finalise and execute all agreements, documents and writings and to do all such acts, deeds and things in this connection and incidental as the Board in its absolute discretion deem fit without being required to seek any further consent or approval of the Company or otherwise to the end and intent that they shall be deemed to have given approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT to give effect to this resolution, the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Director or Officer of the Company or any Committee of Directors.

8. **Payment of remuneration to the Cost Auditors**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any Statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 2,40,000/- payable for the Financial year 2017-18 (excluding conveyance, out-of-pocket expenses and Service tax as applicable) to Mr. M Kannan, (Membership No. 9167), Cost Auditor of the Company be and is hereby ratified.

RESOLVED FURTHER that the Board of Directors of the Company 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."

By Order of the Board of Directors
For IL&FS Tamil Nadu Power Company Limited

K Suganyaa
Company Secretary

Place: New Delhi
Date: September 4, 2017

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 / herself and such proxy need not be a member of the company. The instrument appointing a proxy should be duly

completed, stamped & signed, and must be sent so as to reach the company's registered office not less than 48 hours before the time for holding the annual general meeting.

2. Explanatory statements as required under Section 102 of the Companies Act, 2013, related to business under Item Nos. 5 to 8 of the Notice, are annexed hereto.

3. Member/ Proxy(ies) should bring duly filled attendance slips sent herewith to attend the meeting.

4. The authorised representative(s) of the corporate members are requested to bring a certified true copy of the Board resolution pursuant to Section 113 of the Companies Act, 2013 duly authorizing them to attend and vote at the annual general meeting on their behalf.

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

The following statements set out the material facts with respect to the Notice dated September 4, 2017 as required under Section 102 of the Companies Act, 2013

Item No. 5

Mr. Maharudra M Wagle was appointed as an Additional Director of the Company with effect from May 19, 2017 and holds office up to the date of this Annual General Meeting of the Company, in terms of Section 161 of the Companies Act, 2013.

Notice has been received from a member of the Company under Section 160 of the Companies Act, 2013 along with a deposit of Rs.1,00,000 signifying intention to propose the candidature of Mr. Maharudra M Wagle for the office of Director and to move the resolution as set out in item no. 5 of this notice.

The Directors recommend the resolution as set out in item no. 5 of the notice to be approved as an ordinary resolution by the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in passing of the Resolution set out at Item No. 5 except Mr. Maharudra M Wagle.

Item No. 6

Mr. Ashwani Kumar was appointed as an Additional Director of the Company with effect from September 4, 2017 and holds office up to the date of this Annual General Meeting of the Company, in terms of Section 161 of the Companies Act, 2013.

Notice has been received from a member of the Company under Section 160 of the Companies Act, 2013 along with a deposit of Rs.1,00,000 signifying intention to propose the candidature of Mr. Ashwani Kumar for the office of Director and to move the resolution as set out in item no. 6 of this notice.

The Directors recommend the resolution as set out in item no. 6 of the notice to be approved as an ordinary resolution by the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in passing of the Resolution set out at Item No. 6 except Mr. Ashwani Kumar.

Item No. 7:

The tenure of Mr. M S Srinivasan, Chairman & Whole-time Director of the Company would expire on November 3, 2017. The Company proposes to re-appointment him for a further period of 1 year w.e.f November 4, 2017. The Board of Directors at their meeting held on September 4, 2017 upon the recommendations of the Nomination & Remuneration Committee has approved re-appointment of Mr. M S Srinivasan, Chairman & Whole-time Director for a period of 1 year with effect from November 4, 2017 on the terms and conditions as set out in the resolution at Item No. 7 of the notice.

The approval of the members is sought by way of a Special Resolution, in accordance with the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act 2013 read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, for payment of remuneration to Mr. M S Srinivasan on such terms and conditions as set out in the resolution under Item No. 7 of the Notice.

A statement containing information to be provided to the Shareholders as per provision of Schedule V of the Companies Act, 2013 in respect of re-appointment of Mr. M S Srinivasan is given below:

I. General Information

(a) Nature of the Industry

The Company is engaged in the business of generation of electricity. The project is being implemented in Phases. Phase I of the project is for 1200 MW comprising of 2 units of 600 MW each. Unit # 1 of 600 MW commenced Commercial Production on September 29, 2015 and is supplying power to TANGEDCO as per the Power Purchase Agreement (PPA). Unit # 2 of 600 MW commenced Commercial production on April 30, 2016. In the absence of long term PPA for Unit 2, the power is being sold under short term arrangements.

(b) *Date or expected date of commencement of commercial production*

Phase I of the project is for 1200 MW comprising of 2 units of 600 MW each. Unit # 1 of 600 MW commenced Commercial production on September 29, 2015 and Unit # 2 of 600 MW commenced commercial production on April 30, 2016.

(c) *Financial performance based on given indicators*

A brief summary of the financials (standalone) of the Company for the last 3 years is given below:

(Rs. in Mn)

Particulars	**2016-17**	**2015-16**	**2014-15**
Income from Operations	23,168.44	8,649.63	-
Other Income	1,492.85	1,040.43	5444.24
Profit/(Loss) before Tax	1,912.52	23,275.25	582.41

(d) *Foreign investments or collaborators, if any*

The break-up of foreign investment in the Company as on the date of this notice is as under:

S.No	**Name of the Shareholder**	**Category**	**No of Shares held**	**% of paid-up capital**
1	A S Coal Resources Pte Limited, Singapore	Foreign Body Corporate	15172256	8.62

II. *Information about the appointee*

(a) *Background details*

Mr. M. S. Srinivasan graduated from the IIT, Madras in the year 1970 and has done his Master's in Public Administration from Harvard University, USA. He has served as a member of the Indian Administrative Service

(IAS) since 1971 (Tamil Nadu Cadre). He took over as Secretary of the Ministry of Petroleum & Natural Gas in January 2006 and retired from Government of India on July 2008. In a career spanning over 40 years, Mr. M S Srinivasan has worked at senior level positions in Public and Private Sectors as well as Secretary in various ministries. He has worked as Secretary, Additional Secretary & Special Secretary in the Ministry of Petroleum & Natural Gas. He also worked as Joint Secretary in the Ministry of Commerce & Industry, Government of India in charge of Promotion of foreign investment into the country.

(b) *Past Remuneration*

Rs. 1,78,69,680 per annum plus car facility, Furniture & household benefit, Club membership, Mobile and Insurance.

(c) *Recognition or awards*

Mr. M S Srinivasan has worked at senior level positions in Public and Private Sectors as well as Secretary in various ministries. He has worked as Secretary, Additional Secretary & Special Secretary in the Ministry of Petroleum & Natural Gas. He also worked as Joint Secretary in the Ministry of Commerce & Industry, Government of India in charge of Promotion of foreign investment into the country.

(d) *Job profile and his suitability*

Mr. M S Srinivasan is the Chairman of the Company since 2008. The Company could commission Phase I of 1,200 MW under his able leadership. His experience of more than four decades of diverse leadership experience is crucial for the smooth functioning of the Company.

(e) *Remuneration Proposed*

Salary and allowances:

Mr. M S Srinivasan shall be paid a monthly salary, including vehicle and housing allowances, of Rs. 12,66,640.

Performance related pay:

Mr. M S Srinivasan shall be entitled to performance related pay as may be approved by the Board upon the recommendations of the Nomination and Remuneration Committee.

Leave Travel Allowance:

Leave Travel allowance for Mr M S Srinivasan and his family, which shall include spouse, dependent children and parents, as per the Company's policy not exceeding Rs. 3 lakhs per annum

Medical Reimbursements:

Medical Reimbursements for Mr M S Srinivasan and his family, which shall include spouse, dependent children and parents, as per the Company's policy not exceeding Rs. 27000 per annum

House Maintenance Allowance:

Mr. M S Srinivasan shall be entitled to House Maintenance Allowance of Rs. 2500 per month

Mediclaim Insurance:

Mediclaim Insurance policy for Mr M S Srinivasan and his family, which shall include spouse, dependent children and parents, subject to a maximum of 6 members, for a total floater cover of Rs. 10 lakhs.

Telephone / Mobile Expenses:

The Company shall reimburse the expenses incurred for maintenance of Landline at Residence and Mobile Connection of Mr M S Srinivasan at actuals.

Personal Accident Insurance:

Personal Accident Insurance shall be provided for Mr M S Srinivasan as per Company policy.

Furniture and Household appliances:

Mr. M S Srinivasan shall be entitled to purchase furniture and household appliances not exceeding Rs. 5 lakhs during his tenure.

Club Membership:

Club membership fee for one club shall be reimbursed.

Restaurant Coupons:

Mr. M S Srinivasan shall be entitled to restaurant coupons not exceeding Rs. 24,000 per annum

Entitlement to Leave:

As per Company policy

Other terms:

Mr. M S Srinivasan shall not be liable to retire by rotation during his tenure as Chairman of the Company.

Mr. M S Srinivasan shall be entitled to sitting fees for attending the meetings of the Board of Directors or Committee thereof, as may be fixed by the Board of Directors from time to time.

(f) *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 w.r.t. the country of his origin)*

On a comparative study of other power generation companies in India and commensurate with the size of the business of the Company, the nature of responsibility, professional background and rich experience, the proposed remuneration to Mr. M S Srinivasan is in line with the industry standards.

(g) *Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any*

Except for the proposed remuneration, there is no other pecuniary relationship between Mr. M S Srinivasan and the Company.

III. *Other Information*

(a) *Reasons of loss or inadequate profits*

The Company commissioned Unit 1 of 600 MW on September 29, 2015 and is supplying power to TANGEDCO. Unit 2 of 600 MW was commissioned on April 30, 2016. The Company is taking steps to tie up long term PPA for Unit 2. In the absence of long-term PPA for Unit 2, the power is being sold under short term arrangements. Hence, the profits generated may be limited.

(b) *Steps taken or proposed to be taken for improvement*

In the absence of long-term PPA for Unit 2, the power is being sold under bilateral arrangements, short term PPAs and on the power exchange. The Company is also participating in long-term and medium-term bids by DISCOMs as and when opportunity arises.

(c) *Expected increase in productivity and profits in measurable terms*

Once the Company secures a long-term PPA for the balance available capacity of Phase 1, the financial performance would stabilize and the Company would earn good profits.

IV. Disclosures

The remuneration package proposed to Mr. M S Srinivasan is given in the respective resolution.

As per the requirement of the Schedule V Part I(C) of the Companies Act, 2013 if a Managing or Whole-time Director has attained the age of 70 years then his appointment / continuation needs to be approved by a Special resolution passed by the Company in general meeting otherwise Central Government approval is required.

Mr. M S Srinivasan will attain the age of 70 years in the month of July 2018. Hence, approval of the Members is sought by way of a Special Resolution.

The Board of Directors have approved his appointment as set out at Item No. 7 in the meeting held on September 4, 2017 and recommended to the Members for approval. Accordingly, approval of the Members is sought by way of a Special Resolution.

The above may be treated as a written memorandum setting out the terms of remuneration payable to Mr. M S Srinivasan under Section 190 of the Companies Act 2013.

Item No. 8:

The Board on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor to conduct the audit of the Cost records of the Company for the financial year ending March 31, 2018 on a remuneration of Rs. 2,40,000/- plus applicable Service Tax and reimbursement of out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 8 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2018.

The Board commends the Resolution for approval of the members as an **Ordinary Resolution**.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolution.

Profile of Directors seeking appointment / re-appointment

Mr. Ramesh C Bawa

Mr Ramesh C Bawa is a Post Graduate in Personnel Management & Industrial Relationships and also Post Graduate in Political Science. He has more than 3 decades of experience in the Indian banking sector and has built up a strong and effectual relationship with the Banks / Financial Institutions at the domestic and international level. He has been associated with the IL&FS Group since 1995 and with his immense aptitude has effectively handled various positions within the Group. Prior to joining IL&FS, he served organisations like Syndicate Bank and National Housing Bank. Mr. Bawa is the Managing Director & CEO of IL&FS Financial Services Limited. He has been instrumental for a number of initiatives of the IL&FS group. He is on the Board of a number of IL&FS Group Companies and is a Member of its various Committees. He is also a Member of the IL&FS Management Board and is responsible for the entire financial business of IL&FS Group.

Mr. Ramesh C Bawa does not hold any share in the Company

Mr. Maharudra M Wagle

Mr. Maharudra Wagle is Group Chief Financial Officer, Infrastructure Leasing & Financial Services Limited (IL&FS), with a tremendous and rich experience more than 26 years in Industry which includes 18 years in Financial Services Sector.

He holds Bachelor’s Degree in Commerce from Mumbai University and Associate Member of the Institute of Chartered Accountants of India (ICAI)

He is associated with IL&FS since 24 years. Prior to IL&FS, he was associated with Boots Pharmaceuticals Limited (a MNC). He has been handling Accounts/ Tax/MIS/ Banking/ Secretarial / Internal Audit at ILFS and also looking after Group Company Accounts and Group issues in Tax, Funding of Group etc.

Mr. Maharudra M Wagle does not hold any share in the Company

Mr. Ashwani Kumar

Mr Ashwani Kumar is the Chief Executive Officer of IL&FS Energy Development Company Limited (IEDCL). He has joined IEDCL on August 2, 2017 at Mumbai.

Prior to joining IEDCL, he has worked with Larsen & Toubro Ltd., where he was leading the power project portfolio as Chief Executive - Power Development. He was responsible for overseeing L&T initiatives in Iran & China. He was also heading the Corporate

Strategy for Infrastructure, Heavy Engineering, Defence and Hydrocarbon verticals.He has also worked with Reliance Power Ltd, as President- Corporate Development, where he was responsible for Corporate Affairs and Corporate Planning for Reliance Power and PowerGen India Ltd. as Business Development Director- India

Ashwani has completed his PGDM from Indian Institute of Management, Bangalore in 1990 and holds a Bachelor of Engineering degree in Mechanical stream from Regional Engineering College, Jaipur in 1988.Ashwani is an alumnus of Harvard Business School having attended the General Management Programme in 2001

Mr. Ashwani Kumar does not hold any share in the Company

Mr. M S Srinivasan

Mr. M S Srinivasan joined IL&FS Tamil Nadu Power Company Limited as the Chairman & Whole-time Director of the Company w.e.f November 4, 2008.

Mr. M. S. Srinivasan graduated from the IIT, Madras in the year 1970 and has done his Master's in Public Administration from Harvard University, USA. He has served as a member of the Indian Administrative Service (IAS) since 1971 (Tamil Nadu Cadre). He took over as Secretary of the Ministry of Petroleum & Natural Gas in January 2006 and retired from Government of India on July 2008. In a career spanning more than 40 years, Mr. M S Srinivasan has worked at senior level positions in Public and Private Sectors as well as Secretary in various ministries. He has worked as Secretary, Additional Secretary & Special Secretary in the Ministry of Petroleum & Natural Gas. He also worked as Joint Secretary in the Ministry of Commerce & Industry, Government of India in charge of Promotion of foreign investment into the country.

Mr. M S Srinivasan does not hold any share in the Company

DIRECTORS' REPORT

TO THE MEMBERS OF IL&FS TAMIL NADU POWER COMPANY LIMITED

Dear Shareholders,

Your Directors have pleasure in presenting the Eleventh Annual Report, together with the audited accounts for the year ended 31st March 2017

1. Financial Highlights

(₹ in Million)

Particulars	Standalone		Consolidated	
	2016-17	**2015-16**	**2016-17**	**2015-16**
Income from operations	23,168.44	8,649.63	23,168.44	8,649.63
Other Income	1,492.85	1,040.43	1,160.35	754.32
Total Income	**24,661.29**	**9,690.06**	**24,328.80**	**9,403.95**
Expenses	14,603.39	4,765.95	14,655.35	4,814.34
Profit/(Loss) before Interest & Depreciation	10,057.90	4,924.10	9,673.45	4,589.61
Interest	6,186.97	1,971.88	6,102.86	1,895.85
Depreciation	1,958.40	733.36	1,958.58	733.77
Profit/(Loss) before Tax	**1,912.53**	**2,218.86**	**1,612.01**	**1,959.99**
Income Tax Expense/(Benefit)	449.83	496.29	449.83	496.29
Profit/(Loss) after Tax	**1,462.70**	**1,722.57**	**1,162.18**	**1,463.70**

Pursuant to the notification dated February 16, 2015 issued by the Ministry of Corporate Affairs, the Company has adopted the Indian Accounting Standards ("Ind-AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016. Financial statements for the year ended and as at March 31, 2016 have been re-stated to conform to Ind AS.

2. Interim Dividend

Your Company has distributed an interim dividend of Rs. 9.35/- per equity share of face value of Rs. 10 each to all shareholders, who were on the register of members of the Company as on the close of business hours on March 29 2017, being the record date fixed by the Board of Directors for this purpose. The dividend distributed including dividend distribution tax was Rs. 198.03 crores

3. Management Discussion and Analysis Report

The Management Discussion and Analysis Report on Company's performance, industry trends and other material changes with respect to the Company and its subsidiaries, wherever applicable, are presented in this Annual Report

4. **State of affairs of the Company**

The State of Affairs of the Company is presented as part of the Management Discussion and Analysis Report forming part of this Report.

5. **Consolidated Financial Statements**

The Consolidated Financial Statements of the Company for the Financial Year March 31, 2017, prepared in accordance with Ind AS forms part of this Annual Report

6. **Subsidiary Companies**

In accordance with Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the subsidiary companies in Form AOC 1 is provided as **Annexure - I** of the Annual Report.

7. **Investments in Direct Subsidiaries**

During the year under review, the Company has invested an aggregate of Rs. 12,37,15,950 as equity in its Wholly owned Subsidiary viz., ILFS Maritime Offshore Pte Ltd.

8. **Number of meetings of the Board**

The Board met five times in financial year 2016-17 viz., on April 21, 2016, July 22, 2016, October 25, 2016, February 14, 2017 and March 29, 2017. The maximum interval between any two meetings did not exceed 120 days.

9. **Directors and Key Managerial Personnel**

Mr Sunil Wadhwa resigned from the Board with effect from April 4, 2017. Mr. Anoop Seth has resigned from the Board with effect from August 28, 2017. The Board wishes to place on record its appreciation for the valuable contribution made by Mr. Sunil Wadhwa and Mr Anoop Seth during their tenure.

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and Clause 86 of the Articles of Association, Mr. Ramesh C Bawa retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Maharudra M Wagle was appointed as an Additional Director w.e.f May 19, 2017. In terms of the provisions of Section 161(1) of the Companies Act 2013 (“Act”), Mr. Maharudra M Wagle holds office up to the date of the ensuing Annual General Meeting.

Mr. Ashwani Kumar was appointed as an Additional Director w.e.f September 4, 2017. In terms of the provisions of Section 161(1) of the Companies Act 2013 ("Act"), Mr. Ashwani Kumar holds office up to the date of the ensuing Annual General Meeting.

Notices under Section 160 of the Act, proposing the candidature of Mr. Maharudra M Wagle and Mr. Ashwani Kumar have been received along with the deposit of requisite amount proposing the candidature of Mr. Maharudra Wagle and Mr. Ashwani Kumar as Directors of the Company.

Accordingly, Mr. Maharudra M Wagle and Mr. Ashwani Kumar's appointment as Director(s) is being placed before the Members' for their approval at the ensuing Annual General Meeting.

Mr. M S Srinivasan was appointed as the Chairman & Whole-time Director of the Company w.e.f November 4, 2008 for a period of 3 years in the Extra-ordinary General Meeting held on March 2, 2009. He was re-appointed for a further period of 2 years w.e.f November 4, 2011 by the Members in the EGM held on October 31, 2011. He was further re-appointed for a period of 3 years w.e.f November 4, 2013 in the EGM held on December 20, 2013. Subsequently, he was re-appointed for a period of 1 year w.e.f November 4, 2016 by the Members in the EGM held on November 28, 2016. He is now proposed to be re-appointed for another period of 1 year w.e.f November 4, 2017. Accordingly, his re-appointment is being placed before the Members for approval in the ensuing Annual General Meeting.

The Independent Directors of the Company have submitted a declaration under Section 149(7) of the Act that each of them meet the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as Independent Director during the year.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company are Mr. M S Srinivasan, Chairman & Whole-time Director, Mr. N Ramesh, Chief Executive Officer, Mr. N K Balaji, Chief Financial Officer and Ms. K Suganyaa, Company Secretary. There has been no change in the Key Managerial Personnel during the year.

10. Committees of the Board

The Company's Board has the following Committees:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Corporate Social Responsibility Committee
4. Risk Management Committee
5. Committee of Directors

The details of the membership and attendance of the Meetings of the above committees of the Board are provided in the Corporate Governance report forming part of this Annual Report.

11. Remuneration Policy

The objective of the Remuneration Policy is to attract, retain and motivate highly qualified members for the Board and Executive level.

The Company's Policy on Directors' Appointment and remuneration and other matters provided in Section 178(3) of the Act have been disclosed in the Corporate Governance report as **Annexure - IV**, which forms part of the Board's Report.

12. Directors' Responsibility statement

In Compliance with Section 134(5) of the Act, the Board of Directors hereby confirm the following:

a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

b. The Directors had 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 at the end of the financial year and of the profit and loss of the Company for that period;

c. The Directors had 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 annual accounts have been prepared on a going concern basis;

e. the Company has laid down an adequate system of internal financial control with respect to reporting on financial system; and

f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

13. Statutory Auditors

At the Annual General Meeting held on September 29, 2014, Deloitte Haskins & Sells, (Firm Registration No. 008072S), Chartered Accountants, Chennai, were appointed as the statutory auditors of the Company to hold office till the conclusion of the 13th Annual General Meeting to be held in the year 2019. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the Auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of Deloitte Haskins & Sells, Chartered Accountants as Statutory Auditors of the Company, is placed for ratification by the Shareholders.

The Company has received confirmation from DHS to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Act and that they are not disqualified for re-appointment.

14. <u>Auditor's report</u>

There are no qualifications, reservations or adverse remarks made by M/s Deloitte Haskins & Sells, Statutory Auditors in their report for the Financial Year ended March 31, 2017. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

15. <u>Cost Auditor</u>

Pursuant to the provisions of Section 148(3) of the Act, the Board of Directors had appointed Mr. M Kannan (Firm Registration No. 102185), as Cost Auditor of the Company, for conducting the audit of cost records for the financial year ended March 31, 2017. The Cost Audit report will be filed with the Ministry of Corporate Affairs once it is finalised. A proposal for ratification of remuneration of the Cost Auditors for the financial year 2017-18 is placed before the shareholders for ratification/approval.

16. <u>Secretarial Auditor</u>

Pursuant to the provisions of Section 204 of the Act, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company engaged the services of M/s. Aashish Kumar Jain & Associates (CP No. 7353), Company Secretary in Practice, Chennai to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2017. The Secretarial Audit report for the financial year March 31, 2017 in Form No. MR-3 is attached as **<u>Annexure – V</u>** to this Report. The Secretarial Audit report does not contain any qualification, reservation or adverse remark.

17. <u>Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013</u>

Disclosure on particulars relating to Loans, guarantees or investments under Section 186 of the Companies Act 2013 is provided in as part of financial statements.

18. Particulars of contracts or arrangements made with related parties referred to in sub-section (1) of Section 188 in the prescribed form

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed form AOC-2 is appended as **Annexure - II** to the Board's report

19. Details of material changes and commitments affecting financial position between the end of the financial year and the date of report

There have been no material changes and commitments, affecting the financial position of the Company between the end of the Financial Year and the date of this report.

20. Details of change in nature of business

There has been no change in the nature of business of the Company.

21. Details of significant and material orders passed by the regulators/ courts/ tribunals impacting the going concern status and the Company's operations in future

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and operations of the Company in the future.

22. Energy conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

A. Energy Conservation:

As the business is Power generation, the Company had been constantly working on saving auxiliary consumption.

The following steps were taken for Energy Conservation to reduce energy Consumption:

- Condensate Delivery Pump Stoppage

  Each Unit is having 2 Nos of Condensate Delivery Pump (CDP), in that 1 pump is in service and 1 pump in standby to make up DM water to Hot well. Instead of running one Condensate Delivery Pump in each unit, DM makeup water to Hot well was established through gravity by stopping CDP in both unit.

Station Auxiliary Power Consumption saving due to stoppage of Condensate Delivery pump was 432Mwh/year i.e (0.432MU)/year which results in saving of approximately 12.96 Lakhs in FY 2016-17.

- <u>Closed Cycle Cooling water pump stoppage</u>

  Unit-2 is having 3 Nos of Closed Cycle Cooling water Pump, in that 2 Pumps are in service and 1 pump is in standby when unit is in running condition and1 Pump is in running when unit is in stop condition. Instead of running one Closed Cycle Cooling Water Pump in unit stoppage, Cooling water was established from Unit-1.

  Station Auxiliary Power Consumption saving due to stoppage of Closed Cycle Cooling Water Pump was 192Mwh/year i.e (0.192MU/year) which results in saving of approximately 5.7 Lakhs in FY 2016-17.

- <u>Circulating Water Pump Stoppage</u>

  Each Unit is having 3 Nos of Circulating Water Pump and 1 No common Circulating Water pump for both unit, in that all 3 Circulating Water pumps are in running condition when both units are running in full load. Instead of running 6 Nos of Circulating Water Pump in unit full load operation, 4 Nos. of Circulating Water Pump and common pump was taken into service by which one pump has been stopped.

  Station Auxiliary Power Consumption saving due to stoppage of Circulating Water Pump was 936 Mwh/year i.e (0.936 MU/year) which results in saving of approximately 28.08 Lakhs in FY 2016-17.

- <u>Circulating Water Pump Stoppage</u>

  Each Unit is having 3 Nos of Circulating Water Pump and 1 No common Circulating Water pump for both unit in which 3 Nos will be running in unit full load operation. In this when unit is in shut down, one CW pump needs to run for providing Cooling water to Condenser. Instead of running one Circulating Water Pump in unit Shutdown, Common Circulating Water Pump is taken into service and interconnection MOV opened partially to provide cooling water to Condenser by which one Circulating water pump was stopped.

  Station Auxiliary Power Consumption saving due to stoppage of Circulating Water Pump and Open Cycle Cooling Water Pump was 624 Mwh/year i.e (0.624MU/year) which results in saving of approximately 18.72 Lakhs in FY 2016-17.

- Open Cycle Cooling Water Pump Stoppage

  Each Unit is having 2 Nos. of Open Cycle Cooling Water (OCCW) pump in which 1 Nos. will be running in unit operation. In this when unit is in shut down, one OCCW pump needs to run for providing Cooling water to Turbine lub oil Cooler. Instead of running one OCCW Pump in unit shutdown, Cooling Water is taken from Service water System by which one OCCW pump was stopped.

  Station Auxiliary Power Consumption saving due to stoppage of Open Cycle Cooling Water Pump was 52.8 Mwh/year i.e. (0.0528MU/year) which results in saving of approximately 1.58 Lakhs in FY 2016-17.

- Fly Ash Conveying Compressor Stoppage

  For both units 3 Nos. of Fly Ash Conveying Compressor is provided in which 2 Nos. of Fly Ash Conveying Compressor will be running when both units are running. Instead of running two Compressor, one compressor will be running for fly ash conveying of both unit with conveying setting changes. By Conveying setting changes, one Fly Ash Conveying Compressor has stopped.

  Station Auxiliary Power Consumption saving due to stoppage of Fly Ash Conveying Compressor was 312Mwh/year i.e. (0.312MU/year) which results in saving of approximately 9.38 Lakhs in FY 2016-17.

- Cooling Tower Induced draft fan blade replacement

  For Each unit 17 Nos. of Cooling Tower Induced Draft fans are available in which 16 is in running and one standby for full load operation. In one Cooling Tower Induced Draft fans, energy efficient blades have been replaced for trial basis.

  By replacement of blades Unit Auxiliary Power Consumption was saved of 144 Mwh/year i.e. (0.144 MU/year) which results in saving of approximately 4.32 Lakhs in FY 2016-17.

- Auxiliary Steam Header Charging from 4^{th} Extraction in Partial Load Operation

  Each Unit is having Auxiliary Steam Header(PRDS) which will be charged from 4^{th} Extraction in full load operation and in part load operation, it will be charged from CRH Line to maintain pressure in PRDS. Due to charging of CRH, 4^{th} Extraction steam will not be utilized fully in part load operation.

By charging PRDS from 4th extraction Total Cost Saving of approximately 13.86 Lakhs in FY 2016-17.

- Turbine driven BFP Recirculation CV closing in Partial load operation.

  Each unit is having two Turbine Driven BFP in which both will be in service when unit is running in partial or full load operation. In part load operation, both TDBFP will be running with recirculation CV opening of 35% to maintain the feed water flow. Both TDBFP recirculation CV is closed by changing set point of CV.

  By closing TDBFP recirculation CV Total Cost Saving of approximately 0.1 Lakhs in FY 2016-17.

- Soot Blowing Pressure setting

  Unit-1 Boiler is equipped with 88 Nos of Wall Blower, 30 Nos of LRSB & 20 Nos of HRSB to clear soot in Boiler. All Soot blowers in Unit-1 pressure setting done which improves Boiler Cleanliness and Heat transfer has been improved. So that Boiler Efficiency has improved by 0.5%.

  By Cleanliness of Boiler Total Cost Saving of approximately 7.32 Lakhs in FY 2016-17

B. Technology Absorption:

The lime stone slurry based Flue Gas Desulphurisation (FGD) plant was commissioned in the month of June 2016 for Unit#1 and kept in operation continuously. This is the first of its kind of 100% capacity FGD for a sub critical plant in the country. The Company has successfully absorbed this technology and become trend setter in the Industry with many other Power Companies visiting our plant to understand the system. Also with this plant commissioning, the Company has become the first Power Plant to comply with the new Environment regulations stipulated by the MOEF as applicable from December 2017.

C. Foreign Exchange Earnings and Outgo:

Foreign Exchange earnings	: ₹ 284.66 Million
Foreign Exchange outgo	: ₹ 9,798.38 Million

23. Risk Management Policy

Disclosure indicating implementation of a Risk Management Policy is provided in the Management Discussion and Analysis Report forming part of this Report.

24. <u>Corporate Social Responsibility</u>

The brief outline of the Corporate Social Responsibility Policy as recommended by the CSR Committee and approved by the Board of Directors of the Company and initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure - VII** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Policy is available on the Company's website (www.itpclindia.com)

25. Share Capital

During the year under review, there was no change in the share capital. The paid-up share capital as at March 31, 2017 was Rs. 175,96,97,650/- comprising of 175969765 equity shares of Rs. 10/- each.

26. Debentures

During the financial year 2016-17, the Company has issued and allotted Redeemable, Secured, Unlisted, Non-Convertible Debentures (NCDs) amounting to Rs. 500 Crores. IDBI Trusteeship Services Limited having their office at Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai 400 001 have been appointed as the Debenture trustee for the same.

As on March 31, 2017 the total outstanding value of Non-convertible Debentures was Rs. 500 Crores and Fully Compulsorily Convertible Debentures was Rs, 740 Crores.

27. Board evaluation

Pursuant to the provisions of Section 134(3) (p), 149(8) and Schedule IV of the Companies Act, 2013, annual performance evaluation of the Directors as well as the Board Committees has been carried out.

The performance evaluation of the Independent Directors was carried out by the entire Board and the performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors

The overall feedback was positive with the Directors recognizing that the performance of the Board, individual Directors and its various committees was effective.

28. <u>Internal control system</u>

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors.

29. <u>Vigil mechanism</u>

The Company has established a Vigil Mechanism / Whistle Blower Policy, whereby Employees, Directors and other Stakeholders can report matters such as generic grievances, corruption, misconduct, fraud, misappropriation of assets and non-compliance to code of conduct to the Company. The policy safeguards the whistle blowers to report concerns or grievances and also provides direct access to the Chairman of the Audit Committee.

30. <u>Information required under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013</u>

In accordance with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has adopted the Internal Complaints Committee constituted by IL&FS, since the Company does not have sufficient women employees at the senior level who could be nominated as the Presiding Officer and / or members of the Internal Complaints Committee (ICC). The Company is bound by the Policy formulated by the aforementioned Committee and employees shall refer any complaint that may arise in the workplace to the abovementioned Committee. There was no complaint received during the year. The Company has created awareness among the employees about the provisions of the said Act and also conducted sensitization workshops for all employees.

31. <u>Particulars of Employees</u>

The statement containing particulars of employees as required under subsection 12 of Section 197 of the Companies Act, 2013 read with rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **<u>Annexure III</u>** to the Board's report.

32. <u>Deposits</u>

The Company has not accepted any deposits from the public during the period under review and did not have any outstanding deposits

33. <u>Extract of Annual Return</u>

In accordance with Section 134(3) (a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format is appended as **<u>Annexure - VI</u>** to the Board's report

34. Statutory Disclosures

None of the Directors of your Company is disqualified as per provisions of Section 164(2) of the Companies Act, 2013. Your Directors have made necessary disclosures, as required under various provisions of the Act

35. Acknowledgements

The Board of Directors wish to place on record their appreciation to all the employees of the Company and the Group for their sustained efforts, dedication and hard work during the year.

The Board of Directors also wish to place on record their appreciation for the continued support and co-operation of the Shareholders, Banks, Financial Institutions, Associates, various regulatory and Government Authorities and for the valuable contributions made by the employees of the Company.

By Order of the Board of Directors

M.S. Srinivasan
Chairman

Place: New Delhi
Date: September 4, 2017

CORPORATE GOVERNANCE REPORT 2016 - 17

The Company has complied with the Corporate Governance requirements under the Companies Act, 2013.

Composition of the Board:

The Board of Directors has an ideal combination of executive and non-executive Directors and is in conformity with the provisions of the Companies Act, 2013. As on March 31, 2017, the Board consists of 7 (seven) Directors, one Executive Director or Whole-time Director, three Non-Executive Directors and three Independent Directors, one of whom is a Woman Director.

Meetings of the Board:

The Board met 5 (Five) times during the year. The dates on which meetings were held are April 21, 2016, July 22, 2016, October 25, 2016, February 14, 2017 and March 29, 2017.

The attendance of the Directors at the Board Meetings held during the period April 1, 2016 to March 31, 2017 and the previous Annual General Meeting is as under:

Name of the Director	Category	Attendance	
		Board Meeting	AGM
Mr. M.S.Srinivasan	Executive	5	Yes
Mr. Anoop Seth*	Non-independent & Non-executive	5	No
Mr. Ramesh C.Bawa	Non-independent & Non-executive	2	No
Mr. Sandeep H.Junnarkar	Independent	5	Yes
Mr. Sunil Wadhwa@	Non-independent & Non-executive	5	No
Mr. S L Bansal	Independent	5	No
Ms. Jayantika Dave	Independent	5	No

@ Resigned w.e.f April 4, 2017
* Resigned w.e.f August 28, 2017

Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 a separate meeting of the Independent Directors of the Company was held on June 20, 2017 to review the performance of the Non-independent Directors (including Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and it’s Committees which is necessary to effectively and reasonably perform and discharge their duties.

Committees of the Board:

Various committees of the Board have been constituted to assist the Board in discharging its responsibilities. There are five committees constituted by the Board – the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and a Committee of Directors. The Board at the time of constitution of each committee fixes the terms of reference for the Committee and also delegates powers from time to time. Various recommendations of the Committees are submitted to the Board for approval. The minutes of the meetings of all the Committees are circulated to the Board for its information.

The Quorum for meetings of all the above referred Committees is two members.

A. Audit Committee

Terms of Reference:

The terms of reference of the Audit Committee include:

a) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
b) Review and monitor the auditor’s independence and performance, and effectiveness of audit process;
c) Examination of the financial statement and the auditors’ report thereon;
d) Approval or any subsequent modification of transactions of the Company with related parties;
e) Scrutiny of inter-corporate loans and investments;
f) Valuation of undertakings or assets of the Company, wherever it is necessary;
g) Evaluation of internal financial controls and risk management systems;
h) Monitoring the end use of funds raised through public offers and related matters.

Composition:

The composition of the Audit Committee and the details of the meetings attended by the members during 2016-17 was as under:

S.No	Name of the Director	No of meetings	
		Held	Attended
1	Mr. Sandeep H Junnarkar	4	4
2	Mr. Ramesh C Bawa	4	2

3	Mr. Sunil Wadhwa@	4	4
4	Mr. Shyam Lal Bansal	4	4
5	Ms. Jayantika Dave	4	4

* Resigned w.e.f April 4, 2017

Meetings:

Four Audit Committee meetings were held during the year on the following dates: April 21, 2016, July 22, 2016, February 14, 2017 and March 29, 2017.

The necessary quorum was present for all the meetings.

The Company Secretary is the Secretary to the Audit Committee

The Statutory Auditors have attended the Audit Committee Meeting where the financials results/audit reports were discussed.

B. Nomination and Remuneration Committee

Terms of Reference:

The terms of reference of the Nomination & Remuneration Committee include:

a) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management and recommending to the Board their appointment and removal
b) Carrying out evaluation of every Director's performance
c) To determine and recommend to the Board the remuneration payable to the Directors
d) To review and approve the Human Resources Policies of the Company and to oversee the Human resources strategy

The Company has adopted a policy on remuneration of Directors. This policy was approved by the Nomination & Remuneration Committee and the Board.

Composition:

The composition of the Nomination & Remuneration Committee and the details of the meetings attended by the members during 2016-17 was as under:

S.No	Name of the Director	No of meetings	
		Held	Attended
1	Mr. Sunil Wadhwa@	2	2
2	Mr. Sandeep H. Junnarkar	2	2
3	Ms. Jayantika Dave	2	2

[@] Resigned w.e.f April 4, 2017

Two Nomination & Remuneration Committee meetings were held during the year on the following dates: July 22, 2016 and October 25, 2016.

All the members were present in both the meetings held.

The Company Secretary is the Secretary to the Nomination and Remuneration Committee.

C. *Corporate Social Responsibility (CSR) Committee*

The Company has constituted a Corporate Social Responsibility Committee pursuant to the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility) Rules, 2014 comprising of Mr. Ramesh C Bawa, Mr. Sandeep H Junnarkar and Ms. Jayantika Dave as members. The Committee met once during the year on April 21, 2016 and all the members were present.

The CSR Report as required under the Companies Act, 2013 for the year ended March 31, 2017 is attached as **Annexure – VII** to the Board's Report.

D. *Risk Management Committee*

The Company has constituted a Risk Management Committee for monitoring the Risk Management Framework and to assist the Board in overseeing Company's risk management policies and processes (including processes for monitoring and mitigating such risks) and the Company's exposure to unmitigated risks.

The Risk Management Committee comprises of Mr. M S Srinivasan, Mr. Anoop Seth and Mr. Shyam Lal Bansal. The Committee met on February 14, 2017 and all the Members were present.

E. *Committee of Directors*

The Board of Directors has also constituted a Committee of Directors (CoD) comprising of Mr. Anoop Seth, Mr. R C Bawa, and Mr. Sunil Wadhwa, Directors of the Company.

The Committee of Directors met 5 times during the year 2016-17. The attendance of the Committee members was as under:

S.No	Name of the Director	No of meetings	
		Held	Attended
1	Mr. Sunil Wadhwa[@]	5	4
2	Mr. Anoop Seth[*]	5	5
3	Mr. Ramesh C Bawa	5	3

[@] Resigned w.e.f April 4, 2017
[*] Resigned w.e.f August 28, 2017

The Committee of Directors are authorized to do the following:

a) Supervise the operations of the Company in the ordinary conduct of business and to exercise all such powers and to do all such acts and deeds, for and on behalf of the Board of Directors in terms of and subject always to the provisions of Section 179 and other applicable provisions of the Companies Act, 2013

b) Approve incremental credit/investments and exercise borrowing powers as per the following prescribed limits:

- Incremental credit/investment proposals of up to Rs. 5000 Million, subject to the provisions of Section 180 and 186 of the Companies Act, 2013

- Borrowing of funds and creation of charges or mortgages and hypothecation of movable and immovable properties of the Company subject to such limits as may be approved by the Members of the Company in terms of Section 180 of the Companies Act, 2013

c) Deal with all the matters connected with allotment, transfer, dematerialization, rematerialisation of securities, issue of share certificates and other related matters

Other Committees:

A. Internal Complaints Committee

In accordance with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has adopted the Internal Complaints Committee constituted by IL&FS, since the Company does not have sufficient women employees at the senior level who could be nominated as the Presiding Officer and / or members of the Internal Complaints Committee (ICC). The Company is bound by the Policy formulated by the aforementioned Committee and employees shall refer any complaint that may arise in the workplace to the abovementioned Committee. There were no complaints received during the year.

The Company has created awareness among the employees about the provisions of the said Act and also conducted sensitization workshops for all employees.

B. Hedging Monitoring Committee

The Company has constituted Hedging Monitoring Committee comprising of Senior Executives to decide, negotiate and finalize the hedging strategies for managing the Price risk faced by the Company.

Details of Remuneration paid to Executive & Non-Executive Directors during 2016 - 17

These details are provided in **Annexure - VI**, the extract of the Annual Return, annexed to the Directors' Report in Form MGT – 9 as required under the provisions of Section 92 of the Companies Act, 2013

Stock Options to Executive Directors

No Stock options have been granted to any of the Executive Directors during the Financial Year 2016-17

Subsidiaries

The Company has five subsidiaries as at the yearend namely ILFS Maritime Offshore Pte Ltd (IMOL), IL&FS Offshore Natural Resources Pte Ltd., (IONRPL), PT Bangun Asia Persada (PT BAP), PT Mantimin Coal Mining (PT MCM) and Se7en Factor Corporation (SFC).

The Consolidated financial statement prepared in accordance with "Ind AS" is made part of the Annual Report. A statement containing brief financial details of the Company's subsidiaries for the financial year ended March 31, 2017 is included in the annual report. The audited annual accounts and related information of the subsidiaries, where applicable, will be made available upon request. These documents will also be made available for inspection during business hours at the registered office of the Company.

By Order of the Board of Directors

Place: New Delhi — **M.S. Srinivasan**
Date: September 4, 2017 — **Chairman**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Outlook

The total installed capacity of power stations in India stood at 329,231 Megawatt (MW) as of June 30, 2017 and thermal power continues to be the dominant source of power accounting for ~ 67%.

The actual energy generation during 2016-17 was 1160.14 BU compared to 1107.82 BU during 2015-16, which represents a growth of ~ 4.72%. The Ministry of Power has set a target of 1,229.4 billion units (BU) to be generated in the financial year 2017-18, an anticipated growth of around 5.97%.

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%.

	Energy (MU)	**Peak (MW)**
Requirement	1,142,929	159,542
Availability	1,135,334	156,934
Shortage	-7,595	-2,608
(%)	-0.7	-1.6

The Plant Load Factor (PLF) of Coal / Lignite based power plants was ~ 60% during financial year 2016-17.

A fast growing economy coupled with increasing household incomes and improved quality of life, has been pushing the demand for electricity in the upward direction. The Government of India’s focus on attaining ‘Power for all’ has accelerated capacity addition in the country. The transmission capacity of the country has also improved more than 40% from 5.3 lakhs MVA in March 2014 to 7.4 lakhs MVA in March 2017 and the stability of the grid has improved manifold.

It is expected that India will continue to see a growth in demand as the standards of living keep improving. Indian power sector is undergoing a significant change that has redefined the industry outlook. This is also reflected in India’s per capita electricity consumption of ~ 1100 kWh which is only one-third of the world average.

Presently, thermal power industry is experiencing a slump due to large under utilised capacities, muted demand, bunched capacity addition, soft merchant power prices, continued investments in renewable capacities and lack of opportunities for long-term power purchase agreements. However, the situation is expected to change over the next couple of years driven by UDAY scheme which is likely to result in an improvement in the liquidity profile of the discoms, which in turn is likely to improve the ability of the discoms to off-take power and pay power generators in a timely manner. This coupled with the consistently growing economy and the government's initiative of 'Power for All' presents a positive outlook for thermal power companies like ours.

Company Review

The Company is a Special Purpose Vehicle incorporated by IL&FS Group under the energy platform (i.e. IEDCL) for implementation of the Thermal Power Project ("Project") at Cuddalore in Tamil Nadu.

The Company is setting up 3840 MW thermal power plant in Kothattai, Ariyagoshti and Villianallur revenue villages of Chidambaram Taluk, Cuddalore District. The project is being implemented in Phases. Phase I of the project is for 1200 MW comprising of 2 units of 600 MW each. Second phase shall have 3 x 660 MW and the final phase would have 1 x 660 MW with necessary approvals.

Phase I of the project has been funded by a combination of Debt and Equity. The Debt has been funded by a consortium of 19 banks and financial institutions led by Punjab National Bank.

Upon completion of all Phases, the Project will lead to addition of an installed capacity to 3,840 MW using environmentally friendly technology and based on imported coal that has lesser ash content. Since the project has its own captive desalination plant and uses sea water to meet its water requirements, it will not add to pressure on inland fresh water resources of the State.

The Company has set up wet limestone based Flue Gas De-sulphurisation Unit (FGD) for controlling the Sulphur emission.

1. **Status of Phase I of the Project**

Unit # 1 commenced Commercial Operation from 29th September 2015 for supply of power to TANGEDCO under the Power Purchase Agreement. Unit # 2 commenced Commercial Operation from 30th April 2016.

FGD for Unit 1 started operations from the last week of May 2016. The FGD for Unit 2 was commissioned and put into operation from April 2017. With this, all the construction activities relating to Phase I have been fully completed

The Consent to Operate approval has been extended for a period of 2 years (i.e. upto 31st March 2019)

After significant representations made by Power Industry Players MoP has extended the time period for furnishing the final Mega certificates to the Tax authorities from the earlier 60 months to 120 months from the date of import. In addition, this notification allows pro rata Mega Policy benefits in proportion to long-term PPAs already tied-up. In view of this, the Company has time till January 2022 to comply with the Mega Power Policy requirements and will claim customs duty exemption in proportion to the long-term capacity already tied-up with TANGEDCO

2. Operations

The Company had a manpower supply contract for operation of Control Room of one unit. The said contract came to a close with effect from 31st March 2017. The entire Control Room of the power plant is now operated and managed directly by the Company and package contracts have been awarded for O&M of BTG and BOP.

The Operations of the plant has been stream lined with reduction in trippings, increase in availability of the plant, etc. Norms have been introduced for Heat Rate/Specific Coal Consumption, Specific Fuel Oil Consumption and O&M cost. The Company has engaged experts for gap analysis and improvement of plant performance. The Company is also constantly analysing suitable coal specifications for optimum plant performance.

3. Sales

During the financial year 2016-17, 2468 million units were sold to TANGEDCO under the PPA. The PPA availability for the year was 88.5% entitling the company for incentive as per the PPA.

In the absence of a long term PPA, power from Unit 2 was sold under short-term bilateral arrangements and through the power exchange. During FY 2016-17, a total of 2,166 million units were sold.

4. Financial Performance

The revenue from sale of power during FY 2016-17 was Rs. 23,168 million which is inclusive of the interest on overdue receivables billed on TANGEDCO. Other income on a standalone basis for the year was Rs. 1493 million which included interest income of Rs. 914 million, foreign exchange variation gain of Rs. 558 million and non-operating income of Rs. 20 Million. The Earnings before Interest, Tax and Depreciation / Amortization on a standalone basis was Rs. 10,058 million. Finance cost was Rs. 6,187 million. The Profit after tax on standalone basis for the financial year 2016-17 was Rs. 1,463 million.

The Earnings before Interest, Tax and Depreciation / Amortization on a consolidated basis was Rs. 9,673 million. Finance cost was Rs. 6,103 million. The

Profit for the year on consolidated basis for the financial year 2016-17 was Rs. 1,162 million.

Human Resource Strategy

The Company believes that with the available abundant experience and expertise of the employees, Human Resource is the major asset of the Company and that key performers drive the Company's growth. The Company has re-aligned its human resources management strategy to support creativity, innovation, teamwork and high performance. Towards this end and for the purpose of attracting and retaining the best talent, the Company's Human Resources strategy focuses on the following

a. Effective and optimal utilisation of employees so as to ensure that there is no under / over utilisation of employees as the same is good not only for the Company but also for the individual employees and their functional groups

b. Appropriate performance management system which will focus on reward and retention of key performing employees and alignment of objectives of the Company with that of the individual employees and the functional groups

c. Constant training and development of employees so as to enable them to develop the kind of competencies that will be required from them in future

Risks and concerns

A brief on the major Risks faced by the Company and the mitigating strategies are given below:

i. Fuel Availability and Price

Limited or delayed supply of fuel (coal) and increased costs may jeopardize the Company's ability to generate power. Fuel price volatility may also impact project sustainability in the longer term. In order to overcome the Fuel Availability risk, the Company has entered into a Fuel Supply Agreement (FSA) with a reliable fuel trader with adequate remedies for failure to supply. As per the FSA, the trader has the flexibility to source the coal from any Coal mine in Indonesia. However, quality control processes have been put in place in order to ensure that the Coal supplied is in line with the plant's requirements. As the price of Coal under the FSA is linked to the New Castle index, the Company is exposed to coal price risk. In order to manage the Price Risk, the Company has adopted a Price Risk Management Policy and has started coal hedging. A Hedging Monitoring Committee has also been formed which decides, negotiates and finalises the hedge strategies for managing the Price risk. Further, the Company also plans to develop its own mine in Indonesia. The Company is in the process of assessing the available Coal Reserves as per the JORC. The mine when operational, would act as a natural hedge for the Coal prices

ii. Liquidity Risk

Substantial portion of the power generated by the Company is being sold to the State Discoms and the delay in collection of the receivables put a cashflow stress on the Company. In order to overcome the same, the Company has enhanced its working capital limits and is also exploring alternate options for financing like discounting of the receivables.

iii. Power Off-take Risk

The Company faces / may face loss of revenue due to lower Off-take of Power by the Procurers. The PPA with TANGEDCO provides for Capacity Charges based on availability which mitigates this risk to some extent. In the absence of long-term PPA for the balance capacity, power is being sold under short-term bilateral arrangements and on the power exchanges

iv. Operation and Maintenance Risk

As the Operations of the Company is plant oriented, Operational and Maintenance issues of the Power Plant like lower plant availability, higher heat rate (coal consumption) and auxiliary power consumption, Higher O&M expenses and other factors like Manpower, inventory level, consumables, inefficiency of O&M contractor, etc, are likely to have an adverse impact on the financials of the Company

In order to mitigate the Operational and Maintenance risks, the following mitigants are in place / being planned:

- Adopted best practices in the industry in predictive and preventive maintenance
- Norms have been introduced for Heat Rate / Specific Coal Consumption, Specific Fuel Oil Consumption and O&M cost
- Experts are being engaged for gap analysis and improvement of plant performance
- Suitable coal specification are being identified for optimum plant performance
- Ensuring Spares availability on time
- Adopting energy conservation measures

- High skilled manpower for Operation and Maintenance and performance related clauses in O&M contracts with suitable Liquidated Damages

v. Human Resource

Inadequate resources and competency gaps in human resources may lead to non-achievement of business goals by the Company. To mitigate the same, the Company identifies the training needs of its work force and has implemented a training calendar. Manpower planning is in sync with the growth plans of the Company. Roles and responsibilities have been clearly defined and communicated. Succession planning for key executives is being planned.

Risk Management

The Company views risk management as a continuous process which is the principal driver for effective Corporate Governance and for enhancement of value to the shareholders. In line therewith, the management of the Company constantly assesses the various risks faced / likely to be faced by the Company and develops strategies for mitigating / managing the risks

As both the Units of Phase – 1 (2 x 600 MW) have commenced commercial operation, the construction risk has abetted. Accordingly, the Risks faced / likely to be faced by the Company have been re-assessed and strategies for mitigation / managing the said Risks have been developed.

The Company has also adopted a Risk Management policy and has constituted a Risk Management Committee for successfully monitoring Risk Management Framework.

The monitoring and reporting process will help to determine that:

a. The procedures adopted and information gathered for identifying the risks to the business were appropriate;

b. The mitigation plans put in place for the various risks are appropriate in view of the current scenario and shall result in accomplishing the ultimate objective of risk mitigation; and

c. Personnel who have been assigned the responsibility for the mitigation plans are performing the tasks assigned to them diligently and in the best possible manner.

Risk prioritization is being done by the Company based on the Impact and Likelihood score of the respective risks. The Company has also adopted the Risk Heat Map and Matrix.

By Order of the Board of Directors

Place: New Delhi
Date: September 4, 2017

M.S. Srinivasan
Chairman

Annexure - I

Form AOC-1

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

Statement containing the salient features of the financial statements of Subsidiaries/Associate Companies:

S.No	Particulars	ILFS Maritime Offshore Pte Ltd (a)	IL&FS Offshore Natural Resources Pte Ltd (b)	Se7en Factor Corporation (c)	PT Bangun Asia Persada (d)	PT Mantimin Coal Mining (e)	Cuddalore Solar Power Private Limited (f)
1	Date since when subsidiary was acquired	14-Mar-11	14-Mar-11	14-Mar-11	14-Mar-11	14-Mar-11	23-Sep-13
2	Reporting period for the subsidiary	April to March	April to March	April to March	April to March	April to March	April to March
3	Reporting Currency and Exchange rate as on March 31, 2017	USD 64.8386	USD 64.8386	USD 64.8386	IDR 0.00486	IDR 0.00486	INR N.A
4	Issued and Subscribed Capital	1,98,63,22,993	11,08,797	4,51,400	99,79,78,787	-	6,76,000
5	Reserves	(3,20,50,39,614)	(1,48,56,191)	20,96,66,388	(44,27,91,388)	-	(38,73,294)
6	Total Assets	5,61,67,17,531	89,70,099	21,07,25,450	1,37,89,26,264	-	38,691
7	Total Liabilities	6,83,54,34,152	2,27,17,493	6,07,662	82,37,38,865	-	32,35,985
8	Investment	-	-	-	-	-	-
9	Turnover (other income)	-	-	-	1,20,20,834	-	-
10	Profit/(Loss) before taxation	(29,54,34,550)	(24,35,799)	(46,963)	(3,68,14,002)	-	(96,874)
11	Provision for Taxation	-	-	-	-	-	-
12	Profit after Taxation	(29,54,34,550)	(24,35,799)	(46,963)	(3,68,14,002)	-	(96,874)
13	Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil
14	% Shareholding by the Company	100%	100%	100%	100%	95%	26%

Notes:

(b) IL&FS Offshore Natural Resources Pte Ltd is a Wholly owned Subsidiary of ILFS Maritime Offshore Pte Ltd

(c) Se7en Factor Corporation is a Wholly Owned Subsidiary of ILFS Maritime Offshore Pte Ltd

(d) PT Bangun Asia Persada is a Wholly Owned Subsidiary of ILFS Maritime Offshore Pte Ltd

(e) PT Mantimin Coal Mining is a Subsidiary of PT Bangun Asia Persada

The details of PT Bangun Asia Persada represents the Consolidated Statement including its Subsidiary PT Mantimin Coal Mining

(f) Cuddalore Solar Power Private Limited is a Joint Venture Company between IL&FS Tamil Nadu Power Co. Ltd and IL&FS Renewable Energy Ltd

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S. No	Name of Associates/Joint Ventures	Cuddalore Solar Power Private Limited
1	**Latest audited Balance Sheet Date**	31.03.2017
2	**Date on which the Associate or Joint Venture was associated or acquired**	23.09.2013
3	**Shares of Associate/Joint Ventures held by the company on the year end**	
	No.	17,600
	Amount of Investment in Associates/Joint Venture	1,76,000
	Extend of Holding %	26%
4	**Description of how there is significant influence**	By virtue of shares held to an extent of 26%
5	**Reason why the associate/joint venture is not consolidated**	N.A
6	**Networth attributable to Shareholding as per latest audited Balance Sheet**	(8,31,296)
7	**Profit / Loss for the year**	(96,874)
	Considered in Consolidation	Yes
	Not Considered in Consolidation	No

For and on behalf of the Board of Directors

M S Srinivasan	Ramesh C Bawa	N K Balaji	K Suganyaa
Chairman	Director	Chief Financial Officer	Company Secretary

Place: New Delhi
Date : September 4, 2017

Form No. AOC - 2

Annexure - II

[Pursuant to Clause(h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts)Rules, 2014]

The form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm’s length basis.

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2017, which were not at arm's length basis

Details of contracts or arrangements or transactions at arm’s length basis.

S.No	Name of Related Party	Nature of Relationship	Salient Terms	Amount (₹ in Mn)
	Nature of Transaction			
1	**Investment**			
1.2	IL&FS Maritime Offshore Pte Limited	Wholly-owned subsidiary	Equity subscription	123.72
2	**Credit facilities availed**			
2.1	IL & FS Energy Development Company Limited	Holding Company	Facilities in the nature of unsecured loan, Revolving Line of Credit	6,547
2.2	IL & FS Transportation Network Limited	Fellow Subsidiary	Unsecured Loan	200.60
3	**Availing or rendering of any services**			
3.1	IL & FS Energy Development Company Limited	Holding Company	Advisory Services	210.67
3.2	IL & FS Energy Development Company Limited	Holding Company	Power Sale	2,252.71
3.3	Infrastructure Leasing & Financial Services Limited	Ultimate Holding Company	Guarantee commission	147.95
3.4	IL & FS Financial Services Limited	Fellow Subsidiary	Debt syndication	293.81
3.5	IL&FS Environmental Infrastructure Services Limited	Fellow Subsidiary	Environmental advisory services	1.30
3.6	IL&FS Environmental Infrastructure Services Limited	Fellow Subsidiary	Professional fees	5.76
3.7	IL&FS Maritime Infrastructure Company Limited	Fellow Subsidiary	Cargo handling charges	1,425.53
3.8	IL&FS Maritime Infrastructure Company Limited	Fellow Subsidiary	Rental Income	1.17

3.9	IL&FS Education & Technology Services Limited	Fellow Subsidiary	CSR activities	6.29
3.10	IL&FS Clusters Development Initiative Ltd	Fellow Subsidiary	Professional fees	0.30
3.11	ISSL Settlement & Transaction Services Ltd	Fellow Subsidiary	IT Services	4.16
3.12	Porto Novo Maritime Limited	Fellow Subsidiary	Interest and charges	54.20
3.13	Porto Novo Maritime Limited	Fellow Subsidiary	Rental Income	0.15
3.14	Saurya Urja Company Rajastan Limited	Fellow Subsidiary	Reimbursement of expenses	5.28
3.15	IL & FS Technologies Limited	Fellow Subsidiary	IT Services	0.15
3.16	Livia India Limited	Fellow Subsidiary	IT Services	0.16
4	**Income**			
4.1	IL&FS Maritime Offshore Pte Limited	Wholly-owned Subsidiary	Interest income	284.66
5	**Expenses**			
5.1	IL & FS Energy Development Company Limited	Holding Company	Dividend paid	1,503.46
5.2	IL & FS Energy Development Company Limited	Holding Company	Interest paid	2,094.10
5.3	IL&FS Transportation Networks Limited	Fellow Subsidiary	Interest paid	5.95

For and on behalf of the Board of Directors

M S Srinivasan
Chairman

Place: New Delhi
Date : September 4, 2017

Annexure - III

Particulars of Remuneration

A. Information in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Details of remuneration paid during the year ended March 31, 2017:

S.No	Employee Name	Designation	Educational qualifications	Age	Total work experience (Yrs)	Remuneration (in Rs.)	Date of commencement of employment	Previous employment
1	M S Srinivasan	Chairman	B.Tech., Masters in Public Administration, Indian Administrative Service (Retd.)	69	44	1,78,69,680/-	04.11.2008	Secretary to Government of India, Ministry of Petroleum & Natural Gas
2	N Ramesh	Chief Executive Officer	B.Com., ACMA	51	30	1,84,36,853/-	01.09.2008	IL&FS Energy Development Co. Ltd.,

Note:

1. Remuneration includes basic salary, allowances, taxable value of perquisites, the Company's contribution to Provident Fund and Superannuation funds etc. In addition to the above, employees are entitled to performance related pay as per Company's policy.
2. No employee mentioned above is related to any Director of the Company

For and on behalf of the Directors

Place: New Delhi
Date: September 4, 2017

M S Srinivasan
Chairman

Annexure - IV

Managerial Remuneration Policy

I. Preamble:

The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors (“Board”), Key Managerial Personnel (“KMP”) and the Senior Management Personnel (“SMP”) of the Company (collectively referred to as “Executives”). The expression ‘‘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.

II. Aims & Objectives :

The aims and objectives of this remuneration policy may be summarized as follows:

(1) The remuneration policy aims to enable the company to attract, retain and motivate highly qualified members for the Board and Executive level.

(2) The remuneration policy seeks to enable the company to provide a well balanced and performance-related compensation package, taking into account Shareholder’s interests, industry standards and relevant Indian corporate regulations.

(3) The remuneration policy will ensure that the interests of Board members & Executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.

(4) The remuneration policy will ensure that remuneration to Directors and Executives 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.

Effective Date:

This policy shall be effective from **April 1, 2014**

III. Compensation Forums:

Nomination & Remuneration Committee:

Nomination & Remuneration Committee was constituted in March 2014 to oversee the remuneration of the Whole-time Directors of the Company, determine the quantum and distribution of Performance Related Pay to employees including the Whole-time Directors of the Company.

IV. Statutory Provisions:

(1) Pursuant to the notification of the Companies Act 2013 effective April 01, 2014, the following provisions thereof have been considered while formulating the Remuneration Policy at ITPCL :

(a) Remuneration for Whole-time, Non-Executive Directors, Key Management Personnel and Senior Management

(b) Role of the Nomination and Remuneration Committee

(c) Disclosures in the Directors' Report

V. Objective:

(1) The key objective of the Managerial Remuneration Policy is to enable a framework that allows competitive and fair rewards for the achievement of key deliverables

(2) While deciding remuneration for the Whole-time Directors' various factors such as the market scenario, business performance of ITPCL are considered

(3) Rationale for Remuneration Framework :

(a) Internal Ratios: The Compensation package for Managerial Personnel at level/s lower than Whole-time Director is revised annually in the form of performance increments, structural improvements and Cost of Living Adjustments. This has led to a compressing of the compensation differential between the lowest and highest levels of executive management

(b) Compliance & Risk Parameters : In view of Company law regulations, the compliance roles of Whole-time Directors far outweigh that of any other level, and consequently the risk parameters associated with these jobs are of a significantly higher level as compared to the junior levels

VI. Remuneration Pattern :

(1) **Structure** : A summary of the current structure set for the Whole-time Directors is as mentioned below :

Components	Item	Description	Policy
Base Salary	• Reflects the Directors' experience, criticality of the role with the Group and the risk factor involved	• Consolidated Salary fixed for each financial year • This component is also used for paying retiral benefits • Paid on a monthly basis	Normally positioned as the highest as compared to the Group
Short-term incentive / PRP	• Based totally on the performance of the Director	• Variable component of the remuneration package • Paid on an annual basis	Determined by the Compensation Committee after year-end based on performance against the pre-determined financial and non-financial metrics
Retiral Benefits	• Provide for sustained contribution	• Accrues depending on length on service. It is 20.33% of Consolidated Pay	Paid post separation from the Company as per the Rules of the Provident Fund and Gratuity Acts

(2) **Base Salary** : The Shareholders of the Company, while approving the appointment of the Whole-time Directors approve the gross salary of the Whole-time Directors

(3) **Perquisites and benefits** : All other benefits are as per the rules of the Company. In addition to the above remuneration, the Whole-time Directors are also entitled to perquisites as per the Rules of the Company

(4) **Short-Term Incentive Plan ('STIP')**:

(a) The Company operates variable pay scheme called as "Performance Related Pay" [PRP]. Amendments to the PRP scheme is made to suit the Organization's business and performance

(b) In determining the actual PRP payments, the factors which are usually considered are Operational performance against budget / target.

VII. <u>Key Management Personnel:</u>

(1) The Key Management Personnel (KMP) in ITPCL are Chairman, Managing Director, Chief Financial Officer, and Company Secretary (CS)

(2) The KMPs have operational responsibilities in addition to the responsibilities specified by the Companies Act, 2013

(3) The remuneration package of the Key Management and Senior Management comprises of :

(a) **<u>Fixed Remuneration</u>** : This includes a Monthly Salary such as Consolidated Pay, Variable House Rent Allowance, Compensatory Allowance, Utility Allowance, Special allowance and Children Education Allowance

(b) **<u>Annual Allowances</u>**: This consists of Leave Travel Allowance, Medical Reimbursement and House Maintenance Allowance

(c) **<u>Retirals</u>**: This includes Provident Fund @ 12% of Consolidated Pay and Gratuity @ 8.33% of Consolidated Pay

VIII. <u>Non-Whole Time Directors</u>:

Non Whole-Time Directors are paid Sitting Fees for attending the Board / Board Committee/s Meetings in accordance with the Companies Act, 2013. The Board is responsible for setting policy in relation to the remuneration of the Non-Whole Time Directors.

IX. <u>Remuneration Mix</u>:

The total remuneration package of Directors and KMPs is designed to provide an appropriate balance between fixed and variable components with focus on Performance Related Pay so that outstanding performance is incentivized but without encouraging excessive risk taking.

X. <u>Role of the Nomination and Remuneration Committee (NRC)</u>:

The role of the Nomination and Remuneration Committee (NRC) will inter alia be the following:

(i) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management
(ii) Recommending to the Board their appointment and removal
(iii) Carrying out evaluation of every Director's performance
(iv) To determine and recommend to the Board the remuneration payable to the Directors
(v) To review and approve the HR Policies of the Company and to oversee the Human resources strategy

NRC would play a pivotal role in ensuring the governance as follows:

(1) Identification, appointment of Directors, Key Managerial Personnel and Senior Management

(2) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend Managerial Remuneration Policy to the Board for remuneration for the directors, key managerial personnel and senior other employees

XI. **Disclosures**:

Under the provisions of CA 2013, the Board of Directors would have to disclose the details of the managerial remuneration in the Director's Report to the Shareholders

XII. **Review and Modification :**

Effectiveness of the Managerial Remuneration Policy is ensured through periodical review. The Board of Directors of ITPCL may amend or modify this Policy in whole or in part at any time

Annexure - V

AASHISH KUMAR JAIN & ASSOCIATES
COMPANY SECRETARIES

No 164, Linghi Chetty Street
2nd Floor, Singapore Plaza
Parrys, Chennai - 600 001
044 - 42160090
044 - 42620512
098413 31247
csakjain@gmail.com

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March 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,
IL&FS TAMIL NADU POWER COMPANY LIMITED
4th Floor, KPR Tower, Old No. 21, New No. 2,
1st Street, Subba Rao Avenue,
College Road, Chennai TN 600006

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IL&FS TAMIL NADU POWER 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 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 authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March 2017, 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 period ended on 31st March 2017 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the Rules made there under;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under; - **NA**

III. The Depositories Act, 1996 and the Regulations thereunder;

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. Few Other applicable laws namely:

a. Environmental Laws;
b. Electricity Act, 2003
c. Boilers Act, 1923

VI. Secretarial Standards issued by The Institute of Company Secretaries of India

Aashish Kumar Jain & Associates
Company Secretaries

No 164, Linghi Chetty Street
2nd Floor, Singapore Plaza
Parrys, Chennai - 600 001
044 - 42160090
044 - 42620512
098413 31247
csakjain@gmail.com

During the period under review, the company has complied with the provisions of the act, rules, regulation, guidelines, standards, etc., mentioned above.

We further report that the Board of Directors of the company is constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Notice is given to the Directors to schedule the board meetings, agenda and detailed notes on agenda were sent 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.

As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc., mentioned above.

We further report that based on the information provided by the company, its officers and authorized representative during the conduct of the audit in our opinion, adequate systems and processes and control mechanism exist in the company to monitor and ensure compliance with applicable laws.

We further report that during the audit period , following events took place in the Company:

1. allotment of Redeemable Secured Unlisted Non-Convertible Debentures

2. the object Clause of the Memorandum of Association as per Companies Act, 2013 and also included new objects in the Object Clause after obtaining approval of the shareholders in the Extra-ordinary General Meeting held on November 28, 2016.

Place: Chennai
Date: 04.09.2017

For Aashish Kumar Jain & Associates
Company Secretary in Practice

Aashish Kumar Jain
Proprietor
C.P.No.7353

Aashish Kumar Jain & Associates
Company Secretaries

AASHISH KUMAR JAIN & ASSOCIATES
COMPANY SECRETARIES

No 164, Linghi Chetty Street
2nd Floor, Singapore Plaza
Parrys, Chennai - 600 001
044 - 42160090
044 - 42620512
098413 31247
csakjain@gmail.com

ANNEXURE TO SECRETRIAL AUDIT REPORT

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

1. Maintenance of secretarial records, devised proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively are the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records, systems, standards and procedures based on 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 the 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 appropriate of financial records and books of accounts of the company.

4. Where ever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.,

5. The compliance of the provision 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.

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.

Place: Chennai
Date: 04.09.2017

For Aashish Kumar Jain & Associates
Company Secretary in Practice

Aashish Kumar Jain
Proprietor
C.P.No.7353

AASHISH KUMAR JAIN & ASSOCIATES
164, LINGHI CHETTY STREET
CHENNAI-1
M.No. 20164
C.P. 7353
COMPANY SECRETARIES

Annexure - VI

Form No. MGT – 9
Extract of Annual Return
As on the Financial Year ended 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:

1.	CIN	U72200TN2006PLC060330
2.	Registration date	June 26, 2006
3.	Name of the Company	IL&FS TAMIL NADU POWER COMPANY LIMITED
4.	Category / Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
5.	Address of the Registered office & Contact details	4th Floor, Old No. 21, New No. 2, 1st Street, Subba Rao Avenue, College Road, Chennai 600 006 Tel No: 044 - 30725550 Website: www.itpclindia.com
6.	Whether listed Company (Yes / No)	No
7.	Name, address & contact details of the Share transfer agent, if any	Link Intime India Private Limited C 101, 247 Park , L B S Marg, Vikhroli West, Mumbai 400 083 Tel No: 022 49186000

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:

S.No	Name and description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1	Electric Power Generation, transmission and distribution	3510	97.51

III. Particulars of Holding, Subsidiary and Associate Companies:

S.No	Name of the Company	Country	CIN / GLN	Holding/ Subsidiary / Associate	% of shares held as at March 31, 2016	Applicable section
1	IL&FS Energy Development Company Limited	India	U40300DL2007PLC163679	Holding	91.38%	2(46)
2	ILFS Maritime Offshore Pte Ltd	Singapore	Reg. No. 200715911W	Subsidiary	100%	2(87)(ii)
3	IL&FS Offshore Natural Resources Pte Ltd	Singapore	Reg. No. 200818793E	Step-down Subsidiary	100%	Explanation (a) to Sec. 2(87)
4	PT Bangun Asia Persada	Indonesia	Not Applicable	Step-down Subsidiary	100%	Explanation (a) to Sec. 2(87)
5	PT Mantimin Coal Mining	Indonesia	Not Applicable	Step-down Subsidiary	95%	Explanation (a) to Sec. 2(87)
6	Se7en Factor Corporation	Seychelles	Reg. No. 022712	Step-down Subsidiary	100%	Explanation (a) to Sec. 2(87)
7	Cuddalore Solar Power Private Limited	India	U40300MH2012PTC237302	Joint Venture	26%	2(6)

IV. Shareholding Pattern (Equity share capital breakup as percentage of Total equity):

i) Category-wise share holding

Shareholding pattern (Category wise)									
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	-	-	-	-	-	-	-	-	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp	160797503	6	160797509	91.38	160797503	6	160797509	91.38	-
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any other	-	-	-	-	-	-	-	-	-
(2)Foreign	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	**160797503**	**6**	**160797509**	**91.38**	**160797503**	**6**	**160797509**	**91.38**	**-**
B. Public Shareholding									
1.Institutions									
a) Mutual funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture capital funds	-	-	-	-	-	-	-	-	-
f) Insurance companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-

h) Foreign venture capital funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Subtotal B(1)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
2. Non Institutions									
a) Bodies Corp									
a) Indian	-	-	-	-	-	-	-	-	-
b) Overseas	15172256	0	15172256	8.62	15172256	0	15172256	8.62	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholding holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others	0	0	0	0	0	0	0	0	-
Sub-total B(2)	**15172256**	**0**	**15172256**	**8.62**	**15172256**	**0**	**15172256**	**8.62**	**-**
Total public shareholding									
(B) = (B)(1) + (B)(2)	**15172256**	**0**	**15172256**	**8.62**	**15172256**	**0**	**15172256**	**8.62**	**-**
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A)+(B)+(C)	**175969759**	**6**	**175969765**	**100.00**	**175969759**	**6**	**175969765**	**100.00**	**-**

ii) Shareholding of Promoters:

S.No	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the year			% change in shareholding 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	IL&FS Energy Development Company Ltd	160797509	91.38	0	160797509	91.38	0	-
	Total	**160797509**	**91.38**	**0**	**160797509**	**91.38**	**0**	**-**

iii) Change in Promoters' shareholding:

Name of the Shareholder	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
IL&FS Energy Development Company Limited				
At the beginning of the year	160797509	91.38	160797509	91.38
At the end of the year	**160797509**	**91.38**	**160797509**	**91.38**

iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S.No		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
	At the beginning of the year	15172256	8.62	15172256	8.62
	Date wise increase / decrease in Promoters shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	15172256	8.62	15172256	8.62

v) Shareholding of Directors and Key Managerial Personnel

S.No		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
	At the beginning of the year	-	-	-	-
	Mr. N Ramesh (jointly with IL&FS Energy Development Co Ltd)	1	0.00	1	0.00
	Mr. N K Balaji (jointly with IL&FS Energy Development Co Ltd)	1	0.00	1	0.00
	Ms. K Suganyaa (jointly with IL&FS Energy Development Co Ltd)	1	0.00	1	0.00
	Date wise increase / decrease in Promoters shareholding during the year specifying the reasons for increase /	-	-	-	-

	decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	At the end of the year	**-**	**-**	**-**	**-**
	Mr. N Ramesh (jointly with IL&FS Energy Development Co Ltd)	1	0.00	1	0.00
	Mr. N K Balaji (jointly with IL&FS Energy Development Co Ltd)	1	0.00	1	0.00
	Ms. K Suganyaa (jointly with IL&FS Energy Development Co Ltd)	1	0.00	1	0.00

V. Indebtedness:

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

(₹ in Crores)

	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the Financial Year				
a) Principal Amount	6,371.44	364.00	-	6,735.44
b) Interest due but not paid	-	-	-	-
c) Interest accrued but not due	48.24	101.25	-	149.49
Total (a)+(b)+(c)	**6,419.68**	**465.25**	**-**	**6,884.93**
Change in indebtedness during the Financial Year				
- Addition	-	674.80	-	-
- Reduction	-	555.10	-	-
Net change	**-**	**119.70**	**-**	**119.70**
Indebtedness at the end of the Financial Year				
a) Principal Amount	5,776.80	483.70	-	6,260.50

b) Interest due but not paid	-	-	-	-
c) Interest accrued but not due	5.05	1.76	-	6.81
Total (a)+(b)+(c)	**5,781.85**	**485.46**	**-**	**6,267.31**

VI. Remuneration of Directors and Key Managerial Personnel:

		(Rs. in Crores)	
S.No	**Particulars of remuneration**	**Name of MD/WTD/Manager**	**Total amount**
		Mr. M S Srinivasan	
1	Gross salary		
	(a) Salary as per provisions in Section 17(1) of the Income Tax Act, 1961	1.76	1.76
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961		
	(c) Profits in lieu of salary u/s 17(3) of Income Tax Act, 1961	-	-
2	Stock Option	-	
3	Sweat Equity	-	
4	Commission		
	- As % of profit	-	-
	- Others		
5	Others (sitting fees)	0.02	0.02
	Total(A)	**1.78**	**1.78**
	Ceiling as per the Act		

A. Remuneration to other Directors:

(Rs. in Lakhs)

S.No	Particulars of remuneration	Name of MD/WTD/Manager						Total amount
		Mr. Anoop Seth*	Mr. Sunil Wadhwa@	Mr. Ramesh C Bawa	Mr. Sandeep H Junnarkar	Mr. Shyam Lal Bansal	Ms. Jayantika Dave	
1	Independent Directors							
	- Fee for attending Board, Committee Meetings	-	-	-	4.40	4.00	4.40	12.80
	- Commission	-	-	-	7.00	7.00	7.00	21.00
	- Others	-	-	-	-	-	-	-
								-
	Total (1)	**-**	**-**	**-**	**11.40**	**11.00**	**11.40**	**33.80**
	Other non-executive Directors							
	- Fee for attending board meetings	4.20	5.80	2.30	-	-	-	12.30
	- Commission	-	-	-	-	-	-	-
	- Others	79.79	-	-	-	-	-	79.79
	Total (2)	**83.99**	**5.80**	**2.30**	**-**	**-**	**-**	**92.09**
	Total (B) = (1)+(2)	**83.99**	**5.80**	**2.30**	**11.40**	**11.00**	**11.40**	**125.89**
	Total managerial remuneration							
	Overall ceiling as per the Act							

@ Resigned w.e.f April 4, 2017

* Resigned w.e.f August 28, 2017

B. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(Rs. in lakhs)

S.No	Particulars of remuneration	CEO	CFO	Company Secretary	Total amount
1	Gross salary				
	(a) Salary as per provisions in Section 17(1) of the Income Tax Act, 1961	176.66	74.16	9.4	260.22
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) of Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- As % of profit	-	-	-	-
	- Others	-	-	-	-
5	Others	7.71	4.24	0.80	12.75
	Total(A)	**184.37**	**78.40**	**10.20**	**272.97**
	Ceiling as per the Act				

VII. Penalties / Punishment / Compounding of Offences:

There were no penalties / punishment / compounding of offences for the year ending March 31, 2017

<u>Annexure – VII to the Board's Report</u>

Format of reporting of Corporate Social Responsibility (CSR)

[P*ursuant to clause (o) of Sub-section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]*

1. CSR Policy:

   The Company's CSR Policy has been derived from the Parent Company's policy and designed with a belief that creating possibilities of economic inclusion powered by skilling and supporting livelihood creations, is the most effective way to manage challenges posed by poverty, inequality and unemployment in India

2. Composition of the CSR Committee:

   The current members of the CSR Committee of the Board are:
   a. Mr. Ramesh Bawa;
   b. Mr. Sandeep H Junnarkar; and
   c. Ms. Jayantika Dave

   Mr. M S Srinivasan, Chairman and Mr. Alok Bhargava are permanent invitees to the Committee.

3. Average Net Profit of the Company for the last 3 financial years (as per Section 198 of the Companies Act, 2013)

Year	Profit / (Loss) (in Crores)
FY 2013-14	(26.51)
FY 2014-15	5.82
FY 2015-16	232.75

   Average net profit for the last 3 years is Rs. 70.69 Crores

4. Prescribed CSR expenditure (two percent of the amount as in item 3 above):

   Rs. 1.41 Crores

5. Details of the CSR spend during the Financial Year:

   (a) Total amount spent for the Financial Year – Rs. 8.00 Crores
   (b) Amount unspent if any – Not applicable
   (c) Manner in which the amount spent during the financial year is detailed below:

Details of the CSR spent during the Financial Year 2016 - 17:							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	**CSR Project or activity identified**	**Sector in which the Project is covered**	**Project or Programs (1) Local area or other (2) specify the state and district where projects or program was undertaken**	**Amount Outlay (budget) Project or Programs wise (Rs. in Crores)**	**Amount spent on the projects or programs Sub-heads (1) Direct expenditure on projects / programs**	**Cumulative expenditure upto the reporting period (Rs. in Crores)**	**Amount spent : Direct or through implementing agency**
1	Enhance the quality of education and skills required for Job market	Education	Parangipettai Block, Cuddalore District, Tamil Nadu	2.00	Project & Program	0.88	Implementing agency
2	Fishermen Welfare	Livelihood	Parangipettai Block, Cuddalore District, Tamil Nadu	2.00	Direct	2.85	Direct
3	Health Care	Health	Parangipettai Block, Cuddalore District, Tamil Nadu	1.50	Project & Direct	0.82	Implementing agency
4	Development of other infrastructure	Rural Development	Parangipettai Block, Cuddalore District, Tamil Nadu	2.00	Direct	2.24	Direct

5	Livelihood	Livelihood	Parangipettai Block, Cuddalore District, Tamil Nadu	0.50	Project	0.21	Implementing agency
6	Contribution to Nalanda Foundation	Donation for carrying out CSR activities covering the surrounding villages	Parangipettai Block, Cuddalore District, Tamil Nadu	0.00	Donation	1.00	Implementing agency
	Total			**8.00**		**8.00**	

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in the Board's report – Not applicable

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

   Responsibility statement:

   The responsibility statement of the CSR Committee of the Board of Directors of the Company is as stated below:

   "The implementation and monitoring of Corporate Social Responsibility Policy is in compliance with the CSR objectives and Policy of the Company."

M S Srinivasan
Chairman

Ramesh C Bawa
Chairman of the CSR Committee

IL & FS Tamil Nadu Power Company Limited

Standalone Financial Statements for the year ended 31st March 2017

Deloitte
Haskins & Sells

Chartered Accountants
ASV N Ramana Tower,
52, Venkatnarayana Road,
T. Nagar,
Chennai - 600 017,
Tamil Nadu, India

Tel: +91 44 6688 5000
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INDEPENDENT AUDITOR'S REPORT

To The Members of IL&FS Tamil Nadu Power Company Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of IL&FS Tamil Nadu Power Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

In conducting 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 of the standalone Ind AS financial statements 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 standalone Ind AS financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

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CHARTERED ACCOUNTANTS

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements;

ii. 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;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures in the standalone Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on the audit procedures performed and representations provided to us by the management, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the management.

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

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No: 008072S)

Bhavani Balasubramanian
Partner
(Membership No: 22156)

Place: Chennai
Date: 17th August, 2017

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of IL&FS Tamil Nadu Power Company Limited ("the Company") as of 31st March, 2017 in conjunction with our audit of the standalone Ind AS 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 established by the Company considering the essential components of internal control stated in guidance Note on Audit of Internal Financial control over Financial Reporting issued by The Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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CHENNAI-17
CHARTERED ACCOUNTANTS

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Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting established by the Company considering the essential components of internal control stated in guidance Note on Audit of Internal Financial control over Financial Reporting issued by The Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No: 008072S)

Bhavani Balasubramanian
Partner
(Membership No: 22156)

DELOITTE HASKINS & SELLS
CHENNAI-17
CHARTERED ACCOUNTANTS

Place: Chennai
Date: 17th August,2017

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph (2) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

(b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the Indenture of Mortgage provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged with Project Lenders as security for term loans, are held in the name of the Company based on the Indenture of Mortgage executed between the Project Lender and the Company

With respect to immovable properties of land and buildings that are freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

(ii) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013

(iv) The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 for Generation, transmission, distribution and supply of electricity. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and cess which have not been deposited as on 31st March 2017 on account of disputes are given below

Name of Statue	Nature of dues	Forum where the appeal is pending	Period to which amount relates	Amount Unpaid (Rs.)
Income Tax Act, 1961	Income tax dues	Income tax appellate Tribunal / CIT appeals	Assessment year 2010-11 and 2011-12	*2,11,38,960

* Amounts paid under protest - Nil

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). According to the information and explanations given to us, in respect of term loans, the Company has applied the money for the purposes for which it was raised, other than temporary deployment pending application.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 order is not applicable.

DELOITTE HASKINS & SELLS
CHENNAI-17
CHARTERED ACCOUNTANTS

(xiii) In our opinion and according to the information and explanations given to us the company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has made private placement of non-convertible debentures during the year under review.

In respect of the above issue, we further report that:

a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and

b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding and subsidiary company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins &Sells
Chartered Accountants
(Firm's Registration No. 008072S)

Bhavani Balasubramanian
Partner
(Membership No.22156)

DELOITTE HASKINS & SELLS CHENNAI-17 CHARTERED ACCOUNTANTS

Chennai, 14th August, 2017

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IL&FS TAMIL NADU POWER COMPANY LIMITED
BALANCE SHEET AS AT MARCH 31, 2017

All Amounts are in ₹ million, unless otherwise stated

S.No	Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
A	**ASSETS**				
	Non-Current Assets				
	(a) Property, plant and equipment	2	1,02,073.77	57,659.41	934.23
	(b) Capital Work in Progress	2	7,758.44	44,523.52	74,084.22
	(c) Goodwill	3	250.28	250.28	-
	(d) Other Intangible Assets	4	98.39	0.32	-
	(e) Financial Assets				
	(i) Investments				
	a) Investments in subsidiaries	5	2,252.01	2,128.29	4,437.14
	b) Investments in Joint Venture	5	0.18	0.18	0.18
	c) Other Investments	5	0.12	0.12	0.12
	(ii) Trade Receivables	6	894.41	-	-
	(iii) Loans	7	5,209.49	5,001.91	4,433.40
	(iv) Other financial assets	8	2,195.44	6,061.41	8,020.34
	(f) Other Non Current Assets	9	2,426.67	3,309.59	9,164.23
	Total non-current assets		**1,23,159.20**	**1,18,935.03**	**1,01,073.86**
	Current Assets				
	(a) Inventories	10	2,217.93	2,102.20	-
	(b) Financial Assets				
	(i) Trade Receivables	6	9,053.56	4,442.92	-
	(ii) Cash and Cash Equivalents	11	457.80	240.38	61.88
	(iii) Bank balances other than (ii) above	12	4,226.45	482.53	655.46
	(iv) Loans	7	190.65	-	-
	(v) Other Financial assets	8	5,299.92	2,829.98	207.56
	(c) Current tax assets (Net)	13	-	-	199.88
	(d) Other Current Assets	9	778.39	249.71	201.23
	Total current assets		**22,224.70**	**10,347.72**	**1,326.01**
	TOTAL ASSETS		**1,45,383.90**	**1,29,282.75**	**1,02,399.87**
B	**EQUITY AND LIABILITIES**				
	Equity				
	(a) Equity Share Capital	14	1,759.70	1,759.70	1,676.30
	(b) Convertible Debentures	15	4,545.37	2,400.00	5,000.00
	(c) Other Equity	16	33,131.60	33,747.12	29,537.35
	Total equity		**39,436.67**	**37,906.82**	**36,213.65**
	Liabilities				
	Non-Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	17	66,167.36	61,610.55	49,681.30
	(ii) Other financial Liabilities	20	-	2,942.23	3,878.96
	(b) Long Term Provisions	22	13.09	9.27	6.43
	(c) Other non-current liabilities	21	9,518.12	8,448.33	5,947.99
	Total non-current liabilities		**75,698.57**	**73,010.38**	**59,514.68**
	Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	18	6,794.53	5,114.42	3,350.00
	(ii) Trade Payables	19	7,387.26	4,308.25	1,844.72
	(iii) Other financial Liabilities	20	14,969.13	8,227.84	999.25
	(b) Short Term Provisions	22	1.75	1.08	0.34
	(c) Current tax liabilities(Net)	13	207.96	180.81	-
	(d) Other Current Liabilities	21	888.03	533.15	477.23
	Total current liabilities		**30,248.66**	**18,365.55**	**6,671.54**
	Total Liabilities		**1,05,947.23**	**91,375.93**	**66,186.22**
	TOTAL EQUITY AND LIABILITIES		**1,45,383.90**	**1,29,282.75**	**1,02,399.87**

The accompanying notes are an integral part of these financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Bhavani Balasubramanian
Partner

Place: Chennai
Date: 17/8/2017

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

M S Srinivasan
Chairman

Ramesh C Bawa
Director

N K Balaji
Chief Financial Officer

K Suganyaa
Company Secretary

Place:New Delhi
Date:20/06/2017

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IL&FS TAMIL NADU POWER COMPANY LIMITED

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

All amounts are in ₹ million, unless otherwise stated

S.No	Particulars	Note No.	For the Year ended March 31, 2017	For the Year ended March 31, 2016
I	Revenues from Operations	23	23,168.44	8,649.63
II	Other Income	24	1,492.85	1,040.43
III	Total Income (I+II)		**24,661.29**	**9,690.06**
IV	Expenses:			
	Cost of materials consumed	25	12,606.73	4,181.30
	Other Direct Expenses	26	1,080.09	386.74
	Employee benefits expense	27	205.76	67.59
	Finance costs	28	6,186.97	1,971.88
	Depreciation and amortisation expense	29	1,958.40	733.36
	Other expenses	30	710.82	130.32
	Total Expenses (IV)		**22,748.77**	**7,471.19**
V	Profit before tax (III-IV)		**1,912.52**	**2,218.87**
VI	Tax Expense:			
	(1) Current Tax		449.83	496.29
			449.83	**496.29**
VII	Profit/(Loss) for the year (V-VI)		1,462.69	1,722.58
	Other Comprehensive Income			
	i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the defined benefit plans		(2.61)	(0.40)
	b) Income tax relating to items that will not be reclassfied to profit or loss		-	-
			(2.61)	(0.40)
VIII	Total other comprehensive income		(2.61)	(0.40)
IX	Total Comprehensive Income (VII+VIII)		1,460.08	1,722.18
X	Earnings Per Equity Share (Nominal value per share ₹ 10)			
	- For continuing operations(In ₹)			
	(a) Basic	42	8.31	10.05
	(b) Diluted	42	7.31	9.38

The accompanying notes are an integral part of these financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Bhavani Balasubramanian
Partner

Place: Chennai
Date: 17/8/2017

DELOITTE HASKINS & SELLS CHENNAI-17 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

M S Srinivasan
Chairman

Ramesh C Bawa
Director

N K Balaji
Chief Financial Officer

K Suganyaa
Company Secretary

Place:New Delhi
Date:20/06/2017

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IL&FS TAMIL NADU POWER COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017
All amounts are in ₹ million, unless otherwise stated

Particulars	For the Year ended March 31, 2017		For the Year ended March 31, 2016	
A. Cash flow from operating activities				
Net profit before tax		**1,912.52**		**2,218.87**
Adjustments for :				
Depreciation and Amortisation	1,958.40		733.36	
Finance costs	6,186.97		1,971.88	
Unrealised exchange gain(net)	(95.34)		(28.76)	
Interest Income	(914.14)		(722.55)	
Provision for employee benefits	1.87		3.19	
		7,137.76		**1,957.12**
Operating profit before working capital changes		**9,050.28**		**4,175.99**
Changes in working capital				
Adjustments:				
Trade and other receivables	(5,505.06)		(4,442.92)	
Inventories	(115.73)		(2,102.20)	
Other Assets	(241.78)		(183.40)	
Other Financial Assets	(3,463.14)		1,034.75	
Trade payable	3,079.00		2,463.53	
Other Liabilities	1,424.66		2,556.26	
Other Financial Liabilities	(721.66)		2,108.53	
		(5,543.71)		**1,434.56**
Cash generated from operations		**3,506.57**		**5,610.55**
Direct taxes paid (net of refund)		**(422.68)**		**(115.61)**
Net cash flow from operating activities		**3,083.89**		**5,494.94**
B. Cash flow from investing activities				
Purchase of fixed assets including capital advances	(5,234.80)		(14,167.03)	
Purchase of Intangibles	(117.84)		(256.46)	
Investments in subsidiary companies	(123.72)		2,308.85	
Loans and Advances given	(398.23)		(568.51)	
Fixed deposits matured	4,000.87		(1,408.74)	
Bank balances considered as other than cash and cash equivalent	(3,743.93)		172.93	
Interest received	1,523.79		433.05	
Net cash flow used in investing activities		**(4,093.86)**		**(13,485.91)**
C. Cash flow from financing activities				
Proceeds from issue of equity shares	-		83.40	
Security premium in issue of shares	-		2,516.60	
Proceeds from long term borrowings	4,409.00		6,929.25	
Repayment of long term borrowings	(2,895.70)		-	
Issue of non convertible debentures	4,973.12		-	
Net increase in working capital borrowing	4,399.56		1,474.42	
Sub debt received from group companies	5,776.20		290.00	
Repayment of sub debt to group companies	(4,579.15)		-	
Repayment of loan against fixed deposit	(2,677.56)		-	
Issue of fully convertible debentures	-		5,000.00	
Finance costs	(6,674.68)		(5,524.20)	
Interim dividend paid	(1,503.40)		-	
Net cash flow from in financing activities		**1,227.39**		**8,169.47**
Net increase in cash and cash equivalents (A+B+C)		**217.42**		**178.50**
Reconciliation				
Cash and cash equivalents at the beginning of the year		240.38		61.88
Cash and cash equivalents at the end of the year		**457.80**		**240.38**
Net increase in cash and cash equivalents		**217.42**		**178.50**

Note: Disclosure of non cash transactions	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**
Relating to scheme of amalgamation with Goodearth Shipbuilding Private Limited		
Cancellation of Company investment in Goodearth Shipbuilding Private Limited	-	(2,372.84)
Fixed asset(net)	-	2,136.00
Other Asset	-	2.49
Loan funds	-	(16.04)
Other Liabilities	-	(0.14)

The accompanying notes are an integral part of these financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Bhavani Balasubramanian
Partner
Place: Chennai
Date: 17/8/2017

DELOITTE HASKINS & SELLS CHENNAI-17 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

M S Srinivasan
Chairman

Ramesh C Bawa
Director

N K Balaji
Chief Financial Officer
Place: New Delhi
Date: 20/06/201

K Suganyaa
Company Secretary

IL&FS TAMIL NADU POWER COMPANY LIMITED
Statement of Changes in Equity for the year ended 31 March 2017

All amounts are in ₹ million, unless otherwise stated

Particulars	Share Capital	Security premium Reserve	Foreign Currency Monetary Item Translation Difference Account	Debenture Redemption reserve	Retained earnings	Actuarial Gain / (Loss)	Total
Balance at April 01, 2015	1,676.30	29,963.32	47.63	-	(473.60)	-	31,213.65
						-	-
Restated balance at the beginning of the reporting year	1,676.30	29,963.32	47.63	-	(473.60)	-	31,213.65
Balance at April 01, 2015	**1,676.30**	**29,963.32**	**47.63**	**-**	**(473.60)**	**-**	**31,213.65**
2015-16							
Profit for the year	-	-	-	-	1,722.58	-	1,722.58
Addition for the year	-	-	(6.20)	-	-		(6.20)
Utilised/reversed during the year	-	-	(22.55)	-	-		(22.55)
Change in accounting policies(Refer Note 16.1.1)	-	-	-		(0.25)		(0.25)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(0.40)	(0.40)
Conversion of fully convertible debentures(Refer note 17.3)	83.40	2,516.60	-	-	-		2,600.00
Balance at March 31, 2016	**1,759.70**	**32,479.92**	**18.88**	**-**	**1,248.73**	**(0.40)**	**35,506.83**
2016-17							-
Profit for the year	-	-	-	-	1,462.69		1,462.69
Addition for the year	-	-	(109.26)	16.95	-		(92.31)
Utilised during the year	-	-	13.92	-	-		13.92
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(2.61)	(2.61)
Amount transferred to debenture redemption reserve	-	-	-	-	(16.95)		(16.95)
Payment of dividends(Refer Note 16.1.2)	-	-	-	-	(1,980.27)		(1,980.27)
Balance at March 31, 2017	**1,759.70**	**32,479.92**	**(76.46)**	**16.95**	**714.20**	**(3.01)**	**34,891.30**

The accompanying notes are an integral part of these financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Bhavani Balasubramanian
Partner

Place: Chennai
Date: 17/8/2017

DELOITTE HASKINS & SELLS CHENNAI-17 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

M S Srinivasan
Chairman

N K Balaji
Chief Financial Officer

Place: New Delhi
Date: 20/06/2017

Ramesh C Bawa
Director

K Suganyaa
Company Secretary

IL&FS TAMIL NADU POWER COMPANY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
All amounts are in ₹ million, unless otherwise stated

Corporate Information
IL&FS Tamil Nadu Power Company Limited (the Company – CIN U72200TN2006PLC060330) was incorporated on June 26, 2006 as a public limited company. The company was established for setting up a thermal based power project of 1200 Mega Watt (MW) in two units of 2 X 600 MW each (during Phase I) The first unit of 600 MW achieved COD (Commercial Operations Date) during 2015-16. The Second unit of 600 MW achieved COD (Commercial Operations Date) during 2016-17.

Application of new and revised Ind AS
As at the date of preparation of these Financial statements, all the Ind AS issued and ratified by the MCA have been applied.

SIGNIFICANT ACCOUNTING POLICIES

1.01 Statement of Compliance
The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.
Upto the year ended March 31, 2016, the company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Refer Note 1.22 for the details of first-time adoption exemptions availed by the Company.

1.02 Basis of preparation and presentation
These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.historical cost is generaly based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

1.03 Property, Plant and Equipment (PPE)
i. Land and building held for use in the production or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Free hold land is not depreciated.PPE are carried at cost less accumulated depreciation and impairment losses, if any.
ii. Property, plant and equipment are stated at original cost grossed up with the amount of tax / duty benefits availed, less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognised impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalised alongwith respective asset.

iii. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

iv. Capital work-in-progress: Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

v. The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1,2015 under the previous GAAP as its deemed cost on the date of transition to Ind AS.

vi. Depreciation is provided for property, plant and equipment so as to expense the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis taking into account commercial and technological obsolescence as well as normal wear and tear.

vii.Impairment of Property, Plant and Equipment:
Property, Plant and Equipment are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable.
An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable willing parties, less the cost of disposal.Impairment losses, if any, are recognised in the Statement of Profit and Loss. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

The estimated useful life adopted by the company are mentioned below

Asset	Useful lives (in years)
Data Processing Equipments - Server & Networking	4 Years
Leasehold improvements incl. installations	Over the primary period of lease
Mobile Phones & IPads / Tablets	During the year of purchase
Office equipment	5 years
Electrical Installation	10 years
Furniture & Fixtures	10 years
Plant & Machinery	40 years
Transmission Line	40 years
Buildings & Civil Structures	60 years
Hydraulic Works, Pipelines & Sluices	15 years
Bridges	30 years
Railway Siding & Track Hopper	30 years
Roads (non-carpeted) and drains	3 years
Vehicles – Cars	4 years
Vehicles – Cars used by employees	5 years
Vehicles – Motor cycles	8 years
Temporary structures at project site	From the date of completion to the estimated date of commencement of commercial operations.

DELOITTE HASKINS & SELLS CHENNAI-17 CHARTERED ACCOUNTANTS

1.04 Intangible Assets

Ind AS 38, "Intangible Assets" requires that intangible assets be amortised over their expected useful lives unless their lives are considered to be indefinite. Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any.Intangible assets with infinite useful life has not been amortised whereas it has been tested for impairment on annual rests.

The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

The carrying amount of intangible asset is tested for impairment by comparing the carrying value with the asset's recoverable amount, which is higher of its value in use and its fair value less costs to sell. Should the carrying amount exceed the corresponding recoverable amount, an impairment charge equal to the difference between the carrying amount and the recoverable amount is recognised and reported in expense under "Depreciation, amortisation and impairment charges."

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of April,01,2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Intangible Asset	Useful life
Computer software	During the year of purchase or over the actual useful life
SAP Software	5 years

1.05 Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss account.

1.06 Financial assets

Initial recognition and measurement:

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis.

Subsequent measurement:

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

a. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- the debt instruments carried at amortised cost include Deposits, Debtors, Loans and advances recoverable in cash.

For the impairment policy on financial assets measured at amortized cost, Refer Note 1.22.d

Investment in subsidiaries are accounted under cost basis.For the impairment policy on investment in subsidiaries, Refer Note 1.22.d

b. Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

c. Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or Fair value through other comprehensive income (FVTOCI) criteria are measured at FVTPL
Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the "Other income" line item.

d. Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

e. Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

1.07 Financial liabilities and equity instruments

a. Classification as debt or equity

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

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b. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

c. Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

c.1. Financial liabilities at FVTPL

Financial liabilities are recognised at fair value through profit or loss (FVTPL) if it includes derivative liabilities.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Fair value is determined in the manner described in note no.44.5

c.2. Financial liabilities measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

c.3. Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a company entity are initially measured at their fair values and, are subsequently measured at the higher of:

c.4. Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

c.5. Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

1.08 Derivative financial instruments & Hedge Accounting

The Company enters into a variety of derivative financial instruments to manage its exposure to commodity price and foreign exchange rate risks, including

foreign exchange forward contracts and commodity options Further details of derivative financial instruments are disclosed in note 44.3.b

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Fair value hedges:

changes in fair value of designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any chnages in the fair value of the hedged asset or liability that are attributable to the hedged risk.The change in the fair value of designated portion of hedging instrument and change in the hedged item attributable to the hedged risk are recognised in profit or loss.

Hedge accounting is discontinued when the hedging instrument expires, or is sold, terminated, or excercised, or when its no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedge item arising from the hedged risk is amortised to profit or loss from that date.

Cash Flow Hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are capitalised as fair value of underlying is been capitalised. The gain or loss relating to the ineffective portion is recognized immediately in the profit or loss, and is included in the 'Other income or other expense' line item. When the hedged item is a non-financial asset, the amount recognized in other comprehensive income is transferred to the carrying amount of the asset when it is recognized. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting.

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1.09 Foreign Currency Transactions
In preparing the financial statements of the company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For transition to Ind AS, Company has availed exemption under Ind AS 101 for the long term foreign currency monetary items outstanding as on the date of transition to be accounted under the provision of previous GAAP. Hence the exchange fluctuations pertaining to the long term foreign currency monetary item outstanding as on the transition date is been capitalised if it is pertaining to the acquisition of asset and in other cases accumulated in the foreign currency monetary item translation reserve and annualised over the period of outstanding.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for :

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note 1.08 above for hedging accounting policies);
- Exchange differences on long term foreign currency monetary item outstanding as on the transition date.

1.10. Inventories
Inventories other than by products are stated at the lower of cost and net realizable value. Inventories of by-products are valued at net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Inventories pertaining to fuel are valued at weighted average basis whereas as stores valued at FIFO basis.

1.11 Operating Cycle
Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.12. Fair value measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- In the principal market, or
- In the absence of a principal market, in the most advantageous market.

The principal or the most advantageous market must be accessible by the company. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use. Fair value measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The company- uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's - accounting policies.
For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.13. Government grants
The Company recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Where Government grants relates to assets, the cost of assets are presented at gross value and grant thereon is recognised as income in the statement of profit and loss over the useful life of the related assets in proportion in which depreciation is charged.

Grants related to income are recognised in the statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for.

1.14 Revenue Recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Revenue from Power Supply:
Revenue from Sale of Power is recognised on accrual basis based on the actual energy exported by the Company during the relevant accounting period, at the tariff / rate agreed upon with the relevant customer in the contract / agreement and it is probable that the Company will collect the consideration to which it is entitled. The transmission charges, wheeling and other charges recovered from the customers for the energy supplied is also recognised as revenue and the matching amounts paid / payable to the transmission utility is recognised as expenses

The surcharge on late payment / overdue sundry debtors is recognized on accrual basis, based on contractual terms and/or commercial considerations on fair value basis considering the management estimate of time taken for collection.
ii) Interest income is recognised on time proportion basis.

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1.15 Borrowing Cost
Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in profit or loss in the period in which they are incurred borrowing cost has been computed based on the effective interest method.

Effective interest method
The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

1.16 Employee Benefits

(a) Retirement benefit costs and termination benefits
Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Defined benefit costs are categorized as follows:
- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'.

Past service cost is recognised in profit or loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.
Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Contributions paid/payable to defined contribution plans comprising of Superannuation (under a scheme of Life Insurance Corporation of India) and Provident Funds for certain employees covered under the respective Schemes are recognised in the Statement of Profit and Loss each year.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

(b) Short-term and other long-term employee benefits
A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.
Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Gratuity for certain employees is covered under a Scheme of Life Insurance Corporation of India (LIC) and contributions in respect of such scheme are recognized in the Statement of Profit and Loss. The liability as at the Balance Sheet date is provided for based on the actuarial valuation carried out as at the end of the year.

1.17. Leases
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.
Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

1.18 Taxation
Income tax expense represents the sum of the tax currently payable and deferred tax.

a. Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b. Deferred tax
Deferred tax is calculated at the rates and laws that have been enacted or substantively enacted as of the balance sheet date and is recognized on timing differences that originate in one period and are expected to reverse after the expiry of exemption period under section 80 IA of the Income Tax Act, 1961. No deferred tax is recognized for those timing differences which reverses within the tax holiday period. Deferred tax assets, subject to consideration of prudence are recognized and carried forward only to the extent that they can be realized.

c. Current and deferred tax for the year
Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

1.19 Earnings per Share
The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

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1.20 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1.21 Cash flow statement

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

1.22 First-time adoption – mandatory exceptions, optional exemptions

a. Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

b. Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2015 (the transition date).

c. Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortized cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

d. Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; However, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

e. Assessment of embedded derivatives

The Company has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

f. Past business combinations

The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of April 1, 2015. Consequently,

- The Company has kept the same classification for the past business combinations as in its previous GAAP financial statements;
- The Company has not recognised assets and liabilities that were not recognised in accordance with previous GAAP in the balance sheet of the acquirer and would also not qualify for recognition in accordance with Ind AS in the separate balance sheet of the acquiree;
- The Company has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS;
- The Company has tested the goodwill for impairment at the transition date based on the conditions as of the transition date;
- The effects of the above adjustments have been given to the measurement of non-controlling interests and deferred tax.

The above exemption in respect of business combinations has also been applied to past acquisitions of investments in associates, interests in joint ventures and interests in joint operations in which the activity of the joint operation constitutes a business.

g. Deemed cost for property, plant and equipment, investment property, and intangible assets

The Company has elected to continue with the carrying value of all of its plant and equipment, investment property, and intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

h. Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.There were no deemed lease identified in accordance with appendix C of Ind AS 17.

1.23. Critical accounting judgements and key sources of estimation uncertainty

a. Use of estimates

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and current and / or future periods are affected.

b. Key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as given below.

c. Fair value measurement and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

d. Useful life of Property,Plant&Equipments

The Company reviews the estimated useful lives of Property,plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
All amounts are in ₹ million, unless otherwise stated

Note 2: Property, Plant and Equipment and Capital Work-in-progress

Particulars	₹ In million		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Carrying amounts of:			
Land (owned)	3,508.19	3,503.74	912.06
Temporary structures at project site	3.46	3.46	3.53
Roads	196.17	224.59	-
Hydraulics works, pipelines and sluices	2,729.93	1,773.51	-
Bridge Work	47.82	49.43	-
Railway Siding & Track Hopper	1,885.19	1,948.87	-
Transmission Line	2,421.50	2,480.59	-
Factory building	6,454.46	3,692.61	-
Furniture and fixtures	32.85	37.98	2.51
Vehicles	5.16	6.80	8.02
Office equipments	7.52	8.44	5.69
Plant and machinery	84,772.37	43,922.72	-
Computers	9.15	6.67	2.42
	1,02,073.77	**57,659.41**	**934.23**
Capital Work-in-progress	7,758.44	44,523.52	74,084.22
	1,09,832.21	**1,02,182.93**	**75,018.45**

Particulars	Land (owned)	Temporary structures at project site	Roads	Hydraulics works, pipelines and sluices	Bridge Work	Railway Siding & Track Hopper	Transmission Line	Factory building	Furniture and fixtures	Vehicles	Office equipments	Plant and machinery	Computers	Total
Deemed Cost														
Balance at April 01, 2015	912.06	3.53	-	-	-	-	-	-	2.51	8.02	5.69	-	2.42	**934.23**
Add: Additions	2,591.68	-	230.00	1,698.00	46.45	1,832.02	2,310.29	3,449.70	40.00	1.06	6.34	40,488.64	6.80	**52,700.98**
Effect of foreign currency exchange differences	-	-	-	-	-	-	11.41	-	-	-	-	921.85	-	**933.26**
Borrowing cost capitalised	-	-	17.92	133.78	3.79	148.47	189.07	272.19	-	-	-	3,053.26	-	**3,818.48**
Balance at March 31, 2016	**3,503.74**	**3.53**	**247.92**	**1,831.78**	**50.24**	**1,980.49**	**2,510.77**	**3,721.89**	**42.51**	**9.08**	**12.03**	**44,463.75**	**9.22**	**58,386.95**
Additions	4.45	-	23.60	909.23	-	0.57	1.75	2,348.46	9.80	-	1.84	34,395.18	6.46	**37,701.34**
Effect of foreign currency exchange differences	-	-	-	-	-	-	-	(0.67)	-	-	-	1,201.93	-	**1,201.26**
Borrowing cost capitalised	-	-	-	196.02	-	0.12	0.38	492.09	-	-	-	6,761.78	-	**7,450.39**
Balance at March 31, 2017	**3,508.19**	**3.53**	**271.52**	**2,937.03**	**50.24**	**1,981.18**	**2,512.90**	**6,561.77**	**52.31**	**9.08**	**13.87**	**86,822.64**	**15.68**	**1,04,739.94**

Particulars	Land (owned)	Temporary structures at project site	Roads	Hydraulics works, pipelines and sluices	Bridge Work	Railway Siding & Track Hopper	Transmission Line	Factory building	Furniture and fixtures	Vehicles	Office equipments	Plant and machinery	Computers	Total
Accumulated depreciation and impairment														
Balance at April 01, 2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation expense	-	0.07	23.33	58.27	0.81	31.62	30.18	29.28	4.53	2.28	3.59	541.03	2.55	**727.54**
Balance at March 31, 2016	**-**	**0.07**	**23.33**	**58.27**	**0.81**	**31.62**	**30.18**	**29.28**	**4.53**	**2.28**	**3.59**	**541.03**	**2.55**	**727.54**
Depreciation expense	-	-	52.02	148.83	1.61	64.37	61.22	78.03	14.93	1.64	2.76	1,509.24	3.98	**1,938.63**
Balance at March 31, 2017	**-**	**0.07**	**75.35**	**207.10**	**2.42**	**95.99**	**91.40**	**107.31**	**19.46**	**3.92**	**6.35**	**2,050.27**	**6.53**	**2,666.17**
Carrying amount as on April 01, 2015	**912.06**	**3.53**	**-**	**-**	**-**	**-**	**-**	**-**	**2.51**	**8.02**	**5.69**	**-**	**2.42**	**934.23**
Carrying amount as on March 31, 2016	**3,503.74**	**3.46**	**224.59**	**1,773.51**	**49.43**	**1,948.87**	**2,480.59**	**3,692.61**	**37.98**	**6.80**	**8.44**	**43,922.72**	**6.67**	**57,659.41**
Carrying amounts on March 31, 2017	**3,508.19**	**3.46**	**196.17**	**2,729.93**	**47.82**	**1,885.19**	**2,421.50**	**6,454.46**	**32.85**	**5.16**	**7.52**	**84,772.37**	**9.15**	**1,02,073.77**

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Note 3-Goodwill

Particulars	₹ In million		
	As at March 31, 2017	**As at March 31, 2016**	**As at April 01, 2015**
Deemed Cost			
Balance at beginning of year	250.28	-	-
Additional amounts recognised from amalgamation occurring during the year(Refer Note 3.1 below)	-	250.28	-
Balance at end of year	**250.28**	**250.28**	**-**

3.1. The Board of Directors of the Company at their meeting held on April 22, 2013, approved a scheme of merger of the wholly owned subsidiary M/s Goodearth Shipbuilding Private Limited, (the Transferor Company) with the Company (Transferee), pursuant to sections 391 to 394 of the Companies Act, 1956 ("Scheme") with the appointed date as April 1, 2013. This scheme was sanctioned by the Honourable High Court of Judicature at Madras vide their Order dated June 10, 2015 which was received on June 30, 2015 and filed with the Registrar of Companies, Tamil Nadu, Chennai on July 29, 2015 (the Effective Date). Consequent to the sanction of the above scheme by the Court, the Company has accounted for the amalgamation, with effect from the Appointed Date viz., April 1, 2013, in accordance with provisions of the previous GAAP and has availed the exemption under IND AS 101 for not applying IND AS 103 to past business combinations that occurred before the date of transition to IND AS.

In accordance with the Scheme:

i. The amalgamation has been accounted under the purchase method and the assets and liabilities transferred have been recorded at their fair value as on the appointed date appearing in the books of the Transferor Company.

ii. The difference between the value of the investments in the books of the Company and the value of the Assets and Liabilities of the transferor company, amounting to ₹ 250.28 million has been recognised as Goodwill under "Purchase Method" in accordance with the Scheme of Amalgamation.

The Company tests goodwill annually for impairment. The acquired land for the phase II project has been identified as cash generating unit. The goodwill of ₹ 250.28 million as on March 31, 2017 is on account of land acquisition through amalgamation,. The company has valued the land acquired through amalgamation by independent valuer as on March 31,2017.

The key assumptions used in the value in use calculations for the cash-generating unit are as follows:

Market value Approach
This method models the behavior of the market by comparing the properties being appraised with similar properties that have been recently sold (comparable properties) or for which offers to purchase have been made. Comparable properties are selected for similarity to the subject property by way of attributes, such as the size, shape, location, frontage, usage, transaction time etc., Their sale/ offer prices are then adjusted for their difference from the subject property. Finally, a market value for the subject is estimated from the adjusted sales price of the comparable.

Note 4: Other Intangible Assets	₹ In million		
	As at March 31, 2017	**As at March 31, 2016**	**As at April 01, 2015**
Carrying amounts of:			
Computer Software	98.39	0.32	-
Balance at end of year	**98.39**	**0.32**	**-**

Deemed Cost	₹ In million	
i)Computer Software	**Year ended March 31, 2017**	**Year ended March 31, 2016**
Balance at beginning of the year	6.18	-
Additions	117.84	6.18
Disposals	-	-
Balance at end of year	**124.02**	**6.18**

Accumulated depreciation and impairment	**Year ended March 31, 2017**	**Year ended March 31, 2016**
Balance at beginning of year	5.86	-
Eliminated on disposals	-	-
Amortisation expense	19.77	5.86
Balance at end of year	**25.63**	**5.86**
Balance at end of year	**98.39**	**0.32**

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Note 5: Non Current Financial Assets: Investments	**₹ In million**		
Particulars	**March 31, 2017**	**March 31, 2016**	**April 01,2015**
I)Investments in Subsidiaries			
Unquoted Investments			
Investments in Equity Instruments at Cost			
4,17,79,676 (2016 - 3,99,29,876 ; 2015 - 3,89,29,926) shares of US$ 1 each fully paid up in ILFS Maritime Offshore Pte Ltd, Singapore	2,252.01	2,128.29	2,064.29
NIL (2016 - NIL ; 2015 - 2,41,031) shares of ₹ 10 each fully paid up in Goodearth Shipbuilding Private Limited(Refer Note 3)	-	-	2,372.84
Total Investments in Subsidiaries	**2,252.01**	**2,128.29**	**4,437.14**
II) Investments in Joint Venture			
Unquoted Investments			
Investments in Joint venture at Cost			
17,600(2016 - 17,600 ; 2015 - 17,600)equity shares of ₹ 10/- fully paid up in Cuddalore Solar Power Private Limited	0.18	0.18	0.18
Total Investments in Joint Venture	**0.18**	**0.18**	**0.18**
III) Other Investments			
Investment in Government securities			
National Savings Certificate	0.12	0.12	0.12
Total Other Investments	**0.12**	**0.12**	**0.12**
Total Non-Current Investments	**2,252.31**	**2,128.59**	**4,437.44**

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Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01,2015
Note 6.Trade Receivables			
Trade Receivables(Refer note 6.1)			
Unsecured, considered good	9,947.97	4,442.92	-
	9,947.97	**4,442.92**	-
Current	**9,053.56**	**4,442.92**	-
Non-current	**894.41**	-	-

6.1. The average credit period on sale of power ranges from 30 to 50 days.No interest is charged on trade receivables for first 30 days, thereafter as per the Article 8.3.5 of PPA, late payment surcharge shall be payable at the rate equal to SBIPLR per annum.

SBIPLR shall mean the prime lending rate per annum as fixed from time to time by the State Bank of India. In the absence of such rate, SBIPLR shall mean any other arrangement that substitutes such prime lending rate as mutually agreed to by the Parties.SBIPLR for the year was in the range of 14% to 14.05% per annum.

Interest on overdue receivables and coal cess from TANGEDCO has been accrued based on the contractual terms of PPA.Management has considered 3 year period for receipt of interest on overdue receivable and coal cess from TANGEDCO. This is considering fact that being a government customer there could be delay in settlement.Hence the company has used discounting period of 3 years @ 14% per annum for accounting income.

The company does not have any history of write off of trade receivables nor company expects any future write off taking into consideration forward looking information hence expected credit loss was provided only for delay in payment of as mentioned above.

Of the trade receivables balance, customer balances which represent more than 5% of the total balance of trade receivable are given below.

Customer	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
TANGEDCO	5,839.52	4,442.31	
IL&FS Energy Development Limited	741.29	-	
Ind Barath Energy (Utkal) Limited	1,496.60	-	
KSK Mahanadi Power Company Limited	1,785.98	-	

Age of receivables	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
0-30 days past due	6,133.81	2,753.45	-
31-90 days past due	2,511.88	1,279.56	-
61- 90 days past due	1,036.46	409.90	
91-180 days past due	-	-	-
More than 180 days past due	265.82	-	
	-		
	9,947.97	**4,442.92**	-

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01,2015
NOTE 7. Loans			
At Amortised Cost			
Non-current			
a. Loans to related parties (Refer Note 7.1)			
- Unsecured, considered good	5,209.49	5,001.91	4,433.40
	5,209.49	**5,001.91**	**4,433.40**
Current			
a. Loans to related parties(Refer Note 7.2)			
- Unsecured, considered good	190.65	-	-
	190.65	-	-
	5,400.14	**5,001.91**	**4,433.40**

7.1. This represents Foreign currency Loan to wholly owned subsidiary which is inclusive of interest of 7% p.a. In respect of non current portion of Foreign currency loan given to wholly owned subsidiary, the management expects the interest to be settled along with the loan which is due after 2 years, Hence the company has used discount rate of 11.94% p.a arrived based on the interest rate parity theory till maturity date to account interest income.

7.2. During the year the company has granted short term loan to its wholly owned subsidiary carrying an interest rate 7% per annum on foreign currency amount repayable by March 31, 2018.

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Note 8 Other Financial Assets

Particulars	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01,2015	March 31, 2017	March 31, 2016	April 01,2015
At Amortised Cost						
(a) Security Deposits	23.39	24.78	10.68	26.58	22.74	9.48
(b) Interest receivable	20.11	3.21	472.11	314.00	940.55	182.15
(c) Bank deposits due to mature after 12 months of the reporting date	1,951.17	5,952.03	4,543.30	-	-	-
(d) Fixed Deposits under lien:				-	-	-
with Bank	-	-	-	758.00	-	-
with Statutory authorities	200.77	81.39	2,994.25	-	-	-
(e) Unbilled Revenue	-	-	-	3,178.34	1,866.04	-
(f) Employee advance	-	-	-	1.66	0.65	0.31
(g) Margin Money receivable	-	-	-	-	-	13.64
(h) Balance with government authorities	-	-	-	-	-	1.98
(i) Receivable from related party	-	-	-	922.99	-	-
At Fair value through profit or loss	-	-	-	-	-	-
(i) MTM Asset(Refer Note 8.1)	-	-	-	98.35	-	-
	2,195.44	**6,061.41**	**8,020.34**	**5,299.92**	**2,829.98**	**207.56**

8.1. The Company has entered into commodity options contracts during the year for coal and has bought a call option at $ 72 and sold a put option at $ 62 per ton of coal. The Company has decided not to adopt hedge accounting for these contracts. The company has marked to market the open contracts as on March 31, 1017 and the resultant gain of ₹ 98.35 million has been credited to the statement of Profit and Loss.

Note 9 Other Assets

Particulars	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01,2015	March 31, 2017	March 31, 2016	April 01,2015
(a) Prepaid expenses	449.93	736.82	601.90	307.24	153.09	183.38
(b) Capital Advances	1,694.93	2,290.96	8,280.52	-	-	-
(c) Advances to suppliers	-	-	-	471.15	93.48	16.04
(d) Gratuity Planned assets	-	-	-	-	3.14	1.81
(e) Other advances	281.81	281.81	281.81	-	-	-
	2,426.67	**3,309.59**	**9,164.23**	**778.39**	**249.71**	**201.23**

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Note 10 Inventories

Particulars	As at March 31,2017	As at March 31, 2016	As at April 01, 2015
At lower of cost and net realisable value			
(a) Fuel (Refer Note.37) (includes in transit ₹ 999.14(As on 2016 ₹ 473.91)(As on 2015 ₹ NIL)	1,932.15	2,040.36	-
(b) Stores and spares	285.78	61.84	-
	2,217.93	**2,102.20**	**-**

The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 12,606.72 million(for the year ended March 31, 2016 ₹ 4181.30 million).
For charge on asset refer note no.18.1&18.2.

The mode of valuation has been stated in note no.1.10

Note 11. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

Particulars	As at March 31,2017	As at March 31, 2016	As at April 01, 2015
(a) Balances with banks			
(i) In Current account	457.80	240.38	61.87
(ii) In Deposit account (Maturing with in 3 Months)	-	-	-
(b) Cash on hand	-	-	0.01
	457.80	**240.38**	**61.88**

Note 12 Other bank balances

Particulars	As at March 31,2017	As at March 31, 2016	As at April 01, 2015
Balances with banks in earmarked accounts			
- In Unpaid Dividend account	146.54	-	-
- In escrow account with security agent of long term lenders*	4,079.91	482.53	655.46
	4,226.45	**482.53**	**655.46**

* The Company has an escrow account with M/s Punjab National Bank, Large Corporate Branch, who is the escrow agent on behalf of all the term loan lenders of the Consortium. As part of the agreement, the balances with the escrow account agent are part of the security structure in favour of lenders and hence its usage is restricted to project related payments as approved by the lenders alone.

Note 13 Current tax asset and liabilities

Particulars	As at March 31,2017	As at March 31, 2016	As at April 01, 2015
Current tax assets			
- Tax deducted at source	241.87	369.98	206.16
	241.87	**369.98**	**206.16**
Current tax liabilities			
- Income tax payable	449.83	550.79	6.28
	449.83	**550.79**	**6.28**
Current tax assets/ (liabilities) (Net)	**(207.96)**	**(180.81)**	**199.88**

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Note 14 Equity Share Capital

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
AUTHORISED :			
Equity Shares:			
5,00,10,00,000 Equity Shares of ₹ 10 each (2016 - 5,00,10,00,000 ; 2015 - 5,00,00,00,000)	50,01,00,00,000	50,01,00,00,000	50,00,00,00,000
ISSUED, SUBSCRIBED AND FULLY PAID UP			
17,59,69,765 Equity Shares of ₹ 10 each (2016 - 17,59,69,765 ; 2015 - 16,76,29,749)	1,759.70	1,759.70	1,676.30
	1,759.70	**1,759.70**	**1,676.30**

14.1 Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period.

Reconciliation	2016-17		2015-16	
	No of Shares	In ₹	No of Shares	In ₹
Equity Shares of ₹ 10 each fully paid up				
At the beginning of the period	17,59,69,765	1,75,96,97,650	16,76,29,749	1,67,62,97,490
Allotment of shares	-	-	83,40,016	8,34,00,160
At the end of the period	**17,59,69,765**	**1,75,96,97,650**	**17,59,69,765**	**1,75,96,97,650**

14.2 Details of shares held by each shareholder holding more than 5 percent of equity shares in the company:

Name of the Share holder	No of shares held as at					
	March 31, 2017		March 31, 2016		April 01, 2015	
	Nos.	%	Nos.	%	Nos.	%
Infrastructure Leasing & Financial Services Ltd	-		-		2,89,10,905	17.25%
IL&FS Energy Development Company Ltd	16,07,97,509	91.38%	16,07,97,509	91.38%	10,63,88,133	63.47%
A.S.Coal Resources Pte Ltd, Singapore	1,51,72,256	8.62%	1,51,72,256	8.62%	3,23,30,711	19.29%

14.3 Terms attached to Equity Shares:

The Company has issued only one class of equity shares having a par value of ₹ 10 per share.Each holder of equity share is entitled to one vote per share. The company declares dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting.Repayment of capital will be in proportion to the number of equity shares held.

Note 15 Convertible Debentures

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Convertible debentures(Refer note no 17.3)			
-IL&FS Energy Development Company Ltd(Refer Note.15.1)	(843.91)	2,400.00	4,900.00
-A.S.Coal Resources Pte Ltd, Singapore	-	-	100.00
-Infrastructure Leasing & Financial Services Ltd(Refer Note.15.2)	5,389.28	-	-
	4,545.37	**2,400.00**	**5,000.00**

15.1. Fully Compulsorily Convertible debentures(FCCD) issued to IL&FS Energy Development Company Limited and outstanding as on March 31, 2015 were in the nature of equity as it carried an NIL interest rate and were convertible into fixed number of shares.The terms of issue of these debentures were changed subsequently in the year 2016-17 to carry a coupon rate of 16% per annum with retrospective effect since the date of issue and would be convertible at fair market value of shares on March 20, 2018.Hence FCCD were classified as financial liability in the year 2016-17 and interest accrued till the change in terms were debited to equity.

15.2. FCCD's issued to Infrastructure Leasing and Financial Services Limited during the year 2015-16 carried a coupon rate of 16% per annum and were convertible at fair market value of shares on date of conversion which is 108 (one hundred and eight) months from allotment date but limited in the range of ₹100-400. Hence FCCD's were classified as financial liability with derivative component measured at fair value through Profit and loss account. During the year 2016-17 term of conversion were changed which provided for conversion to fixed number of shares.Hence the carrying value of debentures along with interest accrued and the derivative component was classified as equity in the year 2016-17.

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Note 16 Other equity

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Securities Premium Account	32,479.92	32,479.92	29,963.32
Debenture Redemption reserve	16.95	-	-
Foreign Currency Monetary Item Translation Difference Account	(76.46)	18.88	47.63
Actuarial movement through other comprehensive income	(3.01)	(0.40)	-
Retained Earnings	714.21	1,248.72	(473.60)
	33,131.60	**33,747.12**	**29,537.35**

Other Equity

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a) Securities Premium Account		
Opening balance	32,479.92	29,963.32
Add : Addition during the period	-	2,516.60
Closing balance	**32,479.92**	**32,479.92**
(b) Debenture Redemption Reserve		
Opening balance	-	-
Add: Addition during the period	16.95	-
Less: Utilised during the period	-	-
Closing balance	**16.95**	**-**
(c) Foreign Currency Monetary Item Translation Difference Account		
Opening balance	18.88	47.63
Add : Effect of foreign exchange rate variations during the year	(109.26)	(6.20)
Less : Amortisation for the year	(13.92)	22.55
Closing balance	**(76.46)**	**18.88**
(d) Actuarial gains or losses		
Opening Balance	(0.40)	-
Additions/(Deletions)	(2.61)	(0.40)
Closing Balance	**(3.01)**	**(0.40)**
(e) Retained Earnings		
Opening Balance	1,248.72	(473.60)
Add : Change in Accounting policies(Refer Note 16.1.1)	-	(0.25)
Profit for the year	1,462.69	1,722.58
	2,711.42	**1,248.72**
Less: Interim Dividend on Equity Shares(Refer Note 16.1.2)	1,645.32	-
Tax on dividend	334.95	
Transfer to Debenture Redemption Reserve	16.95	-
Closing Balance	**714.21**	**1,248.72**
Total Other Equity	**33,131.60**	**33,747.12**

16.1
Notes

1.The company in the year 2015-16 has changed the accounting estimate with respect to residual value of plant property and equipment from ₹ 1 to 5% of cost based on technical advise.

2. Pursuant to resolution passed by the board of directors on March 29, 2017 company has declared an interim dividend to its shareholders at ₹ 9.35 per share amounting to ₹ 1,645.32 million and tax on dividend amounting to ₹ 334.95 million theron.

Nature and purpose of reserves:

Securities Premium Account:
Securities Premium Reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

Debenture Redemption Reserve:
The company is required to create a Debenture Redemption Reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

Foreign Currency Monetary Item Translation Difference Account:
Company adopted exemption under IndAs 101 to follow previous GAAP accounting for long term financial instruments outstanding as on transition date. Hence company accumulates the exchange difference arising out of long term foreign currency monetary item that does not pertains to acquisition of an asset to this account and amortises to profit or loss account over the period of the instrument.

Retained Earnings:
Retained Earnings are the profits of the Company earned till date net of appropriations.

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Note 17 Non-current borrowings
LONG TERM BORROWING

Particulars	Non-Current Portion			Current Portion		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Secured - At amortised cost						
i).Debentures(Refer Note 17.1)	4,973.12	-	-	-	-	-
ii). Term Loans(Refer Note 17.2)	-	-	-	-	-	-
- From banks	38,402.50	32,455.84	24,868.80	3,431.84	-	-
-From Financial Institutions	6,214.94	6,366.86	3,739.13	436.76	-	-
iii). Buyers credit	8,177.41	16,386.61	20,413.37	-	-	-
iv). Loan against Fixed deposit	-	3,397.56	660.00	-	-	-
Sub Total	**57,767.97**	**58,606.87**	**49,681.30**	**3,868.60**	-	-
Unsecured - at amortised cost						
i). Debentures from related party(Refer No.17.3)	3,762.94	3,003.68	-	-	-	-
ii). Term loan from related party(Refer No 17.4)	4,636.45	-	-	-	-	-
Sub Total	**8,399.39**	**3,003.68**	-	-	-	-
Total	**66,167.36**	**61,610.55**	**49,681.30**	**3,868.60**	-	-

17.1.Non convertible debentures
Consequent to the approval of the Board of Directors of the Company at their meeting held on November 28, 2016, the Company has raised funds by way of private placement of 5,000 secured, unlisted, redeemable non convertible debentures having face value of ₹ 10,00,000 aggregating to ₹ 5000 million.Birla Sunlife Trustee Company Private Limited has subscribed for these debentures.The NCD has been raised based on the undertaking given by IL&FS Energy Development Company Ltd. Non convertible debentures carries a rate of interest of 9.80% p.a.

Debentures are redeemable at premium of 4.84% on its maturity, ₹ 2500 million on March 16, 2020 and ₹ 2500 million on March 14, 2021.

17.2.Rupee term Loan:
Long term loans together with interest, additional interest, default interest, upfront fees, costs, charges, expenses are secured in favour of the lenders/security trustees by way of first pari-passu charge without any lender having priority/preference over the other lender and include the following:

(a) A first charge over all the immovable properties of the Company including leasehold rights if any both the present & future.

(b) A first charge by way of hypothecation on all moveable assets including but not limited to plant & machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other moveable assets both present and future.

(c) A first charge on the project's book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising.
(d) A first charge over all Accounts, including without limitation, the debt Service Reserve Account, the Escrow Accounts, letter of credits, and other
(e) First Charge on all intangibles of the Borrower including but not limited to goodwill, rights undertakings and uncalled capital both present and future

(f) First charge by way of mortgage/hypothecation/assignment or otherwise creation of Security interest within 6 months from the date of initial disbursement (a) all right, title benefit, claims and whatsoever of the Company on the Project Documents (b) all rights, title and interest of the Company under all Government Approvals (c) all rights, title, benefit, claims and demand whatsoever of the Company in any Letter of Credit, guarantee and liquidated damages and performance bond provided by any party to the Project Documents (d) all rights, title and interest of the Company in, to and under all Insurance Contracts / Insurance Proceeds.

(g) Non disposal undertaking from the promoter viz. IL&FS Energy Development Company Limited to hold at least 51% of the Paid up capital of the Company.

(h) Pledge of 100% shares of IL&FS Maritime Offshore Pte limited and IL&FS offshore Natural Resources Pte limited held by the company.

(i) There is no loan which is guaranteed by directors or others.

Rate of interest:

As on 31.03.2017, the term loan facility carries a rate of interest calculated at 5 year MCLR(9.55%) of Punjab national bank + 1.95% i.e. 11.50% p.a.The rate of interest shall remain floating throughout the tenor of the loan and will be subject to reset on 9th November 2017

Terms of repayment
Repayable in 41 quarterly instalments from 1st September 2016.

Breach of Loan agreement
There is no breach of loan agreement

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17.3.Debentures from related party

The Company has issued 5,00,000 Zero percentage fully compulsorily convertible debentures(FCCD) having a face value of ₹ 10,000 to IL&FS Energy development company limited (IEDCL) amounting to ₹ 4900 million and to A S Coal Resources Pte Limited amounting to ₹ 100 million in the year 2014-15 . During the year 2015-16, ₹ 2600 million (including ₹ 100 million issued to AS Coal Resources Pte Limited) were converted. The said debentures were converted at a fixed price of ₹311.75 per share(83,40,016 shares of ₹ 10 each). During the current year, the company has revised the interest rate to 16% per annum with retrospective effect and the basis of conversion to variable number of equity shares based on the fair market value(FMV) as on the date of conversion, to be determined by a independent valuer.

The Company has issued 500 fully compulsorily convertible debentures(FCCD) having face value of ₹ 1,00,00,000 to Infrastructure leasing and financial services Limited(IL&FS) in the year 2015-16 for ₹ 5000 million carrying an interest rate of 16% per annum and its convertible based on the fair market value of the shares of the company as on the date of conversion subject to the cap of ₹ 400 and floor of ₹ 100. During the current year, there has been a change in terms of conversion and the principal amount of debentures together with the interest accrued till the date of conversion will converted to fixed number of shares.

17.4.Term Loan from related party

Consequent to the approval of the Board of Directors of the Company at their meeting held on March 23, 2017, the company had availed an unsecured term loan of ₹ 3,270 million from M/s. IL&FS Energy Development Company Limited carrying a rate of 15.50% per annum. 30% of loan amount repayable at the end of 4 the year as first instalment, 30% of loan amount repayable at the end of 5 the year as second instalment and the balance of 40% of loan amount repayable at the end of 6th year as third and final instalment.

Consequent to the approval of the Board of Directors of the Company at their meeting held on March 29, 2017, the company had availed an unsecured term loan of ₹1,650 million from M/s. IL&FS Energy Development Company Limited carrying a rate of 15.50% per annum repayable within two years from the date of disbursement. During the year the company has repaid ₹ 284.79 million.

Note 18: SHORT TERM BORROWINGS

Particulars	**As at March 31, 2017**	**As at March 31, 2016**	**As at April 01, 2015**
Unsecured - at amortised cost			
a. Short Term Loan			
- from Related parties	200.60	3,640.00	3,350.00
Secured - at amortised cost			
a. Loan repayable on demand (Refer Note 18.1 & 18.2)			
- from banks	5,873.93	1,474.42	-
b. Others (Refer note no 18.3)			
- Loan against Fixed deposit	720.00	-	-
	6,794.53	**5,114.42**	**3,350.00**

18.1.Loans repayable on demand from banks represents cash credit facilities availed by the Company. The principal moneys due from time to time and all interest thereon calculated from day to day at the rate hereinafter mentioned, additional interest, interest tax at the rate as in force, and the amount of all charges, commission and expenses etc. are secured by way of first pari-passu charge on

i. The present and future stocks of raw materials including in transit, work in process stores and spares (hereinafter referred to as the Goods), which belong to it and which now or hereinafter from time to time during the continuance of this agreement shall be brought in, stored or be in or about its premises or godowns at Cuddalore or any other godowns or be in the course of transit from one godown to another or wherever else the same may be and

ii. the present and future book debts, operating cash flows, outstanding decrees, money receivables, claims, securities, Government subsidies, investments, rights and other moveable assets excluding bills purchased/discounted by Bank and bills against which advances have been made (all of which are hereinafter referred to as 'Book Debts') which belong to the Borrower and which now or hereinafter from time to time during the continuance of this Agreement may belong to it (the said 'Goods' and 'Book Debts' are hereinafter referred to as 'hypothecated assets'/'the Securities' apart from other Securities as more fully described in the Schedule hereto), as security for payment of the balance due to the Bank by the Borrower at any time or ultimately found due on the Bank by them at any time or ultimately found due on the closing of the said Accounts and for payment of all debts and liabilities mentioned hereafter.

18.2. None of the short term borrowings are guaranteed by Directors

18.3.Interest on loan against FD

As on 31.03.2017, the loan against fixed deposit carries a rate of interest 4.5% per annum.

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Note 19 Trade Payables

Particulars	Current		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Trade payables	7,387.26	4,308.25	1,844.72
	7,387.26	**4,308.25**	**1,844.72**

There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 which is on the basis of such parties having been identified by the management and relied upon by the auditors.

Note 20 Other financial liabilities

Particulars	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
At Amortised Cost						
(a) Current maturities of long-term debt(Refer Note.17)	-	-	-	3,868.60	-	-
(b) Interest accrued but not due on borrowings	-	548.03	-	68.26	1,619.52	54.88
(c) Dividend payable	-	-	-	141.86	-	-
(d) Payable for fixed asset	-	-	-	5,435.67	1,614.28	766.38
(e) Retention money payable	-	556.64	3,878.96	5,084.76	4,692.04	146.96
(f) Other Liabilities	-	-	-	-	-	-
- Security Deposits Payable	-	-	-	1.00	-	-
- Employee Benefits Payable	-	-	-	42.47	-	-
At Fair Value throgh Profit and loss	-	-	-	-	-	-
(i) MTM Liability	-	-	-	326.51	302.00	31.03
(ii) Derivatives not designated in hedge accouting relationship	-	1,837.56	-	-	-	-
	-	**2,942.23**	**3,878.96**	**14,969.13**	**8,227.84**	**999.25**

Note 21 Other liabilities

Particulars	Non-current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
a. Advances payable	-	96.79	322.49	96.79	225.70	283.16
b. Statutory remittances (Contributions to PF, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	-	-	-	241.97	139.80	140.49
c. Dividend Ditribution tax payable	-	-	-	334.95	-	-
d.Deferred Government Grant	9,518.12	8,351.54	5,625.50	214.32	167.65	53.58
	9,518.12	**8,448.33**	**5,947.99**	**888.03**	**533.15**	**477.23**

Note 22 Provisions

Particulars	Non-current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Provision for compensated absences	13.09	9.27	6.43	1.75	1.08	0.34
	13.09	**9.27**	**6.43**	**1.75**	**1.08**	**0.34**

The provision for employee benfits includes annual leave and vested long service leave entitlements accrued and compensation claims made by employees.

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NOTE 23 Revenue from operations

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a) Revenue from power supply	22,592.48	8,495.26
	22,592.48	**8,495.26**
(b) Other operating revenues		
- sale of by-product	14.57	2.64
- interest on overdue receivables	393.74	98.15
- Deferred income	167.65	53.58
	23,168.44	**8,649.63**

Note 24 Other Income

Particulars	Year ended March 31, 2017		Year ended March 31, 2016	
(a) Interest income earned on financial assets that are not designated as at fair value through profit or loss				
On Deposits	347.17		161.73	
On Long term financial liabilities	225.70		283.16	
On Loans and advances to subsidiaries	341.27		277.66	
		914.14		722.55
(b) Other gains or losses				
- Net gain on foreign currency transaction and translation		558.29		317.88
(c) Other non-operating income				
- Coal hedging Income		18.01		-
- Others		2.41		-
		1,492.85		**1,040.43**

Note 25 Cost of material consumed

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a) Coal	12,408.69	3,926.94
(b) Oil	81.29	244.15
(c) Stores, spares and consumables	116.75	10.21
Total	**12,606.73**	**4,181.30**

NOTE 26 Other Direct Expenses

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a) Operation & Maintenance	798.12	350.54
(b) Railway freight & detention charges	3.84	26.97
(c) Transmission Charges	242.04	-
(d) Others	36.09	9.23
Total	**1,080.09**	**386.74**

Note 27 Employee Benefit expense

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a) Salaries, Wages and Bonus	194.78	61.09
(b) Contribution to Provident and Other Funds	6.16	4.17
(c) Staff Welfare Expenses	4.81	2.33
	205.76	67.59

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Note 28 Finance Cost

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
i) Interest costs;		
(a) Debentures	380.08	-
(b) Loans	6,951.17	7,173.54
(c) On long term financial liabilities	225.70	290.41
(d) Amortised cost on loan given to subsidiary	90.61	80.95
Less: Interest capitalised	(2,272.99)	(5,665.00)
(ii) Other borrowing costs*	812.40	91.98
	6,186.97	**1,971.88**

*Other borrowing costs includes commitment charges, loan processing charges, guarantee charges, loan facilitation charges and other ancillary costs incurred in connection with borrowings.

Note 29 Depreciation and amortisation expense

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Depreciation/amortisation on		
a. Property, plant and equipment	1,938.63	727.51
b. Intangible assets	19.77	5.86
	1,958.40	**733.36**

Note 30 Other expenses

Particulars	Year ended March 31, 2017		Year ended March 31, 2016	
Power and Fuel		1.59		0.54
Rent		25.63		12.13
Repairs and Maintenance				
- Buildings	5.63		-	
- Others	41.73	47.36	13.58	13.58
Insurance		52.80		2.55
Rates and Taxes		16.97		1.31
Communication Expenses		1.01		1.12
Travelling and Conveyance		23.99		10.49
Printing and Stationery		0.64		0.54
Auditors' Remuneration(Refer Note.32)		2.78		3.20
Legal and Professional Expenses		266.93		81.65
Directors Sitting Fees		2.76		1.37
Green belt and Environmental Expenses		14.35		-
Security Expenses		39.69		-
Interest on Delay payment of overdue payables		160.82		-
Corporate Social Responsibility expenditure(Refer Note.31)		49.70		-
Miscellaneous Expenses		3.80		1.84
		710.82		**130.32**

30.1. Income taxes relating to continuous operations

Particulars	2016-17	2015-16
Income tax recognised in profit or loss		
Current tax		
In respect of current year	449.83	496.29
Total income tax expense recognised in the current year relating to continuing operations	**449.83**	**496.29**

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	2016-17	2015-16
Profit before tax from continuing operations	1,912.52	2,218.87
Income tax expense calculated at 21.342% (2015-16 - 21.342%)	408.17	473.55
Effect of Ind AS adjustments(Refer Note 45.2)	-	(23.19)
Interest on tax for delayed payment	41.66	45.93
Income tax expense recognised in profit or loss (relating to continuing operations)	**449.83**	**496.29**

The tax rate used for the FY 2016-17 and 2015-16 reconciliations above is the Minimum Alternate Tax(MAT) rate of 21.342% payable by the company cover under section 115JB of the Income Tax Act 1961.

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Particulars	Year ended March 31, 2017	Year ended March 31, 2016
31. Expenditure incurred for Corporate social responsibility	49.70	-
32. Payment to auditors		
(i) Audit Fees	1.59	2.03
(ii) Fees for other services	1.20	1.15
(iii) Reimbursement of out of pocket expenses	-	0.03
	2.79	**3.21**
33.1 Whole time Directors remuneration:		
Short-term benefits	17.87	32.20
Post-employment benefits	-	0.76
		-
	17.87	**32.96**

Note : Managerial remuneration above does not include gratuity and leave encashment benefit, since the same is computed actuarially for all the employees and the amount attributable to the managerial person cannot be ascertained separately.

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
33.2 Non Whole time Directors remuneration :		
Directors' sitting Fees	2.87	0.90
	2.87	**0.90**

34.Operating lease arrangements

34.1 Company as as Lessee
The Company has taken office premises on operating lease

34.2 Payments recognised as expense in the statement of profit and loss

Particulars	2016-17	2015-16
Minimum Lease payments	25.63	12.13

35 Non-cancellable operating lease commitments

Particulars	2016-17	2015-16	2014-15
Not later than 1 year	25.95	36.22	23.84
Later than 1 year and not later than 5 years	24.70	27.06	14.97
Later than 5 years	-	-	-
	50.65	**63.28**	**38.81**

36.Disclosure on Specified Bank Notes
During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R.308 dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	Other denomination notes	Total
Closing cash on hand as on November 08, 2016	0.05	0.01	0.06
(+) Permitted receipts	-	0.31	0.31
(-) Permitted payments	-	0.31	0.31
(-) Amount deposited in Banks	0.05	-	0.05
Closing cash on hand as on December 30, 2016	-	0.02	0.02

37. Particulars in respect of stock

CLASSES OF GOODS	2016-17	2015-16
Raw material		
Fuel		
Coal(Including in transit stock)	1,882.07	1,969.09
High Speed Diesel Oil	25.05	33.13
High Speed Furnace oil	8.11	38.14
Lime Stone	16.91	51.07
Stores and spares	-	-
Stores and spares	285.78	10.77
	2,217.93	**2,102.20**

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	Particulars	2016-17	2015-16	2014-15
38	Estimated amount of capital commitments remaining to be executed net of advances	533.56	14,681.76	3,591.77
	Operational commitments remaining to be executed	1,73,794.98	1,49,001.37	-
39	Other monies for which the Company is contingently liable			
	(a) Bank Guarantee provided to customs department	9,752.90	8,491.38	5,679.08
	(b) Disputed income tax demand pertaining to AY 2010-11 as per the order of the CIT(A) under appeal before ITAT.	-	1.67	-
	(c) Disputed income tax demand pertaining to AY 2011-12 as per the order of the AO under appeal before CIT(A)	19.47	19.47	-
	(d) Claims against the Company not acknowledged as debt	-	103.39	-

* Future cash outflows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities

40 Segment Information

Information reported to the Chief Operating Decisions Maker (CODM) for the purpose of resource allocation and assessment of segment performance focus on business segment which comprises only Power.

The company has only one reportable segment as defined in Ind AS 108 which is to generate, purchase and supply electricity by conventional methods. Accordingly , the amount's appearing in these financial statements relate to this reportable segment.

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41.Employee benefit plans
A. Defined contribution plans

The Company makes Provident Fund contributions which is a defined contribution plan, for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefit. The Company recognised ₹7.59 million for the year ended March 31, 2017 (P.Y: 31st March 2016 ₹7.67 million) for Provident Fund contributions in the Statement of Profit and Loss / treated as Expenditure capitalised as the case may be. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

B. Defined benefit plans :
Gratuity -

In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as March 31, 2017 by Mr.K.Sriram, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit cost method.The following table sets forth the status of the Gratuity Plan of the Company and the amount recognized in the Balance Sheet and Statement of Profit and Loss. The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC).

The Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk : The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Investment Risk : The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Escalation Risk : The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liabilty.

Demographic Risk : The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Particulars	**Gratuity (Funded)**	
	2016-17	**2015-16**
Present Value of obligations at the beginning of the year	9.08	4.84
Current service cost	3.55	2.08
Interest Cost	0.69	0.39
Re-measurement (gains)/losses:	-	-
- Actuarial gains and losses arising from experience adjustment	2.63	1.77
Benefits paid	(0.87)	-
Present Value of obligations at the end of the year	**15.08**	**9.08**
Changes in the fair value of planned assets		
Fair value of plan assets at beginning of year	12.22	6.65
Interest Income	-	-
Return on plan assets	0.99	0.75
Contributions from the employer	1.12	5.57
Benefits Paid	(0.87)	-
Actuarial loss	0.02	(0.75)
Fair Value of plan assets at the end of the year	**13.47**	**12.22**
Amounts recognized in the Balance Sheet		
Projected benefit obligation at the end of the year	15.08	9.08
Fair value of plan assets at end of the year	13.47	12.22
Funded status of the plans - Liability recognised in the balance sheet	**1.61**	**(3.14)**
Components of defined benefit cost recognised in profit or loss		
Current service cost	3.55	2.08
Net Interest Expense	0.69	0.39
Past service cost	(0.99)	(0.75)
Net Cost in Profit or Loss	**3.26**	**1.71**

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Particulars	Gratuity (Funded)	
	2016-17	2015-16
Components of defined benefit cost recognised in Other Comprehensive Income		
Remeasurement on the net defined benefit liability:		
- Actuarial gains and losses arising from experience adjustment	2.63	1.78
Return on plan assets	(0.02)	0.74
Net Cost in Other Comprehensive Income	**2.61**	**2.52**

Assumptions	March 31,2017	March 31,2016	April 01,2015
Discount rate	7.20%	8.00%	7.80%
Expected rate of salary increases	6.50%	6.50%	6.50%
Expected rate of attrition	3.00%	3.00%	3.00%
Average age of members	35.90	35.30	34.70
Average remaining working life	15.40	15.60	15.80
Mortality (IALM (2006-2008) Ultimate)	100%	100%	100%

The Company has invested the plan assets with the insurer managed funds. The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits.The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

Significant actuarial assumptions for the detemination of the defined benefit obligation are discount rate, expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	March 31,2017	March 31,2016	April 01,2015
Discount rate			
- 0.50% increase	14.28	8.63	4.60
- 0.50% decrease	(15.94)	(9.56)	(5.09)
Salary growth rate	-	-	-
- 0.50% increase	(15.96)	(9.58)	(5.10)
- 0.50% decrease	8.61	14.26	4.60

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.
The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset)

The Company's best estimate of the contribution expected to be paid to the plan during the next year NA (PY: ₹6.402 million).

Effect of Plan on Entity's Future Cash Flows:

a) Funding arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

b) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflows) - 11.4 years

c) Expected Benefit payments in the following years:

	In ₹
Year 1	0.32
Year 2	1.43
Year 3	0.45
Year 4	0.60
Year 5	1.26
Next 5 years	0.00

C. Long Term Compensated Absence

The assumption used for computing the long term accumulated compensated absences on actuarial basis are as follows.

Assumptions	2016-17	2015-16
Discount rate	7.20%	8.00%
Attrition Rate	3%	3%
Expected rate of salary increases	6.50%	6.50%

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42. Earnings per Share:

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Basic Earnings per share	8.31	10.05
Diluted Earnings per share	7.31	9.38

42.1 Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

Profit after Taxation	1,462.69	1,722.58
Earnings used in the calculation of basic earnings per share	**1,462.69**	**1,722.58**
Number of equity shares of ₹ 10 each outstanding at the beginning of the year	175.97	167.63
Add: Equity shares Issued During the year	-	8.34
Number of equity Shares of ₹ 10 each outstanding at the end of the year	175.97	175.97
(b) Weighted Average number of Equity Shares	175.97	171.36

42.2 Diluted Earnings per share

The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows.

Earnings used in the calculation of basic earnings per share	**1,462.69**	**1,722.58**
Adjustments	-	-
Earnings used in the calculation of diluted earnings per share	**1,462.69**	**1,722.58**

The weighted average number of equity shares for the purposes of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Weighted average number of equity shares used in the calculation of basic earnings per share	175.97	171.36
Potential Equity shares to be issued	-	-
Fully Compulsorily convertible debentures	24.24	12.31
Weighted average number of equity shares used in the calculation of diluted earnings per share	200.21	183.67

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43. Related party disclosures (as identified by the Management and relied upon by the Auditors)

a. Ultimate Holding Company
1. Infrastructure Leasing & Financial Services Limited (IL&FS Ltd)

b. Holding Company
1. IL&FS Energy Development Company Limited (IEDCL)

c. Subsidiaries
1. ILFS Maritime Offshore Pte Limited (IMOL) – Wholly Owned Subsidiary
2. IL & FS Offshore Natural Resources Pte Limited (IONRL) – Sub Subsidiary
3. PT Bangun Asia Persada (PT BAP) – Sub Subsidiary
4. PT Mantimin Coal Mining (PT MCM) – Sub Subsidiary
5. Se7en Factor Corporation (SFC) – Sub Subsidiary

d. Fellow Subsidiaries (with whom there are transactions during the year)
1. IL&FS Financial Services Limited
2. IL&FS Environmental Infrastructure Services Limited
3. IL&FS Maritime Infrastructure Company Limited
4. IL&FS Education and Technology Services Limited
5. IL&FS Engineering & Construction Company Ltd
6. IIML Asset Advisors Ltd
7. Porto Novo Maritime Limited
8. IL&FS Cluster Development Initiative Limited
9. ISSL Settlement & Transaction Services Ltd
10. IL&FS Transportation Networks Limited
11. IL & FS Technologies Limited
12. Livia India Limited

e. Joint Ventures (with whom there are transactions during the year)
1. Cuddalore Solar Power Private Limited

f. Key Management Personnel
1. M .S. Srinivasan – Chairman cum Director

Nature of transactions/ balance outstanding with related parties

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Issue of Share Capital		
Infrastructure Leasing & Financial Services Limited	-	-
IL & FS Energy Development Company Limited	-	544.09
Security Premium on Conversion of Debentures		
Infrastructure Leasing & Financial Services Limited	-	-
IL & FS Energy Development Company Limited	-	2,419.81
Subscription to Debentures		
Infrastructure Leasing & Financial Services Limited	-	5,000.00
Inter-company borrowings availed		
IL & FS Energy Development Company Limited	6,547.47	290.00
IL & FS Transportation Network Limited	200.60	-
Inter-company borrowings repaid (inclusive of interest)		
IL & FS Energy Development Company Limited	6,563.42	-
Receipt of services		
IL & FS Energy Development Company Limited	210.67	106.66
Infrastructure Leasing & Financial Services Limited	147.95	125.74
IL & FS Financial Services Limited	293.81	213.02
IL&FS Environmental Infrastructure Services Limited	5.76	86.75
IL&FS Maritime Infrastructure Company Limited	1,425.53	1,232.10
IL&FS Education & Technology Services Limited	6.29	7.70
IL&FS Clusters Development Initiative Ltd	0.30	4.45
ISSL Settlement & Transaction Services Ltd	4.16	1.04
Porto Novo Maritime Limited	54.20	8.26
Livia India Limited	0.16	1.35
IL & FS Technologies Limited	0.15	0.52
Rendering of services		
IL & FS Energy Development Company Limited	2,252.71	1.28
IL&FS Environmental Infrastructure Services Limited	1.30	-
IL&FS Maritime Infrastructure Company Limited	1.17	-
Saurya Ujra Company Rajastan Limited	5.28	-
Porto Novo Maritime Limited	0.15	-
Additions to Capital Work in Progress		
IL&FS Engineering & Construction Company Ltd	-	0.28
Advance returned		
Porto Novo Maritime Limited	-	1,900.00
Investment made		
IL&FS Maritime Offshore Pte Limited	123.72	64.00
Interest Income		
IL&FS Maritime Offshore Pte Limited	284.66	275.92
Dividend Paid		
IL & FS Energy Development Company Limited	1,503.46	-
Interest Expense		
IL & FS Energy Development Company Limited	2,094.10	600.12
Infrastructure Leasing & Financial Services Limited	-	548.03
IL&FS Transportation Networks Limited	5.95	-
Remuneration to key management personnel		
a)Salary		
M S Srinivasan	17.63	15.53
b)Sitting fees		
M S Srinivasan	0.24	0.10

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Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Year-end payable balances			
IL & FS Energy Development Company Limited	219.09	420.68	325.24
Infrastructure Leasing & Financial Services Limited	490.81	510.07	485.53
IL&FS Education & Technology Services Limited	2.53	7.03	-
IL&FS Environmental Infrastructure Services Limited	6.05	16.92	80.29
IL&FS Engineering & Construction Company Ltd	-	31.50	76.71
IL&FS Financial Services Limited	248.65	73.15	375.25
IL&FS Clusters Development Initiative Ltd	-	2.51	1.26
ISSL Settlement & Transaction Services Ltd	-	1.02	-
Livia India Limited	0.10	0.26	-
IL&FS Technologies Limited	0.10	0.10	-
Porto Novo Maritime Limited	33.32	-	-
IL&FS Maritime Infrastructure Company Limited	1,339.04	977.00	320.49
Year-end receivable balances			
IL & FS Energy Development Company Limited	1,604.11	-	-
IL&FS Environmental Infrastructure Services Limited	1.19	-	-
Porto Novo Maritime Limited	0.16	-	-
IL&FS Maritime Infrastructure Company Limited	0.54	-	-
Share Capital			
IL & FS Energy Development Company Limited	1,607.98	1,607.98	1,063.88
Infrastructure Leasing & Financial Services Limited	-	-	289.11
A S Coal Resources Pte Limited	151.72	151.72	323.31
Security Premium on Conversion of Debentures			
IL & FS Energy Development Company Limited	32,187.84	2,419.81	29,768.03
A S Coal Resources Pte Limited	96.79	96.79	195.29
Fully Compulsorily Convertible Debentures			
Infrastructure Leasing & Financial Services Limited	5,000.00	5,000.00	-
A S Coal Resources Pte Limited		-	100.00
IL & FS Energy Development Company Limited	2,400.00	2,400.00	4,900.00
Inter-company borrowings received			
IL & FS Energy Development Company Limited	4,636.45	3,640.00	3,350.00
IL&FS Transportation Networks Limited	200.60	-	-
Investments			
IL&FS Maritime Offshore Pte Limited	2,252.01	2,128.29	2,064.29
GoodEarth Shipbuilding Pvt Ltd			2,372.84
Cuddalore Solar Power Company Ltd	0.18	0.18	0.18
Loans & Advances			
IL&FS Maritime Offshore Pte Limited	4,080.96	3,979.97	3,755.45
IL&FS Engineering & Construction Company Ltd	-	2.82	3.88
GoodEarth Shipbuilding Pvt Ltd			16.04
Porto Novo Maritime Limited	1,003.50	1,003.50	2,903.50
Infrastructure Leasing & Financial Services Limited	7.79	9.18	9.18
IL&FS Maritime Infrastructure Company Limited	-	-	51.43
Interest Accrued			
IL&FS Maritime Offshore Pte Limited	1,650.36	1,406.73	1,064.49
IL & FS Energy Development Company Limited	1,375.15	1,012.52	477.07
IL&FS Transportation Networks Limited	23.92	-	-
Infrastructure Leasing & Financial Services Limited	548.03	548.03	-

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44. Financial instruments

44.1 Capital management

The Company's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves attributable to the equity shareholders of the Company. Net debt includes all long-term and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Company:

Particulars	As at 31 March 2017	As at 31 March 2016	April 01, 2015
Equity	**39,436.67**	**37,906.82**	**36,213.65**
Debt	76,830.49	66,724.97	53,031.30
Cash and cash equivalents	(457.80)	(240.38)	(61.88)
Net debt	**76,372.69**	**66,484.59**	**52,969.42**
Total capital (equity + net debt)	**1,15,809.36**	**1,04,391.42**	**89,183.07**
Net debt to capital ratio	0.66	0.64	0.59

44.2 Categories of financial instruments

Particulars	As at 31 March 2017	As at 31 March 2016	As at April 01, 2015
Financial assets			
Measured at fair value through profit or loss (FVTPL)			
(a) Derivative instruments not designated in hedge accounting relationship	98.35	-	-
Measured at amortised cost			
(a) Cash and bank balances	4,684.25	722.90	717.34
(b) Other financial assets at amortised cost	22,745.13	18,336.21	12,661.30
Measured at cost			
(a) Investments in equity instruments of subsidiaries,joint ventures and other investments	2,252.30	2,128.58	4,437.43
Financial liabilities			
Measured at amortised cost	94,991.77	80,063.73	59,723.21
Measured at fair value through profit or loss (FVTPL)	326.51	2,139.56	31.03

44.3 Financial Risk Management Objective and Policies :

The Company's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives.
In the ordinary course of business, the Company is exposed to market risk, credit risk, and liquidity risk.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Interest rate risk, currency risk and commodity risk.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings.

The sensitivity analysis have been carried out based on the exposure to interest rates for instruments not hedged against interest rate fluctuation at the end of the reporting period.The said analysis has been carried on the amount of floating rate long term liabilities outstanding at the end of the reporting period. A 50 basis point increase or decrease represents management's assessment of the reasonable possible change in interest rates.

In case of fluctuation in interest rates by 50 basis points on the exposure of ₹ 76,830.49 million as on 31st March, 2017 and ₹ 66,724.97 million as on 31st March, 2016 and all other variables were held constant, the Company's profit for the year would increase or decrease as follows:

Particulars	For the year ended March 31,2017	For the year ended March 31, 2016
Impact on Profit or Loss for the year	384.15	333.62

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company manages its foreign currency risk by hedging transactions that are expected to realise in future.

Every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and U.S.dollar on the exposure of $ 184.95 million as on 31st March, 2017 and $ 138.74 million as on 31st March, 2016, would have affected the Company's profit for the year as follows :

	Impact of change in USD to INR rate	
Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Impact on Profit or Loss for the year	62.44	32.86

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Foreign currency risk management

The Company is exposed to foreign exchange risk on account of following:
1. Imports
2. foreign currency borrowings availed for meeting the capital requirements in the form of buyers credit

The Company has a forex policy in place whose objective is to reduce foreign exchange risk by deploying the appropriate hedging strategies (forward covers) and also by maintaining reasonable open exposures within approved parameters depending on the future outlook on currencies.

a. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

Particulars	Liabilities USD			Liabilities INR		
	As at 31 March 2017	As at 31 March 2016	As at April 01, 2015	As at 31 March 2017	As at 31 March 2016	As at April 01, 2015
Outstanding value of buyer's credit(both hedged and unhedged)	126.12	247.01	326.14	8,177.41	16,386.61	20,413.37
Outstanding value of retention money in respect of project contracts	72.93	70.74	61.63	4,728.65	4,692.36	3,857.21
Payables towards purchase of raw material	51.76	-	-	3,356.12	-	-
Total	**250.81**	**317.75**	**387.77**	**16,262.18**	**21,078.97**	**24,270.58**

Particulars	Asset USD			Asset INR		
	As at 31 March 2017	As at 31 March 2016	As at April 01, 2015	As at 31 March 2017	As at 31 March 2016	As at April 01, 2015
Interest accrued on loan given to Wholly Owned Subsidiary	25.45	21.21	17.01	1,650.36	1,406.73	1,064.49
Loan given to wholly whonned subsidiary(both hedged and unhedged)	62.94	60.00	60.00	4,080.96	3,979.97	3,755.45
Total	**88.39**	**81.21**	**77.01**	**5,731.32**	**5,386.70**	**4,819.94**

The foreign currency risk on above exposure is mitigated by derivative contracts. The outstanding contracts as at the Balance Sheet date are as follows:

b. Foreign currency forward Contracts outstanding as at the Balance Sheet date:

	As at 31 March 2017		As at 31 March 2016		As at April 01,2015	
	Buy	Sell	Buy	Sell	Buy	Sell
Forward contracts						
USD	100.58	60	200.22	60	172.29	60
Number of contracts	46	1	47	1	22	1

The forward contracts have been entered into to hedge the currency on the external commercial borrowings and loans given by the Company .

	Currency	Cross currency	No. of contracts	Amount in foreign currency	Amount In ₹	Buy/Sell
Forward contracts						
As at 31 March 2017	USD	INR	46	100.58	6,521.40	Buy
	USD	INR	1	60.00	3,890.32	Sell
As at 31 March 2016	USD	INR	47	200.22	13,281.05	Buy
	USD	INR	1	60.00	3,979.97	Sell
As at 1st April 2015	USD	INR	22	172.29	11,054.93	Buy
	USD	INR	1	60.00	3,755.45	Sell

C.Foreign currency derivative contracts designated under hedging relationship

The Company has availed buyers credit facilities and have entered into Currency derivative contracts like Forward Contracts to hedge the foreign currency risk exposure. The economic relationship exists between the hedged item (buyers credit) and the hedging instrument (Forward Contracts) since both are taken on the same underlying i:e, USD / INR exchange rate.

As at 31.03.2017

Hedging instrument outstanding contracts	Currency	Forward Contract
Foreign Currency	USD Mn	94.25
Nominal amount	INR Mn	6,110.97
Average exchange rate	INR/USD	64.84
Carrying amount of hedging instrument at fair value [liability)]	INR Mn	309.78
Change in fair value of hedging instrument recognised in OCI [gain / (loss)]	INR Mn	-
Change in fair value of hedging instrument capitalised as borrowing cost along with hedge item	INR Mn	501.55
Ineffective portion of hedge recognised in statement of profit and loss	INR Mn	15.09

There were no hedging relationship for foreign currency contracts as at 31 March, 2016 and 1 April, 2015 and accordingly no disclosure is given for those periods

All amounts are in ₹ million, unless otherwise stated

c) Commodity price risk
The companies operating activities require the on-going purchase of coal and other fuel. This is affected by the price volatility of certain commodities of which a portion has been mitigated by commodity option contracts

Credit risk
Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.The Company is having majority of receivables from State Electricity Boards which are Government undertakings and hence they are secured from credit losses in the future.

44.4 Liquidity risk management
The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31 ,2017:

Particulars	Carrying amount	upto 1 year	1-5 year	More than 5 year	Total contracted cash flows
Borrowings (including current maturities of long term borrowings)	76,830.49	10,663.13	33,271.80	32,895.56	76,830.49
Trade Payables	7,387.26	7,387.26	-	-	7,387.26
Other Financial Liabilities	11,100.53	11,100.53	-	-	11,100.53
Total	**95,318.28**	**29,150.92**	**33,271.80**	**32,895.56**	**95,318.28**

Particulars	Carrying amount
Trade receivables	9,947.97
Other financial assets	19,832.06
Total	**29,780.03**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2016:

Particulars	Carrying amount	upto 1 year	1-5 year	More than 5 year	Total contracted cash flows
Borrowings (including current maturities of long term borrowings)	66,724.97	5,114.42	25,758.73	35,851.82	66,724.97
Trade Payables	4,308.25	4,308.25	-	-	4,308.25
Other Financial Liabilities	11,170.07	9,332.51	1,837.56	-	11,170.07
Total	**82,203.29**	**18,755.18**	**27,596.29**	**35,851.82**	**82,202.79**

The table below provides details of financial assets as at 31 March 2016:

Particulars	Carrying amount
Trade receivables	4,442.92
Other financial assets	16,744.78
Total	**21,187.70**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 1 April 2015:

Particulars	Carrying amount	upto 1 year	1-5 year	More than 5 year	Total contracted cash flows
Borrowings (including current maturities of long term borrowings)	53,031.30	3,350.00	20,747.36	28,933.94	53,031.30
Trade Payables	1,844.72	1,844.72	-	-	1,844.72
Other Financial Liabilities	4,878.21	999.25	3,878.96	-	4,878.21
Total	**59,754.23**	**6,193.97**	**24,626.32**	**28,933.94**	**59,754.23**

The table below provides details of financial assets as at 1 April 2015:

Particulars	Carrying amount
Trade receivables	-
Other financial assets	17,815.89
Total	**17,815.89**

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44.5.Financial Instruments

1.Fair value of financial Assets and financial liabilities

Particulars	As at 31 March 2017			As at 31 March 2016			As at 1 April 2015		
	Amortised cost	Fair Value through profit or loss	Fair value	Amortised cost	Fair Value through profit or loss	Fair value	Amortised cost	Fair Value through profit or loss	Fair value
Financial assets									
Financial assets at amortised cost:									
- Trade receivables	9,947.97	-	9,947.97	4,442.92	-	4,442.92	-	-	-
- Cash and cash equivalents	457.80	-	457.80	240.38	-	240.38	61.88	-	61.88
- Bank balances other than cash and cash equivalents	4,226.45	-	4,226.45	482.53	-	482.53	655.46	-	655.46
- Investments	2,252.31	-	2,252.31	2,128.59	-	2,128.59	4,437.43	-	4,437.43
- Loans	5,400.14	-	5,400.14	5,001.91	-	5,001.91	4,433.40		4,433.40
- Other financial assets	7,397.01	98.35	7,495.36	8,891.39	-	8,891.39	8,227.90	-	8,227.90

Particulars	As at 31 March 2017			As at 31 March 2016			As at 1 April 2015		
	Amortised cost	Fair Value through profit or loss	Fair value	Amortised cost	Fair Value through profit or loss	Fair value	Amortised cost	Fair Value through profit or loss	Fair value
Financial liabilities									
Financial liabilities at amortised cost:									
Borrowings	76,830.49	-	76,830.49	63,721.29	3,003.68	66,724.97	53,031.30		53,031.30
Trade payables	7,387.26	-	7,387.26	4,308.25	-	4,308.25	1,844.72		1,844.72
Other financial liabilities	10,774.02	326.51	11,100.53	9,030.50	2,139.57	11,170.07	4,847.18	31.03	4,878.22

Fair Value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes quoted equity instruments, government securities, traded debentures and mutual funds that have quoted price.

Level 2: Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This includes derivative financial instruments and non-convertible cumulative redeemable preference shares.

Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares.

Valuation technique(s) and key input(s):

Level 1 The fair value of financial instruments, if any is based on quoted price.

Level 2 Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace. The fair value of fully convertible debentures is based on discounted cash flow at a discount rate that reflects the current borrowing rate at the end of reporting period.

Level 3 Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares.

Financial Asset	Fair value hierarchy as at 31st March, 2017			
	Level 1	Level 2	level 3	Total
Financial Assets at amortised cost				
Trade receivables	-	9,947.97	-	9,947.97
Investments	-	2,252.31		2,252.31
Loans	-	-	5,400.14	5,400.14
Cash and cash equivalents & other bank balances	-	4,684.25	-	4,684.25
Other financial assets				
MTM on commodity contracts	-	98.35	-	98.35
Others	-	7,397.01	-	7,397.01
Total	-	24,379.89	5,400.14	29,780.03

	Fair value hierarchy as at 31st March, 2017			
	Level 1	Level 2	level 3	Total
Financial liabilities				
Financial liabilities at amortised cost:				
Borrowings				
Bank loan	-	-	63,257.38	63,257.38
Sub debt from related party	-	-	4,837.05	4,837.05
Non convertible debentures	-	-	4,973.12	4,973.12
Fully convertible debentures to related party	-	3,762.94	-	3,762.94
Trade payables	-	7,387.26	-	7,387.26
Other financial liabilities				
MTM on derivative contracts	-	326.51	-	326.51
Others	-	10,774.02	-	10,774.02
Total	-	22,250.73	73,067.55	95,318.28

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44.5.Financial Instruments

Financial Asset	Fair value hierarchy as at 31st March, 2016			
	Level 1	Level 2	level 3	Total
Financial Assets at amortised cost				
Trade receivables	-	4,442.92	-	4,442.92
Investments	-	2,128.59	-	2,128.59
Cash and cash equivalents& other bank balances	-	722.90	-	722.90
Loans	-	-	5,001.91	5,001.91
Other financial assets	-	8,891.39	-	8,891.39
Total	-	16,185.80	5,001.91	21,187.71

Financial liabilities	Fair value hierarchy as at 31st March, 2016			
	Level 1	Level 2	level 3	Total
Financial liabilities at amortised cost:				
Borrowings				
Bank loan	-	-	60,081.29	60,081.29
Fully convertible debentures to related party		3,003.68	-	3,003.68
Sub debt from related party	-	-	3,640.00	3,640.00
Trade payables	-	4,308.25	-	4,308.25
Other financial liabilities				
MTM on derivative contracts		2,139.57		2,139.57
Others		9,030.50		9,030.50
Total	-	18,482.00	63,721.29	82,203.29

Financial Asset	Fair value hierarchy as at 31st March, 2015			
	Level 1	Level 2	level 3	Total
Financial Assets at amortised cost				
Trade receivables		-	-	-
Investments	-	4,437.43	-	4,437.43
Cash and cash equivalents& other bank balances	-	717.34	-	717.34
Loans	-	-	4,433.40	4,433.40
Other financial assets	-	8,227.90	-	8,227.90
Total	-	13,382.67	4,433.40	17,816.07

Financial liabilities	Fair value hierarchy as at 1st April, 2015			
	Level 1	Level 2	level 3	Total
Financial liabilities at amortised cost:				
Borrowings				
Bank loan	-	-	49,681.30	49,681.30
Sub debt from related party			3,350.00	3,350.00
Trade payables	-	1,844.72	-	1,844.72
Other financial liabilities				
MTM on derivative contracts	-	31.03	-	31.03
Others	-	4,847.18	-	4,847.18
Total	-	6,722.93	53,031.30	59,754.23

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45. First-time Ind AS adoption reconciliation

45.1 Reconciliation of total equity as at March 31, 2016 and April 01, 2015

Particulars	As at March 31, 2016 (End of last period presented under Previous GAAP)	As at April 01, 2015 Date of Transition
Total Equity (shareholder's funds) under previous GAAP	**35,380.05**	**30,997.07**
Impact of amalgamation of Goodearth Shipping Private Limited	30.03	-
Additional depreciation on account of exchange fluctuations	(2.50)	-
Effect of exchange fluctuations on account of buyer's credit	26.90	216.58
Effect of accounting long term borrowing using effective interest rate.	(7.25)	-
Deferring of revenue to present the fair value of interest income on loan given to wholly owned subsidiary.	(79.21)	-
Fair valuation of derivative component through profit or loss.	158.80	-
Total adjustment to equity	***126.77***	***216.58***
Total equity under Ind AS	**35,506.82**	**31,213.65**

45.2 Reconciliation of total comprehensive income for the year ended March 31, 2016

Particulars	Year ended March 31, 2016 (Latest period presented under previous GAAP)
Profit as per previous GAAP	1,831.23
Adjustments	
Impact of amalgamation of Goodearth Shipping Private Limited	10.04
Additional depreciation on account of exchange fluctuations	(2.50)
Effect of exchange fluctuations on account of buyer's credit	(188.90)
Amount considered in the other comprehensive Income	0.40
Effect of accounting long term borrowing using effective interest rate.	(7.25)
Deferring of revenue to present the fair value of interest income on loan given to wholly owned subsidiary.	(79.21)
Fair valuation of derivative component through profit or loss.	158.77
Total effect of transition	***(108.65)***
Profit for the year as per Ind AS	**1,722.58**
Other comprehensive income for the year (net of tax)	(0.40)
Total comprehensive income under Ind AS	**1,722.18**

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under previous GAAP.

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IL&FS TAMILNADU POWER COMPANY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
All amounts are in ₹ million, unless otherwise stated

46. First-time Ind AS adoption reconciliation

46.1 Effect of Ind AS adoption on the consolidated balance sheet as at March 31, 2016 and April 01, 2015

S.No	Particulars	As at March 31, 2016 (End of last period presented under previous GAAP)			As at April 01, 2015 (Date of transition)		
		Previous GAAP	Effect of Transition	As per Ind AS balance sheet	Previous GAAP	Effect of Transition	As per Ind AS balance sheet
	B. ASSETS						
	Non-Current Assets						
	(a) Property, plant and equipment	53,244.53	4,414.88	57,659.41	934.23		934.23
	(b) Capital Work in Progress	40,165.19	4,358.33	44,523.52	68,525.02	5,559.21	74,084.22
	(c) Goodwill	220.25	30.03	250.28	-		-
	(d) Other Intangible Assets	0.32		0.32	-	-	-
	(e) Financial Assets						
	(i) Investments						
	a) Investments in subsidiaries	2,128.29	-	2,128.29	4,437.14	-	4,437.14
	b) Investments in Joint venture	0.18		0.18	0.18		0.18
	c) Other Investments	0.12		0.12	0.12		0.12
	(ii) Trade Receivable	-	-	-	-	-	-
	(iii) Loans	5,081.11	(79.20)	5,001.91	4,433.40	-	4,433.40
	(iv) Other financial assets	109.38	5,952.03	6,061.41	8,020.34	-	8,020.34
	(f) Other Non Current Assets	3,309.59		3,309.59	9,164.23		9,164.23
	Total non-current assets	**1,04,258.96**	**14,676.07**	**1,18,935.03**	**95,514.64**	**5,559.21**	**1,01,073.86**
	Current Assets						
	(a) Inventories	2,102.20		2,102.20	-		-
	(b) Financial Assets						
	(i) Other investments	-	-		-	-	
	(ii) Trade Receivables	4,442.92	-	4,442.92	-	-	-
	(iii) Cash and Cash Equivalents	240.38	-	240.38	61.88	-	61.88
	(iv) Bank balances other than (iii) above	6,434.56	(5,952.03)	482.53	655.46	-	655.46
	(v) Loans	-	-	-	-	-	-
	(vi) Other Financial assets	2,926.07	(96.09)	2,829.98	207.56	-	207.56
	(c) Current tax assets (Net)	-	-		199.88	-	199.88
	(d) Other Current Assets	249.71		249.71	201.23		201.23
	Total current assets	**16,395.84**	**(6,048.12)**	**10,347.72**	**1,326.00**	**-**	**1,326.01**
	TOTAL ASSETS	**1,20,654.80**	**8,627.95**	**1,29,282.75**	**96,840.65**	**5,559.21**	**1,02,399.87**
	A. EQUITY AND LIABILITIES						
	Equity						
	(a) Equity Share Capital	1,759.70	-	1,759.70	1,676.30	-	1,676.30
	(b) Convertible debentures	-	2,400.00	2,400.00	-	5,000.00	5,000.00
	(c) Other Equity	33,620.38	126.74	33,747.12	29,320.78	216.57	29,537.35
	Total equity	**35,380.08**	**2,526.74**	**37,906.82**	**30,997.08**	**5,216.57**	**36,213.65**
	Liabilities						
	Non-Current Liabilities						
	(a) Financial Liabilities						
	i. Borrowings	63,714.37	(2,103.82)	61,610.55	49,801.17	(119.87)	49,681.30
	ii. Other financial liability	1,104.67	1,837.56	2,942.23	4,484.62	(605.65)	3,878.96
	(b) Long term Provisions	9.27		9.27	6.43		6.43
	(c) Deferred Tax Liabilities (Net)	-		-	-		-
	(d) Other non-current liabilities	-	8,448.33	8,448.33	-	5,947.99	5,947.99
	Total non-current liabilities	**64,828.31**	**8,182.07**	**73,010.38**	**54,292.22**	**5,222.47**	**59,514.68**
	Current Liabilities						
	(a) Financial Liabilities						
	i. Borrowings	7,514.42	(2,400.00)	5,114.42	8,350.00	(5,000.00)	3,350.00
	ii. Trade Payables	4,308.25		4,308.25	1,844.72	-	1,844.72
	iii. Other financial Liabilities	8,248.32	(20.48)	8,227.84	968.22	31.03	999.25
	(b) Short Term Provisions	1.08		1.08	0.34	-	0.34
	(c) Current tax liabilities(Net)	180.81		180.81			
	(d) Other Current Liabilities	193.53	339.63	533.15	388.06	89.14	477.23
	Total current liabilities	**20,446.41**	**(2,080.85)**	**18,365.55**	**11,551.34**	**(4,879.83)**	**6,671.54**
	Total Liabilities	**85,274.72**	**6,101.22**	**91,375.93**	**65,843.57**	**342.64**	**66,186.22**
	TOTAL EQUITY AND LIABILITIES	**1,20,654.80**	**8,627.95**	**1,29,282.75**	**96,840.65**	**5,559.21**	**1,02,399.87**

46.2 Reconciliation of total equity as at March 31, 2016 and April 01, 2015

Particulars	As at March 31, 2016 (End of last period presented under Previous GAAP)	As at April 01, 2015 (Date of Transition)
Total Equity (shareholder's funds) under previous GAAP	**35,380.08**	**30,997.08**
Impact of amalgamation of Goodearth Shipping Private Limited	30.03	
Equity component of debentures were classified as under other equity	2,400.00	5,000.00
Effect of exchange fluctuations on account of buyer's credit	26.90	216.57
Effect of accounting long term borrowing using effective interest rate.	(7.25)	
Additional depreciation on account of exchange fluctuations	(2.50)	
Fair valuation of derivative component through profit or loss	158.77	
Deferring of revenue to present the fair value of interest income on loan given to wholly owned subsidiary	(79.21)	
Total adjustment to equity	***2,526.74***	***5,216.57***
Total equity under Ind AS	**37,906.82**	**36,213.65**

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IL&FS TAMILNADU POWER COMPANY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
All amounts are in ₹ million, unless otherwise stated

47. Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended March 31, 2016

S.No	Particulars	Year ended March 31, 2016 (Latest period presented under previous GAAP)		
		Previous GAAP	Effect of transition to Ind AS	Ind AS
I	Revenues from Operations	8,596.04	53.59	8,649.63
II	Other Income	785.67	254.76	1,040.43
III	**Total Income (I+II)**	**9,381.71**	**308.35**	**9,690.06**
IV	**Expenses:**			
	Cost of materials consumed	4,181.30		4,181.30
	Other Direct Expenses	386.74		386.74
	Employee benefits expense	67.99	(0.40)	67.59
	Finance costs	1,600.53	371.35	1,971.88
	Depreciation and amortisation expense	687.31	46.05	733.36
	Other expenses	130.32		130.32
	Total Expenses (IV)	**7,054.19**	**417.00**	**7,471.19**
V	**Profit before tax (III-IV)**	**2,327.52**	**(108.65)**	**2,218.87**
VI	**Tax Expense:**			
	(1) Current Tax	496.29		496.29
	(2) Deferred Tax	-		-
		496.29	**-**	**496.29**
VII	**Profit for the year from continuing operations(V-VI)**	**1,831.23**	**(108.65)**	**1,722.58**
VIII	Profit from discontinued operations before tax	-	-	-
IX	Tax expense of discontinued operations		-	-
X	**Profit from discontinued operations after tax (VIII-IX)**	**-**	**-**	**-**
XI	**Profit for the year (VII + X)**	**1,831.23**	**(108.65)**	**1,722.58**
	Other Comprehensive Income			
	A. i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the defined benefit plans	-	(0.40)	(0.40)
XII	**Total other comprehensive income**	-	(0.40)	(0.40)
XIII	**Total Comprehensive Income (XI+XII)**	**1,831.23**	**(109.05)**	**1,722.18**

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Consolidated Financial Statements for the year ended March 31, 2017

IL & FS Tamil Nadu
Power Company Limited

Consolidated Financial Statements for the year ended 31st March 2017

Deloitte Haskins & Sells

Chartered Accountants
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52, Venkatnarayana Road,
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Tamil Nadu, India

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF IL&FS TAMIL NADU POWER COMPANY LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of IL&FS Tamil Nadu Power Company Limited (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its joint venture, comprising the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements")

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and statement of changes in equity of the Group including its Joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture 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 Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting 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.

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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 Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS 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 Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraphs (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements/ financial information of the subsidiaries and joint venture referred to below in the Other Matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and it's joint venture as at 31st March, 2017, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

(a) We did not audit the financial statements /financial information of two subsidiaries, whose financial statements /financial information reflect total assets of Rs. 1,378.93 Million as at 31st March, 2017, total revenues of Rs.5.49 Million and net cash inflows amounting to Rs.17.41 Million for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditors.

(b) We did not audit the financial statements /financial information of three subsidiaries whose financial statements reflect total assets of Rs.5,836.41 Million as at 31st March, 2017, total revenues of Rs. NIL and net cash inflows amounting to Rs.8.62 million for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net loss of Rs.0.03 million for the year ended 31st March, 2017, as

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considered in the consolidated Ind AS financial statements, in respect of a joint venture, whose financial statements / financial information have not been audited by us. These financial statements/financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of a joint venture company incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been so far as it appears from our examination of those books, returns and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2017 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of joint venture company incorporated in India, none of the directors of the Group company and joint venture company incorporated in India is disqualified as on 31st March 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", which is based on the auditors' reports of the Holding company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Parent's internal financial controls over financial reporting.

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(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 Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture.

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and joint venture company incorporated in India.

iv. The Parent has provided requisite disclosures in the consolidated Ind AS financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated Ind AS financial statements and as produced to us by the Management of the respective Group entities

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No: 008072S)

Bhavani Balasubramanian
Partner
(Membership No: 22156)

Place: Chennai
Date: 17th August, 2017

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of IL&FS Tamil Nadu Power Company Limited (hereinafter referred to as "Parent"), as of that date.

Management's Responsibility for Internal Financial Controls
The Board of Directors of the Parent, 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 the internal control stated in guidance note on Audit of Internal Financial control over Financial Reporting issued The Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Parent's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent, 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 the internal control stated in guidance note on Audit of Internal Financial control over Financial Reporting issued The Institute of Chartered Accountants of India

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No: 008072S)

Bhavani Balasubramanian
Partner
(Membership No: 22156)

Place: Chennai
Date: 17th August, 2017

DELOITTE HASKINS & SELLS CHENNAI-17 CHARTERED ACCOUNTANTS

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IL&FS TAMILNADU POWER COMPANY LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

All amounts are in ₹ million, unless otherwise stated

S.No	Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
A	**ASSETS**				
	Non-Current Assets				
	(a) Property, plant and equipment	2	1,02,086.19	57,673.40	3,088.72
	(b) Capital Work in Progress	2	9,240.69	45,057.64	74,574.42
	(c) Goodwill	3	250.28	250.28	-
	(d) Other Intangible Assets	4	4,002.14	3,904.07	3,903.75
	(e) Financial Assets				
	(i) Investments				
	a) Other Investments	5	0.12	0.12	0.12
	(ii) Trade Receivables	6	894.41	-	-
	(iii) Loans	7	-	-	-
	(iv) Other financial assets	8	2,195.44	6,061.41	8,020.34
	(f) Other Non Current Assets	9	2,313.12	3,094.61	8,858.64
	Total non-current assets		**1,20,982.39**	**1,16,041.53**	**98,445.99**
	Current Assets				
	(a) Inventories	10	2,217.93	2,102.20	-
	(b) Financial Assets				
	(i) Trade Receivables	6	9,053.56	4,442.92	-
	(ii) Cash and Cash Equivalents	11	485.70	242.26	71.71
	(iii) Bank balances other than (ii) above	12	4,226.45	482.53	655.46
	(iv) Other Financial assets	8	4,375.26	2,832.72	207.56
	(v) Loans	7	193.64	1.19	-
	(c) Current tax assets (Net)	13	-	-	202.08
	(d) Other Current Assets	9	682.50	159.10	110.47
	Total current assets		**21,235.04**	**10,262.92**	**1,247.28**
	TOTAL ASSETS		**1,42,217.43**	**1,26,304.45**	**99,693.27**
B	**EQUITY AND LIABILITIES**				
	Equity				
	(a) Equity Share Capital	14	1,759.70	1,759.70	1,676.30
	(b) Convertible Debentures	15	4,545.37	2,400.00	5,000.00
	(c) Other Equity	16	29,594.02	30,381.67	26,461.98
	Non Controlling Interests		(12.48)	(11.51)	(8.82)
	Total equity		**35,886.61**	**34,529.86**	**33,129.46**
	Liabilities				
	Non-Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	17	66,167.36	61,610.55	49,681.30
	(ii) Other financial Liabilities	20	-	2,942.23	3,878.96
	(b) Long Term Provisions	22	13.09	9.27	6.43
	(c) Other non-current liabilities	21	9,518.12	8,448.33	5,947.99
	Total non-current liabilities		**75,698.57**	**73,010.38**	**59,514.68**
	Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	17	6,927.42	5,250.37	3,478.28
	(ii) Trade Payables	19	7,591.90	4,533.36	1,848.15
	(iii) Other financial Liabilities	20	15,015.13	8,265.40	1,245.12
	(b) Short Term Provisions	22	1.75	1.08	0.34
	(c) Current tax liabilities(Net)	13	207.96	180.81	-
	(d) Other Current Liabilities	21	888.09	533.19	477.24
	Total current liabilities		**30,632.25**	**18,764.21**	**7,049.13**
	Total Liabilities		**1,06,330.82**	**91,774.59**	**66,563.81**
	TOTAL EQUITY AND LIABILITIES		**1,42,217.43**	**1,26,304.45**	**99,693.27**

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

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Bhavani Balasubramanian
Partner

Place: Chennai
Date: 17/8/2017

DELOITTE HASKINS & SELLS
CHENNAI-17
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

M S Srinivasan
Chairman

Ramesh C Bawa
Director

N K Balaji
Chief Financial Officer

K Suganyaa
Company Secretary

Date: New Delhi
Place: 20/06/2017

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IL&FS TAMILNADU POWER COMPANY LIMITED

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

All amounts are in ₹ million, unless otherwise stated

S.No	Particulars	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
I	Revenues from Operations	23	23,168.44	8,649.63
II	Other Income	24	1,160.35	754.32
III	Total Income (I+II)		24,328.79	9,403.95
IV	Expenses:			
	Cost of materials consumed	25	12,606.73	4,181.30
	Other Direct Expenses	26	1,080.09	386.74
	Employee benefits expense	27	224.86	75.26
	Finance costs	28	6,102.86	1,895.85
	Depreciation and amortisation expense	29	1,958.58	733.77
	Other expenses	30	743.67	171.04
	Total Expenses (IV)		22,716.79	7,443.96
V	Profit before tax (III-IV)		1,612.00	1,959.99
VI	Tax Expense:			
	(1) Current Tax		449.83	496.29
			449.83	496.29
VII	Profit for the year from continuing operations(V-VI)		1,162.17	1,463.70
VIII	Profit Attributable to Non controlling interest		(2.61)	(2.23)
IX	Profit Attributable to Owners of the Company(VII-VIII)		1,164.78	1,465.93
	Other Comprehensive Income			
	A. i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the defined benefit plans		(2.61)	(0.40)
	b) Income tax relating to items that will not be reclassfied to profit or loss		-	-
			(2.61)	(0.40)
	B. i) Items that may be reclassified to profit and loss		-	
	a) Exchange differences in translating the financail statements of foreign operations		125.79	(33.44)
X	Total other comprehensive income		123.18	(33.84)
XI	Total Comprehensive Income (VIII+X)		1,287.96	1,432.09
XII	Earnings Per Equity Share (Nominal value per share ₹ 10)			
	- For continuing operations			
	(a) Basic	42	6.62	8.55
	(b) Diluted	42	5.82	7.98

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

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

M S Srinivasan
Chairman

Ramesh C Bawa
Director

DELOITTE HASKINS & SELLS CHENNAI-17 CHARTERED ACCOUNTANTS

Bhavani Balasubramanian
Partner

N K Balaji
Chief Financial Officer

K Suganyaa
Company Secretary

Place: Chennai
Date: 17/8/2017

Date:20/06/2017
Place:New Delhi

IL&FS | Energy

IL&FS TAMILNADU POWER COMPANY LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017
All amounts are in ₹ million, unless otherwise stated

Particulars	For the Year ended March 31, 2017		For the Year ended March 31, 2016	
A. Cash flow from operating activities				
Net profit before tax		**1,612.00**		**1,959.99**
Adjustments for :				
Depreciation and Amortisation	1,958.58		733.77	
Finance costs	6,102.86		1,895.85	
Unrealised exchange gain(net)	29.03		(62.65)	
Interest Income	(572.87)		(444.89)	
Provision for employee benefits	1.87		3.19	
		7,519.47		2,125.27
Operating profit before working capital changes		**9,131.47**		**4,085.26**
Changes in working capital				
Adjustments:				
Trade and other receivables	(5,505.06)		(4,442.92)	
Inventories	(115.73)		(2,102.20)	
Other Assets	(337.94)		(274.16)	
Other Financial Assets	(2,290.08)		1,032.00	
Trade payable	2,809.89		2,685.22	
Other Liabilities	1,424.68		2,556.29	
Other Financial Liabilities	(721.66)		2,108.53	
		(4,735.90)		1,562.76
Cash generated from operations		4,395.57		5,648.02
Direct taxes paid (net of refund)		(422.68)		(113.41)
Net cash flow from operating activities		3,972.89		5,534.61
B. Cash flow from investing activities				
Purchase of fixed assets including capital advances	(6,181.53)		(12,070.86)	
Purchase of Intangibles	(117.84)		(256.46)	
Fixed deposits matured	4,000.87		(1,408.74)	
Bank balances considered as other than cash and cash equivalents	(3,743.93)		172.93	
Interest received	1,185.52		155.39	
Loans & advances given to during the year	(192.45)		(1.19)	
Net cash flow used in investing activities		(5,049.36)		(13,408.93)
C. Cash flow from financing activities				
Proceeds from long term borrowings	4,409.00		6,929.25	
Repayment of long term borrowings	(2,895.70)		-	
Issue of non convertible debentures	4,973.12			
Net increase / (Decrease) in working capital borrowing	4,399.51		1,474.42	
Sub debt received from group companies	5,776.20		297.68	
Repayment of sub debt to group companies	(4,579.15)		-	
Repayment of loan against fixed deposit	(2,677.56)		-	
Issue of fully convertible debentures	-		5,000.00	
Finance costs	(6,582.11)		(5,656.48)	
Interim dividend paid	(1,503.40)		-	
Net cash flow from in financing activities		1,319.91		8,044.87
Net (decrease) / increase in cash and cash equivalents (A+B+C)		**243.44**		**170.55**
Reconciliation				
Cash and cash equivalents at the beginning of the year		242.26		71.71
Cash and cash equivalents at the end of the year		**485.70**		**242.26**
Net (decrease) / increase in cash and cash equivalents		**243.44**		**170.55**

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

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Bhavani Balasubramanian
Partner

Place: Chennai
Date: 17/8/2017

DELOITTE HASKINS & SELLS CHENNAI-17 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

M S Srinivasan
Chairman

Ramesh C Bawa
Director

N K Balaji
Chief Financial Officer

K Suganyaa
Company Secretary

Date: 20/06/2017
Place: New Delhi

IL&FS TAMILNADU POWER COMPANY LIMITED
Consolidated Statement of Changes in Equity for the year ended March 31, 2017

All amounts are in ₹ million, unless otherwise stated

Particulars	Share Capital	Security premium	Foreign Currency Monetary Item Translation Difference Account	Debenture Redemption reserve	Retained earnings	Items of other comprehensive income: Foreign Exchange Translation Reserve	Items of other comprehensive income: Actuarial Gain / (Loss)	Minority Interest	Total
Balance at April 1, 2015	1,676.30	29,963.32	47.63	-	(3,548.97)	-	-	(8.82)	28,129.46
Restated balance at the beginning of the reporting year						-	-		-
Balance at April 1, 2015	1,676.30	29,963.32	47.63		(3,548.97)	-	-	(8.82)	28,129.46
2015-16	1,676.30	29,963.32	47.63	-	(3,548.97)	-	-	(8.82)	28,129.46
Profit for the year	-	-		-	1,465.93	-	-		1,465.93
Changes in accounting policy(Refer Note 16.1.1)	-	-			(0.25)				(0.25)
Addition for the year	-	-	(6.20)	-	-	(33.44)		(2.69)	(42.33)
Utilised/reversed during the year	-	-	(22.55)	-	-				(22.55)
Other comprehensive income for the year, net of income tax				-	-	-	(0.40)		(0.40)
Conversion of fully convertible debentures(Refer Note 16.30)	83.40	2,516.60							2,600.00
Balance at March 31, 2016	1,759.70	32,479.92	18.88	-	(2,083.29)	(33.44)	(0.40)	(11.51)	32,129.86
2016-17									-
Profit for the year	-	-	-	-	1,164.78				1,164.78
Addition for the year	-	-	(109.26)	16.95	-	125.79		(0.97)	32.51
Utilised during the year	-	-	13.92	-	-				13.92
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	(2.61)		(2.61)
Amount transferred to debenture redemption reserve	-	-	-	-	(16.95)				(16.95)
Payment of dividends(Refer Note 16.1.2)	-	-	-	-	(1,980.27)				(1,980.27)
Balance at March 31, 2017	1,759.70	32,479.92	(76.46)	16.95	(2,915.73)	92.35	(3.01)	(12.48)	31,341.24

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

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Bhavani Balasubramanian
Partner

Place: Chennai
Date: 17/8/2017

DELOITTE HASKINS & SELLS
CHENNAI-17
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

M S Srinivasan
Chairman

Ramesh C Bawa
Director

N K Balaji
Chief Financial Officer

K Suganyaa
Company Secretary

Place: New Delhi
Date: 20/06/2017

IL&FS TAMILNADU POWER COMPANY LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
All amounts are in ₹ million, unless otherwise stated

Corporate information

IL&FS Tamil Nadu Power Company Limited (the Holding Company - CIN U72200TN2006PLC060330) was incorporated on June 26, 2006 as a public limited company. The company was established for setting up a thermal based power project of 1200 Mega Watt (MW) in two units of 2 X 600 MW each (during Phase I). The first unit of 600 MW achieved COD (Commercial Operations Date) during 2015-16. The Second unit of 600 MW achieved COD (Commercial Operations Date) during 2016-17.

Application of new and revised Ind AS

As at the date of preparation of these Consolidated Financial statements, all the Ind AS issued and ratified by the MCA have been applied.

SIGNIFICANT ACCOUNTING POLICIES

1.01 Statement of Compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended March 31, 2016, the company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Refer Note 1.22 for the details of first-time adoption exemptions availed by the Group.

1.02 Basis of preparation and presentation

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.historical cost is generaly based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

1.2.01 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

1.02.02 Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

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1.03 Property, Plant and Equipment (PPE)

i. Land and building held for use in the production or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Free hold land is not depreciated.PPE are carried at cost less accumulated depreciation and impairment losses, if any.

ii. Property, plant and equipment are stated at original cost grossed up with the amount of tax / duty benefits availed, less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognised impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalised alongwith respective asset.

iii. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

iv. Capital work-in-progress: Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

v. The Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1,2015 under the previous GAAP as its deemed cost on the date of transition to Ind AS.

vi. Depreciation is provided for property, plant and equipment so as to expense the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis taking into account commercial and technological obsolescence as well as normal wear and tear.

vii.Impairment of Property, Plant and Equipment:

Property, Plant and Equipment are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable willing parties, less the cost of disposal.Impairment losses, if any, are recognised in the Statement of Profit and Loss. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

The estimated useful life adopted by the Group are mentioned below

Asset	Useful lives (in years)
Data Processing Equipments - Server & Networking	4 Years
Leasehold improvements incl. installations	Over the primary period of lease
Mobile Phones & IPads / Tablets	During the year of purchase
Office equipment	5 years
Electrical Installation	10 years
Furniture & Fixtures	10 years
Plant & Machinery	40 years
Transmission Line	40 years
Buildings & Civil Structures	60 years
Hydraulic Works, Pipelines & Sluices	15 years
Bridges	30 years
Railway Siding & Track Hopper	30 years
Roads (non-carpeted) and drains	3 years
Vehicles - Cars	4 years
Vehicles - Cars used by employees	5 years
Vehicles - Motor cycles	8 years
Temporary structures at project site	From the date of completion to the estimated date of commencement of commercial operations.

1.04 Intangible Assets

Ind AS 38, "Intangible Assets" requires that intangible assets be amortised over their expected useful lives unless their lives are considered to be indefinite. Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any.Intangible assets with infinite useful life has not been amortised whereas it has been tested for impairment on annual rests.

The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

The carrying amount of intangible asset is tested for impairment by comparing the carrying value with the asset's recoverable amount, which is higher of its value in use and its fair value less costs to sell. Should the carrying amount exceed the corresponding recoverable amount, an impairment charge equal to the difference between the carrying amount and the recoverable amount is recognised and reported in expense under "Depreciation, amortisation and impairment charges."

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as of April,01,2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Intangible Asset	Useful life
Computer software	During the year of purchase or over the actual useful life
SAP Software	5 years

DELOITTE HASKINS & SELLS
CHENNAI-17
CHARTERED ACCOUNTANTS

1.05 Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss account.

1.06 Financial assets

Initial recognition and measurement:

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis.

Subsequent measurement:

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

a. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

• the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

• the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

• the debt instruments carried at amortised cost include Deposits, Debtors, Loans and advances recoverable in cash.

For the impairment policy on financial assets measured at amortized cost, Refer Note 1.22.d

Investment in subsidiaries are accounted under cost basis.For the impairment policy on investment in subsidiaries, Refer Note 1.22.d

All other financial assets are subsequently measured at fair value.

b. Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

c. Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or Fair value through other comprehensive income (FVTOCI) criteria are measured at FVTPL

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the "Other income" line item.

d. Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

e. Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

DELOITTE HASKINS & SELLS
CHENNAI-17
CHARTERED ACCOUNTANTS

1.07 Financial liabilities and equity instruments

a. Classification as debt or equity

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

b. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

c. Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

c.1. *Financial liabilities at FVTPL*

Financial liabilities are recognised at fair value through profit or loss (FVTPL) if it includes derivative liabilities.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Fair value is determined in the manner described in note no.44.5

c.2. *Financial liabilities measured at amortised cost*

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

c.3. *Financial guarantee contracts*

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.
Financial guarantee contracts issued by a Group entity are initially measured at their fair values and, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109;
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

c.4. *Foreign exchange gains and losses*

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

c.5. *Derecognition of financial liabilities*

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

1.08 Derivative financial instruments & Hedge Accounting

The Group enters into a variety of derivative financial instruments to manage its exposure to commodity price and foreign exchange rate risks, including foreign exchange forward contracts and commodity options Further details of derivative financial instruments are disclosed in note 44.3.b

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Group designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Fair value hedges:

changes in fair value of designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any chnages in the fair value of the hedged asset or liability that are attributable to the hedged risk.The change in the fair value of designated portion of hedging instrument and change in the hedged item attributable to the hedged risk are recognised in profit or loss.

Hedge accounting is discontinued when the hedging instrument expires, or is sold, terminated, or excercised, or when its no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedge item arising from the hedged risk is amortised to profit or loss from that date.

Cash Flow Hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are capitalised as fair value of underlying is been capitalised. The gain or loss relating to the ineffective portion is recognized immediately in the profit or loss, and is included in the 'Other income or other expense' line item. When the hedged item is a non-financial asset, the amount recognized in other comprehensive income is transferred to the carrying amount of the asset when it is recognized. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting.

1.09 Foreign Currency Transactions

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For transition to Ind AS, Group has availed excemption under Ind AS 101 for the long term foreign currancy monetery items outstanding as on the date of transition to be accounted under the provision of previous GAAP. Hence the exchange fluctuations pertaining to the long term foreign currency monetary item outstanding as on the transition date is been capitlised if it is pertaining to the aquisition of asset and in other cases accumulated in the foreign currancy monetary item translation reserve and annualised over the period of outstanding.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for :

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note 1.08 above for hedging accounting policies);
- Exchange differences on long term foreign currency monetary item outstanding as on the transition date.

1.10. Inventories

Inventories other than by products are stated at the lower of cost and net realizable value. Inventories of by-products are valued at net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Inventories pertaining to fuel are valued at weighted average basis wheras as stores valued at FIFO basis.

1.11 Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.12. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- In the principal market, or
- In the absence of a principal market, in the most advantageous market.

The principal or the most advantageous market must be accessible by the Group. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use. Fair value measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The Group- uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's - accounting policies.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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1.13. Government grants

The Group recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Where Government grants relates to assets, the cost of assets are presented at gross value and grant thereon is recognised as income in the statement of profit and loss over the useful life of the related assets in proportion in which depreciation is charged.

Grants related to income are recognised in the statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for.

1.14 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Revenue from Power Supply:

Revenue from Sale of Power is recognised on accrual basis based on the actual energy exported by the Group during the relevant accounting period, at the tariff / rate agreed upon with the relevant customer in the contract / agreement and it is probable that the Group will collect the consideration to which it is entitled. The transmission charges, wheeling and other charges recovered from the customers for the energy supplied is also recognised as revenue and the matching amounts paid / payable to the transmission utility is recognised as expenses

The surcharge on late payment / overdue sundry debtors is recognized on accrual basis, based on contractual terms and/or commercial considerations on fair value basis considering the management estimate of time taken for collection.

ii) Interest income is recognised on time proportion basis.

1.15 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in profit or loss in the period in which they are incurred borrowing cost has been computed based on the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

1.16 Employee Benefits

(a) Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'.

Past service cost is recognised in profit or loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Contributions paid/payable to defined contribution plans comprising of Superannuation (under a scheme of Life Insurance Corporation of India) and Provident Funds for certain employees covered under the respective Schemes are recognised in the Statement of Profit and Loss each year.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

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(b) Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Gratuity for certain employees is covered under a Scheme of Life Insurance Corporation of India (LIC) and contributions in respect of such scheme are recognized in the Statement of Profit and Loss. The liability as at the Balance Sheet date is provided for based on the actuarial valuation carried out as at the end of the year.

1.17. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

1.18 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

a. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b. Deferred tax

Deferred tax is calculated at the rates and laws that have been enacted or substantively enacted as of the balance sheet date and is recognized on timing differences that originate in one period and are expected to reverse after the expiry of exemption period under section 80 IA of the Income Tax Act, 1961. No deferred tax is recognized for those timing differences which reverses within the tax holiday period. Deferred tax assets, subject to consideration of prudence are recognized and carried forward only to the extent that they can be realized.

c. Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

1.19 Earnings per Share

The Group presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

1.20 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1.21 Cash flow statement

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

1.22 First-time adoption – mandatory exceptions, optional exemptions

a. Overall principle

The Group has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Group as detailed below.

b. Derecognition of financial assets and financial liabilities

The Group has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2015 (the transition date).

c. Classification of debt instruments

The Group has determined the classification of debt instruments in terms of whether they meet the amortized cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

d. Impairment of financial assets

The Group has applied the impairment requirements of Ind AS 109 retrospectively; However, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

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e. Assessment of embedded derivatives

The Group has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

f. Past business combinations

The Group has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of April 1, 2015. Consequently,

- The Group has kept the same classification for the past business combinations as in its previous GAAP financial statements;
- The Group has not recognised assets and liabilities that were not recognised in accordance with previous GAAP in the balance sheet of the acquirer and would also not qualify for recognition in accordance with Ind AS in the separate balance sheet of the acquiree;
- The Group has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS;
- The Group has tested the goodwill for impairment at the transition date based on the conditions as of the transition date;
- The effects of the above adjustments have been given to the measurement of non-controlling interests and deferred tax.

The above exemption in respect of business combinations has also been applied to past acquisitions of investments in associates, interests in joint ventures and interests in joint operations in which the activity of the joint operation constitutes a business.

g. Deemed cost for property, plant and equipment, investment property, and intangible assets

The Group has elected to continue with the carrying value of all of its plant and equipment, investment property, and intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

1.23. Critical accounting judgements and key sources of estimation uncertainty

a. Use of estimates

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and current and / or future periods are affected.

b. Key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as given below.

c. Fair value measurement and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

d. Useful life of Property,Plant &Equipments

The Group reviews the estimated useful lives of Property,plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.

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Note: 2 Property, Plant and Equipment and Capital Work-in-progress

	₹ In million		
	As at March 31, 2017	As at March 31, 2016	As at April 01,2015
Carrying amounts of:			
Land (owned)	3,508.19	3,503.74	3,048.06
Temporary structures at project site	3.46	3.46	3.53
Roads	196.17	224.59	-
Hydraulics works, pipelines and sluices	2,729.93	1,773.51	-
Bridge Work	47.83	49.43	-
Railway Siding & Track Hopper	1,885.19	1,948.87	-
Transmission Line	2,421.50	2,480.59	-
Factory building	6,466.87	3,706.60	18.49
Furniture and fixtures	32.85	37.98	2.51
Vehicles	5.16	6.80	8.02
Office equipments	7.52	8.44	5.69
Plant and machinery	84,772.37	43,922.72	-
Computers	9.15	6.67	2.42
	1,02,086.19	**57,673.40**	**3,088.72**
Capital Work-in-progress	9,240.69	45,057.64	74,574.42
	1,11,326.88	**1,02,731.04**	**77,663.14**

Particulars	Land (owned)	Temporary structures at project site	Roads	Hydraulics works, pipelines and sluices	Bridge Work	Railway Siding & Track Hopper	Transmission Line	Factory building	Furniture and fixtures	Vehicles	Office equipments	Plant and machinery	Computers	Total
Deemed Cost														
Balance at April 01, 2015	3,048.06	3.53	-	-	-	-	-	18.49	2.51	8.02	5.69	-	2.42	3,088.72
Additions	455.68	-	230.00	1,698.00	46.45	1,832.02	2,310.29	3,449.80	40.00	1.06	6.34	40,488.64	6.80	50,565.08
Effect of foreign currency exchange differences	-	-	-	-	-	-	11.41	(2.79)	-	-	-	921.85		930.47
Borrowing cost capitalised	-	-	17.92	133.78	3.79	148.47	189.07	272.19	-	-	-	3,053.26	-	3,818.48
Balance at 31-Mar-2016	**3,503.74**	**3.53**	**247.92**	**1,831.78**	**50.24**	**1,980.49**	**2,510.77**	**3,737.69**	**42.51**	**9.08**	**12.03**	**44,463.75**	**9.22**	**58,402.75**
Additions	4.45	-	23.60	909.23	-	0.57	1.75	2,348.51	9.80	-	1.84	34,395.18	6.46	37,701.39
Effect of foreign currency exchange differences								(1.89)				1,201.93		1,200.04
Borrowing cost capitalised	-	-	-	196.02	-	0.12	0.38	492.09	-	-	-	6,761.78	-	7,450.39
Balance at 31-Mar-2017	**3,508.19**	**3.53**	**271.52**	**2,937.03**	**50.24**	**1,981.18**	**2,512.90**	**6,576.40**	**52.31**	**9.08**	**13.87**	**86,822.64**	**15.68**	**1,04,754.57**

Particulars	Land (owned)	Temporary structures at project site	Roads	Hydraulics works, pipelines	Bridge Work	Railway Siding & Track	Transmission Line	Factory building	Furniture and fixtures	Vehicles	Office equipments	Plant and machinery	Computers	Total
Accumulated depreciation														
Balance at April 01, 2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation expense	-	0.07	23.33	58.27	0.81	31.62	30.18	29.68	4.53	2.28	3.59	541.03	2.55	727.94
Effect of foreign currency exchange differences								1.41						1.41
Balance at 31-Mar-2016	-	**0.07**	**23.33**	**58.27**	**0.81**	**31.62**	**30.18**	**31.09**	**4.53**	**2.28**	**3.59**	**541.03**	**2.55**	**729.35**
Depreciation expense	-	-	52.02	148.83	1.60	64.37	61.22	78.21	14.93	1.64	2.76	1,509.24	3.98	1,938.81
Effect of foreign currency exchange differences								0.22						0.22
Balance at 31-Mar-2017	-	**0.07**	**75.35**	**207.10**	**2.41**	**95.99**	**91.40**	**109.53**	**19.46**	**3.92**	**6.35**	**2,050.27**	**6.53**	**2,668.38**
Carrying amount as on April 01, 2015	3,048.06	3.53	-	-	-	-	-	18.49	2.51	8.02	5.69	-	2.42	3,088.72
Carrying amount as on March 31, 2016	3,503.74	3.46	224.59	1,773.51	49.43	1,948.87	2,480.59	3,706.60	37.98	6.80	8.44	43,922.72	6.67	57,673.40
Carrying amount as on March 31, 2017	3,508.19	3.46	196.17	2,729.93	47.83	1,885.19	2,421.50	6,466.87	32.85	5.16	7.52	84,772.37	9.15	1,02,086.19

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Note 3-Goodwill

Particulars	₹ In Million		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Deemed Cost			
Balance at beginning of year	250.28	-	-
Additional amounts recognised from amalgamation occurring during the year(Refer Note 3.1 below)	-	250.28	-
Balance at end of year	**250.28**	**250.28**	**-**

3.1. The Board of Directors of the Holding Company at their meeting held on April 22, 2013, approved a scheme of merger of the wholly owned subsidiary M/s Goodearth Shipbuilding Private Limited, (the Transferor Company) with the Company (Transferee), pursuant to sections 391 to 394 of the Companies Act, 1956 ("Scheme") with the appointed date as April 1, 2013. This scheme was sanctioned by the Honourable High Court of Judicature at Madras vide their Order dated June 10, 2015 which was received on June 30, 2015 and filed with the Registrar of Companies, Tamil Nadu, Chennai on July 29, 2015 (the Effective Date). Consequent to the sanction of the above scheme by the Court, the Company has accounted for the amalgamation, with effect from the Appointed Date viz., April 1, 2013, in accordance with provisions of the previous GAAP and has availed the exemption under IND AS 101 for not applying IND AS 103 to past business combinations that occurred before the date of transition to IND AS.

In accordance with the Scheme:

i. The amalgamation has been accounted under the purchase method and the assets and liabilities transferred have been recorded at their fair value as on the appointed date appearing in the books of the Transferor Company.

ii. The difference between the value of the investments in the books of the Company and the value of the Assets and Liabilities of the transferor company, amounting to ₹ 250.28 has been recognised as Goodwill under "Purchase Method" in accordance with the Scheme of Amalgamation.

The Company tests goodwill annually for impairment. The acquired land for the phase II project has been identified as cash generating unit. The goodwill of ₹ 250.28 million as on March 31, 2017 is on account of land acquisition through amalgamation,. The company has valued the land acquired through amalgamation by independent valuer as on March 31,2017.

The key assumptions used in the value in use calculations for the cash-generating unit are as follows:

Market value Approach
This method models the behavior of the market by comparing the properties being appraised with similar properties that have been recently sold (comparable properties) or for which offers to purchase have been made. Comparable properties are selected for similarity to the subject property by way of attributes, such as the size, shape, location, frontage, usage, transaction time etc., Their sale/ offer prices are then adjusted for their difference from the subject property. Finally, a market value for the subject is estimated from the adjusted sales price of the comparable.

Note 4: Other Intangible Assets

Particulars	₹ In million		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Carrying amounts of:			
Computer Software	98.39	0.32	0.00
Coal Mine Development Expenses	3,903.75	3,903.75	3,903.75
	4,002.14	**3,904.07**	**3,903.75**

Deemed Cost	₹ In million	
i)Computer Software	Year ended March 31, 2017	Year ended March 31, 2016
Balance at beginning of the year	6.18	0.00
Additions	117.84	6.18
Balance at end of year	**124.02**	**6.18**

Accumulated depreciation and impairment	Year ended March 31, 2017	Year ended March 31, 2016
Balance at beginning of year	5.86	-
Amortisation expense	19.77	5.86
Effect of foreign currency exchange differences	-	-
Balance at end of year	**25.63**	**5.86**
Carrying amount at end of year	**98.39**	**0.32**

	₹ In million	
ii)Coal Mine Development Expenses	Year ended March 31, 2017	Year ended March 31, 2016
Balance at beginning of the year	3,903.75	3,903.75
Additions	-	-
Balance at end of year	**3,903.75**	**3,903.75**
Carrying amount at end of year	**3,903.75**	**3,903.75**

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Note 5: Financial Assets: Other Investments

Particulars	₹ In million		
	March 31, 2017	**March 31, 2016**	**April 01, 2015**
I) Investments in Joint Venture			
Unquoted Investments			
(a) Investments in Equity Instruments at Fair value throgh Profit and loss			
Investment Value	-	-	0.18
(less) Share of net asset value	-	-	(0.18)
Total Investments in Joint Venture	**-**	**-**	**-**
II) Other Investments			
Investment in Government securities			
National Savings Certificate	0.12	0.12	0.12
	0.12	**0.12**	**0.12**
Total Non-Current Investments	**0.12**	**0.12**	**0.12**

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Note 6. Trade Receivables

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01,2015
Trade Receivables(Refer Note 6.1 below)			
Unsecured, considered good	9,947.97	4,442.92	-
	9,947.97	**4,442.92**	**-**
Current	**9,053.56**	**4,442.92**	**-**
Non-current	**894.41**	**-**	**-**

6.1. The average credit period on sale of power ranges from 30 to 50 days.No interest is charged on trade receivables for first 30 days, thereafter as per the Article 8.3.5 of PPA, late payment surcharge shall be payable at the rate equal to SBIPLR per annum.

SBIPLR shall mean the prime lending rate per annum as fixed from time to time by the State Bank of India. In the absence of such rate, SBIPLR shall mean any other arrangement that substitutes such prime lending rate as mutually agreed to by the Parties.SBIPLR for the year was in the range of 14% to 14.05% per annum.

Interest on overdue receivables and coal cess from TANGEDCO has been accrued based on the contractual terms of PPA.Management has considered 3 year period for receipt of interest on overdue receivable and coal cess from TANGEDCO. This is considering fact that being a government customer there could be delay in settlement.Hence the company has used discounting period of 3 years @ 14% per annum for accounting income.
The Group does not have any history of write off of trade receivables nor company expects any future write off taking into consideration forward looking information hence expected credit loss was provided only for delay in payment of as mentioned above.

Of the trade receivables balance, customer balances which represent more than 5% of the total balance of trade receivable are given below.

Customer	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
TNEB	5,840	4,442	-
IL&FS Energy Development Limited	741	-	-
Ind Barath Energy (Utkal) Limited	1,497	-	-
KSK Mahanadi Power Company Limited	1,786	-	-

Age of receivables	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
0-30 days past due	6,133.81	2,753.45	-
31-90 days past due	2,511.88	1,279.56	-
61- 90 days past due	1,036.46	409.91	-
91-180 days past due	-	-	-
More than 180 days past due	265.82	-	-
	9,947.97	**4,442.92**	**-**

NOTE 7. Loans

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01,2015
Non-current			
a. Trade Advances			
- Doubtful	-	-	254.34
Less: Allowance for bad and doubtful debts	-	-	(254.34)
	-	**-**	**-**
Current			
a. Loans to related parties			
- Unsecured, considered good(Refer Note 7.1)	193.64	1.19	
	193.64	**1.19**	**-**
	193.64	**1.19**	**-**

7.1. During the year the company has granted short term lone to IL&FS Transportation Networks Pte Limited which carrying an interest rate of 7% per annum on forien currancy amount repayble by March 31, 2018

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Note 8 Other Financial Assets

Particulrs	Non-current			Current		
	31-Mar-2017	31-Mar-2016	1-Apr-2015	31-Mar-2017	31-Mar-2016	1-Apr-2015
At Amortised Cost						
(a) Security Deposits	23.39	24.78	10.68	27.91	22.74	9.48
(b) Interest receivable	20.11	3.21	472.11	311.00	940.55	182.15
(c) Bank deposits due to mature after 12 months of the reporting date	1,951.17	5,952.03	4,543.30	-	-	-
(d) Fixed Deposits under lien:				-	-	-
With Bank	-	-	-	758.00	-	-
With Statutory authorities	200.77	81.39	2,994.25	-	-	-
(e) Unbilled Revenue	-	-	-	3,178.34	1,866.04	-
(f) Employee advance	-	-	-	1.66	0.65	0.31
(g) Margin Money receivable	-	-	-	-	-	13.64
(h) Balance with government authorities	-	-	-	-	-	1.98
(i) Others					2.74	
At Fair value throgh profit or loss						
(g) MTM Asset(Refer Note 8.1)	-	-	-	98.35	-	-
	2,195.44	**6,061.41**	**8,020.34**	**4,375.26**	**2,832.72**	**207.56**

8.1. The Holding Company has entered into commodity options contracts during the year for coal and has bought a call option at $ 72 and sold a put option at $ 62 per ton of coal. The Company has decided not to adopt hedge accounting for these contracts. The company has marked to market the open contracts as on March 31, 1017 and the resultant gain of ₹ 98.35 million has been credited to the statement of Profit and Loss.

Note 9: Other Assets	Non-current			Current		
	31-Mar-2017	31-Mar-2016	1-Apr-2015	31-Mar-2017	31-Mar-2016	1-Apr-2015
(a) Prepaid expenses	336.38	521.84	296.31	209.91	62.48	102.44
(b) Capital Advances	1,694.93	2,290.96	8,280.52	-	-	-
(c) Advances to suppliers	-	-	-	472.59	93.48	6.22
(d) Gratuity Planned assets	-	-	-	-	3.14	1.81
(e) Other advances	281.81	281.81	281.81	-	-	-
	2,313.12	**3,094.61**	**8,858.64**	**682.50**	**159.10**	**110.47**

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Note 10 Inventories

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
At lower of cost and net realisable value			
(a) Fuel (Refer Note.37) (includes in transit ₹ 999.14(As on 2016 ₹ 473.91)(As on 2015 ₹ NIL))	1,932.15	2,040.36	-
(b) Stores and spares	285.78	61.84	-
	2,217.93	**2,102.20**	**-**

The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 12,606.72 million(for the year ended March 31, 2016 ₹ 4181.30 million).
For charge on asset refer note no.18.1&18.2
The mode of valuation has been stated in note no.1.10

Note 11 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Balances with banks			
(i) In Current account	485.67	242.25	71.70
(ii) In Deposit account (Maturing with in 3 Months)	-	-	-
(b) Cash on hand	0.03	0.01	0.01
	485.70	**242.26**	**71.71**

Note 12 Other bank balances

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Balances with banks in earmarked accounts			
- In Unpaid Dividend account	146.54	-	-
- In escrow account with security agent of long term lenders*	4,079.91	482.53	655.46
- In Margin Money accounts towards Bank Guarantee			
	4,226.45	**482.53**	**655.46**

* The Holding Company has an escrow account with M/s Punjab National Bank, Large Corporate Branch, who is the escrow agent on behalf of all the term loan lenders of the Consortium. As part of the agreement, the balances with the escrow account agent are part of the security structure in favour of lenders and hence its usage is restricted to project related payments as approved by the lenders alone.

Note 13 Current tax asset and liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Current tax assets			
- Tax refund receivable	241.87	369.98	208.36
	241.87	369.98	208.36
Current tax liabilities			
- Income tax payable	449.83	550.79	6.28
	449.83	550.79	6.28
Current tax assets/ liabilities(Net)	**(207.96)**	**(180.81)**	**202.08**

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Note 14 Equity Share Capital

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
AUTHORISED :			
Equity Shares:			
5,00,10,00,000 Equity Shares of ₹ 10 each (2016 - 5,00,01,00,000 ; 2015 - 5,00,00,00,000)	50,01,00,00,000	50,01,00,00,000	50,00,00,00,000
ISSUED, SUBSCRIBED AND FULLY PAID UP			
17,59,69,765 Equity Shares of ₹ 10 each (2016 - 17,59,69,765 ; 2015 - 16,76,29,749)	1,759.70	1,759.70	1,676.30
	1,759.70	**1,759.70**	**1,676.30**

14.1 Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period.

Reconciliation	2016-17		2015-16	
	No of Shares	In ₹	No of Shares	In ₹
Equity Shares of ₹ 10 each fully paid up				
At the beginning of the year	17,59,69,765	1,75,96,97,650	16,76,29,749	1,67,62,97,490
Allotment of shares	-	-	83,40,016	8,34,00,160
At the end of the year	**17,59,69,765**	**1,75,96,97,650**	**17,59,69,765**	**1,75,96,97,650**

14.2 Details of shares held by each shareholder holding more than 5 percent of equity shares in the company:

Name of the Share holder	No of shares held as at					
	March 31, 2017		March 31, 2016		April 01, 2015	
	Nos.	%	Nos.	%	Nos.	%
Infrastructure Leasing & Financial Services Ltd	-		-	-	2,89,10,905	17.25%
IL&FS Energy Development Company Ltd	16,07,97,509	91.38%	16,07,97,509	91.38%	10,63,88,133	63.47%
A.S.Coal Resources Pte Ltd, Singapore	1,51,72,256	8.62%	1,51,72,256	8.62%	3,23,30,711	19.29%

14.3 Terms attached to Equity Shares:

The Group has issued only one class of equity shares having a par value of ₹ 10 per share. Each holder of Equity Share is entitled to one vote per share. Each holder of equity share is entitled to one vote for share. The Group declares dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting.Repayment of capital will be in proportion to the number of equity shares held.

Note 15 Convertible Debentures

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Convertible debentures			
-IL&FS Energy Development Company Ltd	(844)	2,400	4,900
-A.S.Coal Resources Pte Ltd, Singapore	-	-	100
-Infrastructure Leasing & Financial Services Ltd	5,389	-	-
	4,545	**2,400**	**5,000**

15.1. Fully Compulsorily Convertible debentures(FCCD) issued to IL&FS Energy Development Company Limited and outstanding as on March 31, 2015 were in the nature of equity as it carried an NIL interest rate and were convertible into fixed number of shares.The terms of issue of these debentures were changed subsequently in the year 2016-17 to carry a coupon rate of 16% per annum with retrospective effect since the date of issue and would be convertible at fair market value of shares on March 20, 2018.Hence FCCD were classified as financial liability in the year 2016-17 and interest accrued till the change in terms were debited to equity.

15.2. FCCD's issued to Infrastructure Leasing and Financial Services Limited during the year 2015-16 carried a coupon rate of 16% per annum and were convertible at fair market value of shares on date of conversion which is 108 (one hundred and eight) months from allotment date but limited in the range of ₹100-400. Hence FCCD's were classified as financial liability with derivative component measured at fair value through Profit and loss account. During the year 2016-17 term of conversion were changed which provided for conversion to fixed number of shares.Hence the carrying value of debentures along with interest accrued and the derivative component was classified as equity in the year 2016-17.

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Note 16 Other equity

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Securities Premium reserve	32,479.92	32,479.92	29,963.32
Debenture Redemption reserve	16.95	-	-
Foreign Currency Monetary Item Translation Difference Account	(76.46)	18.88	47.63
Actuarial movement through other comprehensive income	(3.01)	(0.40)	-
Retained Earnings	(2,915.73)	(2,083.29)	(3,548.97)
Foreign Exchange Translation Reserve	92.35	(33.44)	-
	29,594.02	**30,381.67**	**26,461.98**

Other Equity

	Year ended March 31, 2017	Year ended March 31, 2016
(a) Securities Premium Account		
Opening balance	32,479.92	29,963.32
Add :Addition during the period	-	2,516.60
Closing balance	**32,479.92**	**32,479.92**
(b) Debenture Redemption Reserve		
Opening balance	-	-
Add :Addition during the period	16.95	-
Less : Utilised during the period	-	-
Closing balance	**16.95**	**-**
(c) Foreign Currency Monetary Item Translation Difference Account		
Opening balance	18.88	47.63
Add :Effect of foreign exchange rate variations during the year	(109.26)	(6.20)
Less : Amortisation for the year	(13.92)	22.55
Closing balance	**(76.46)**	**18.88**
(d) Actuarial gains or losses		
Opening Balance	(0.40)	-
Additions/(Deletions)	(2.61)	(0.40)
Closing	**(3.01)**	**(0.40)**
(e) Retained Earnings		
Opening Balance	(2,083.29)	(3,548.97)
Add : Change in Acconting policies(Refer Note 16.1.1)	-	(0.25)
Profit for the year	1,164.78	1,465.93
	(918.51)	**(2,083.29)**
Less: Interim Dividend on Equity Shares(Refer Note 16.1.2)	1,645.32	
Tax on dividend	334.95	-
Transfer to Debenture Redemption Reserve	16.95	-
Closing Balance	**(2,915.73)**	**(2,083.29)**
(f) Foreign Exchange Translation Reserve		
Opening Balance	(33.44)	-
Additions/(Deletions)	125.79	(33.44)
Closing	**92.35**	**(33.44)**
Total Other Equity	**29,594.02**	**30,381.67**

16.1
Notes
1.The Group in the year 2015-16 has changed the accounting estimate with respect to residual value of plant property and equipment from ₹ 1 to 5% of cost based on technical advise.
2. Pursuant to resolution passed by the board of directors on March 29, 2017 Holding Company has declared an interim dividend to its shareholders at Rs.9.35 per share amounting to ₹ 1,645.32 million and tax on dividend amounting to ₹ 334.95 million theron.

Nature and purpose of reserves:
Securities Premium Reserve:
Securities Premium Reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.
Debenture Redemption Reserve:
The Group is required to create a Debenture Redemption Reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures.
Foreign Currency Monetary Item Translation Difference Account:
Group adopted exemption under IndAs 101 to follow previous GAAP accounting for long term financial instruments outstanding as on trasition date. Hence group accumulates the exchange difference arising out of long term foreign currency monetary item that does not pertains to acquisition of an asset to this account and amortises to profit or loss account over the period of the instrument.
Retained Earnings:
Retained Earnings are the profits of the Group earned till date net of appropriations.

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Note 17 Non-current borrowings
LONG TERM BORROWING

Particulars	Non-Current Portion			Current Maturities		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Secured - at amortised cost						
i).Debentures(Refer Note.17.1)	4,973.12	-	-		-	-
ii). Term Loans(Refer Note.17.2)						
- From banks	38,402.50	32,455.84	24,868.80	3,431.84	-	-
-From Financial Instituion	6,214.94	6,366.86	3,739.13	436.75	-	-
iii). Buyers credit	8,177.41	16,386.61	20,413.37	-	-	-
iv). Loan against Fixed deposit	-	3,397.56	660.00	-	-	-
Sub Total	**57,767.97**	**58,606.87**	**49,681.30**	**3,868.59**	-	-
Unsecured - at amortised cost						
i). Debentures from related party(Refer No.17.3)	3,762.94	3,003.68	-	-	-	-
ii).Term loan from related party(Refer No 3& 49)	4,636.45	-	-	-	-	-
Sub Total	**8,399.39**	**3,003.68**	-	-	-	-
Total	**66,167.36**	**61,610.55**	**49,681.30**	**3,868.59**	-	-

Summary of borrowing arrangements

17.1.Non convertible debentures
Consequent to the approval of the Board of Directors of the Company at their meeting held on November 28, 2016, the Holding Company has raised funds by way of private placement of 5,000 secured, unlisted, redeemable non convertible debentures having face value of ₹ 10,00,000 aggregating to ₹ 5000 million.Birla Sunlife Trustee Company Private Limited has subscribed for these debentures.The NCD has been raised based on the undertaking given by IL&FS Energy Development Company Ltd. Non convertible debentures carries a rate of interest of 9.80% p.a.

Debentures are redeemable at premium of 4.84% on its maturity, ₹ 2500 million on March 16, 2020 and ₹ 2500 million on March 14, 2021.

17.2.Rupee term Loan:
Long term loans together with interest, additional interest, default interest, upfront fees, costs, charges, expenses are secured in favour of the lenders/security trustees by way of first pari-passu charge without any lender having priority/preference over the other lender and include the following:

(a) A first charge over all the immovable properties of the Holding Company including leasehold rights if any both the present & future.

(b) A first charge by way of hypothecation on all moveable assets including but not limited to plant & machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other moveable assets both present and future.

(c) A first charge on the project's book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising.

(d) A first charge over all Accounts, including without limitation, the debt Service Reserve Account, the Escrow Accounts, letter of credits, and other reserves and such other Bank Accounts that may be opened in terms of hereof or project documents and over all the funds from time to time deposited therein and over all Authorised Investments or other securities representing all amounts credited thereto.

(e) First Charge on all intangibles of the Borrower including but not limited to goodwill, rights undertakings and uncalled capital both present and future

(f) First Charge by way of mortgage/hypothecation/assignment or otherwise creation of Security interest within 6 months from the date of initial disbursement (a) all right, title benefit, claims and whatsoever of the Holding Company on the Project Documents (b) all rights, title and interest of the Holding Company under all Government Approvals (c) all rights, title, benefit, claims and demand whatsoever of the Holding Company in any Letter of Credit, guarantee and liquidated damages and performance bond provided by any party to the Project Documents (d) all rights, title and interest of the Holding Company in, to and under all Insurance Contracts / Insurance Proceeds.

(g) Non disposal undertaking from the promoter viz. IL&FS Energy Development Holding Company Limited to hold at least 51% of the Paid up capital of the Holding Company.

(h) Pledge of 100% shares of IL&FS Maritime Offshore Pte limited and IL&FS offshore Natural Resources Pte limited held by the Holding Company

(i) There is no loan which is guaranteed by directors or others.

Rate of interest:
As on 31.03.2017, the term loan facility carries a rate of interest calculated at 5 year MCLR(9.55%) of Punjab national bank + 1.95% i.e. 11.50% p a.The rate of interest shall remain floating throughout the tenor of the loan and will be subject to reset on 9th November 2017.

Terms of repayment
Repayable in 41 quarterly installments from 1st september 2016.

Breach of Loan agreement
There is no breach of loan agreement

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17.3.Debentures from related party

The Holding Company has issued 5,00,000 Zero percentage fully compulsorily convertible debentures(FCCD) having a face value of ₹ 10,000 to IL&FS Energy development company limited (IEDCL) amounting to ₹ 4900 million and to A S Coal Resources Pte Limited amounting to ₹ 100 million in the year 2014-15 . During the year 2015-16, ₹ 2600 million (including ₹ 100 million issued to AS Coal Resources Pte Limited) were converted. The said debentures were converted at a fixed price of ₹311.75 per share(83,40,016 shares of ₹ 10 each). During the current year, the company has revised the interest rate to 16% per annum with retrospective effect and the basis of conversion to variable number of equity shares based on the fair market value(FMV) as on the date of conversion, to be determined by a independent valuer.

The Holding Company has issued 500 fully compulsorily convertible debentures(FCCD) having face value of ₹ 1,00,00,000 to Infrastructure leasing and financial services Limited(IL&FS) in the year 2015-16 for ₹ 5000 million carrying an interest rate of 16% per annum and its convertible based on the fair market value of the shares of the company as on the date of conversion subject to the cap of ₹ 400 and floor of ₹ 100. During the current year, there has been a change in terms of conversion and the principal amount of debentures together with the interest accrued till the date of conversion will converted to fixed number of shares.

17.4.Term Loan from related party

Consequent to the approval of the Board of Directors of the Holding Company at their meeting held on March 23, 2017, the company had availed an unsecured term loan of ₹ 3,270 million from M/s. IL&FS Energy Development Company Limited carrying a rate of 15.50% per annum. 30% of loan amount repayable at the end of 4 the year as first instalment, 30% of loan amount repayable at the end of 5 the year as second instalment and the balance of 40% of loan amount repayable at the end of 6th year as third and final instalment.

Consequent to the approval of the Board of Directors of the Holding Company at their meeting held on March 29, 2017, the company had availed an unsecured term loan of ₹1,650 million from M/s. IL&FS Energy Development Company Limited carrying a rate of 15.50% per annum repayable within two years from the date of disbursement. During the year the company has repaid ₹ 284.79 million.

Note 18. SHORT TERM BORROWINGS **Particulars**	**As at March 31, 2017**	**As at March 31, 2016**	**As at April 01, 2015**
Unsecured - at amortised cost			
a. Short Term Loan - from Related parties	333.49	3,775.95	3,478.28
Secured - at amortised cost			
a. Loan repayable on demand (Refer Note 18.1 & 18.2) - from banks	5,873.93	1,474.42	-
b. Others (Refer note no 18.3) - Loan against Fixed deposit	720.00	-	-
	6,927.42	**5,250.37**	**3,478.28**

18.1. Loans repayable on demand from banks represents cash credit facilities availed by the Holding Company. The principal moneys due from time to time and all interest thereon calculated from day to day at the rate hereinafter mentioned, additional interest, interest tax at the rate as in force, and the amount of all charges, commission and expenses etc. are secured by way of first pari-passu charge on

i. The present and future stocks of raw materials including in transit, work in process stores and spares (hereinafter referred to as the Goods), which belong to it and which now or hereinafter from time to time during the continuance of this agreement shall be brought in, stored or be in or about its premises or godowns at Cuddalore or any other godowns or be in the course of transit from one godown to another or wherever else the same may be and

ii. the present and future book debts, operating cash flows, outstanding decrees, money receivables, claims, securities, Government subsidies, investments, rights and other moveable assets excluding bills purchased/discounted by Bank and bills against which advances have been made (all of which are hereinafter referred to as 'Book Debts') which belong to the Borrower and which now or hereinafter from time to time during the continuance of this Agreement may belong to it (the said 'Goods' and 'Book Debts' are hereinafter referred to as 'hypothecated assets'/'the Securities' apart from other Securities as more fully described in the Schedule hereto), as security for payment of the balance due to the Bank by the Borrower at any time or ultimately found due on the Bank by them at any time or ultimately found due on the closing of the said Accounts and for payment of all debts and liabilities mentioned hereafter.

18.2. None of the short term borrowings are guaranteed by Directors

18.3.Interest on loan against FD

As on 31.03.2017, the loan against fixed deposit carries a rate of interest 4.5% per annum.

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Note 19 Trade Payables

Particulars	Current		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Trade payables	7,591.90	4,533.36	1,848.15
	7,591.90	**4,533.36**	**1,848.15**

There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 which is on the basis of such parties having been identified by the management and relied upon by the auditors.

Note 20: Other financial liabilities

Particulars	Non-Current Portion			Current Portion		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
At Amortised Cost						
(a) Current maturities of long-term debt(Refer Note.17)	-	-	-	3,868.59	-	-
(b) Interest accrued and but not due on borrowings	-	548.03	-	114.26	1,657.08	300.75
(c) Dividend payable	-	-	-	141.86	-	-
(d) Payable for fixed asset	-	-	-	5,435.67	1,614.28	766.38
(e) Retention money payable	-	556.64	3,878.96	5,084.76	4,692.04	146.96
(f) Other Liabilities	-	-	-			
- Security Deposits Payable	-	-	-	1.00	-	-
- Gratuity payable	-	-	-	-	-	-
- Employee Benefits Payable	-	-	-	42.47	-	-
At Fair Value	-	-	-			
(i) MTM Liability	-	-	-	326.51	302.00	31.03
(ii) Derivatives not designated in hedge accouting relationship	-	1,837.56	-	-	-	-
	-	**2,942.23**	**3,878.96**	**15,015.13**	**8,265.40**	**1,245.12**

Note 21 Other liabilities

Particulars	Non-Current Portion			Current Portion		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
a. Advances payable	-	96.79	322.49	96.79	225.70	283.16
b. Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	-	-	-	242.03	139.84	140.50
c. Dividend Ditribution tax payable				334.95		
d.Deferred Government Grant	9,518.12	8,351.54	5,625.50	214.32	167.65	53.58
	9,518.12	**8,448.33**	**5,947.99**	**888.09**	**533.19**	**477.24**

Note 22 Provisions

Particulars	Non-Current Portion			Current Portion		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Provision for compensated absences	13.09	9.27	6.43	1.75	1.08	0.34
	13.09	**9.27**	**6.43**	**1.75**	**1.08**	**0.34**

The provision for employee benfits includes annual leave and vested long service leave entitlements accrued and compensation claims made by employees.

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NOTE 23 Revenue from operations

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a) Revenue from power supply	22,592.48	8,495.26
	22,592.48	8,495.26
(b) Other operating revenues		
- sale of by-product	14.57	2.64
- interest on overdue receivables	393.74	98.15
- Deferred income	167.65	53.58
	23,168.44	**8,649.63**

Note 24 Other Income

Particulars	Year ended March 31, 2017		Year ended March 31, 2016	
(a) Interest income earned on financial assets that are not designated as at fair value through profit or loss				
On bank deposits	347.17		161.73	
On Long term financial liabilities	225.70		283.16	
		572.87		444.89
(b) Other gains or losses				
- Net gain on foreign currency transaction and translation		555.04		309.43
(c) Other non-operating income				
- Coal hedging Income		18.01		-
- Others		14.43		-
		1,160.35		**754.32**

NOTE 25 Cost of material consumed

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a) Coal	12,408.69	3,926.94
(b) Oil	81.29	244.15
(c) Stores, spares and consumables	116.75	10.21
Total	**12,606.73**	**4,181.30**

NOTE 26 Other Direct Expenses

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a) Operation & Maintenance	798.12	350.54
(b) Railway freight & detention charges	3.84	26.97
(c) SRLDC Charges	242.04	-
(d) Others	36.09	9.23
Total	**1,080.09**	**386.74**

Note 27 Employee Benefit expense

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a) Salaries, Wages and Bonus	213.89	68.76
(b) Contribution to Provident and Other Funds	6.16	4.17
(c) Staff Welfare Expenses	4.81	2.33
	224.86	**75.26**

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Note 28 Finance Cost

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
i) Interest costs;		
(a) Debentures	380.08	-
(b) Loans	6,957.67	7,178.46
(b) On long term financial liabilities	225.70	290.41
Less: interest capitalised	(2,272.99)	(5,665.00)
(ii) Other borrowing costs*	812.40	91.98
	6,102.86	**1,895.85**

*Other borrowing costs includes commitment charges, loan processing charges, guarantee charges, loan facilitation charges and other ancillary costs incurred in connection with borrowings.

Note 29 Depreciation and amortisation expense

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Depreciation/amortisation on		
a. Property, plant and equipment	1,938.81	727.91
b. Intangible assets	19.77	5.86
	1,958.58	**733.77**

Note 30 Other expenses

Particulars	Year ended March 31, 2017		ITPCL March 31, 2016	
Power and Fuel		1.59		0.54
Rent		31.98		18.81
Repairs and Maintenance				
- Buildings	5.63		-	
- Others	41.73	47.36	13.58	13.58
Insurance		52.80		2.55
Rates and Taxes		24.23		12.25
Communication Expenses		1.01		1.46
Travelling and Conveyance		25.76		14.33
Printing and Stationery		0.64		0.54
Auditors' Remuneration		3.72		4.47
Legal and Professional Expenses		276.19		90.18
Directors Sitting Fees		2.76		1.60
Green belt and Environmental Expenses		14.35		-
Security Expenses		39.69		-
Interest on Delay payment of overdue payables		160.82		-
Corporate Social Responsibility expenditure		49.70		-
Bank Charges		-		0.19
Miscellaneous Expenses		11.07		10.54
		743.67		**171.04**

30.1. Income taxes relating to continuous operations

Particulars	2016-17	2015-16
Income tax recognised in profit or loss		
Current tax		
In respect of current year	449.83	496.29
Total income tax expense recognised in the current year relating to continuing operations	**449.83**	**496.29**

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	2016-17	2015-16
Profit before tax from continuing operations	1,612.00	1,959.99
Income tax expense calculated at 21.342% (2015-16 - 21.342%)	344.03	418.30
Effect of Ind AS adjustments(Refer Note 45.2)	-	(6.29)
Interest on tax for delayed payment	41.66	45.93
Loss from foreign subsidiaries which exempt from tax	64.14	38.35
Income tax expense recognised in profit or loss (relating to continuing operations)	**449.83**	**496.29**

The tax rate used for the FY 2016-17 and 2015-16 reconciliations above is the Minimum Alternate Tax(MAT) rate of 21.342% payable by the company cover under section 115JB of the Income Tax Act 1961.

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Particulars	Year ended March 31, 2017	Year ended March 31, 2016
31. Expenditure incurred for Corporate social responsibility	**49.70**	-
32. Payment to auditors		
(i) Audit Fees	2.50	2.03
(ii) Fees for other services	1.20	1.15
(iii) Reimbursement of out of pocket expenses	-	0.03
	3.70	**3.21**
33.1 Whole time Directors remuneration:		
Short-term benefits	17.87	32.20
Post-employment benefits	-	0.76
		-
	17.87	**32.96**

Note : Managerial remuneration above does not include gratuity and leave encashment benefit, since the same is computed actuarially for all the employees and the amount attributable to the managerial person cannot be ascertained separately.

33.2 Non Whole time Directors remuneration :		
Directors' sitting Fees	2.87	0.90
	2.87	**0.90**

34.Operating lease arrangements

34.1 Company as as Lessee
The Company has taken office premises on operating lease

34.2 Payments recognised as expense In ₹

Particulars	2016-17	2015-16
Minimum Lease payments	25.63	12.13

35. Non-cancellable operating lease commitments

Particulars	2016-17	2015-16	2014-15
Not later than 1 year	25.95	36.22	23.84
Later than 1 year and not later than 5 years	24.70	27.06	14.97
Later than 5 years	-	-	-
	50.65	**63.28**	**38.81**

36.Disclosure on Specified Bank Notes
During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R.308 dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	Other denomination notes	Total
Closing cash on hand as on November 08, 2016	0.05	0.01	0.06
(+) Permitted receipts	-	0.31	0.31
(-) Permitted payments	-	0.31	0.31
(-) Amount deposited in Banks	0.05	-	0.05
Closing cash on hand as on December 30, 2016	-	0.02	0.02

37. PARTICULARS IN RESPECT OF STOCK

CLASSES OF GOODS	2016-17	2015-16
Raw material		
Fuel	1,882.07	1,969.09
Coal (Including in transit stock)	25.05	33.13
High Speed Diesel Oil	8.11	38.14
High Speed Furnace oil	16.92	51.07
Lime Stone	-	-
Stores and spares	285.78	10.77
Stores and spares	**2,217.93**	**2,102.20**

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	Particulars	2016-17	2015-16	2014-15
38	Estimated amount of capital commitments remaining to be executed net of advances	533.56	14,681.76	3,591.77
	Operational commitments remaining to be executed	1,73,794.98	1,49,001.37	-
39	Other monies for which the Company is contingently liable			
	(a) Bank Guarantee provided to customs department	9,752.90	8,491.38	5,679.08
	(b) Disputed income tax demand pertaining to AY 2010-11 as per the order of the CIT(A) under appeal before ITAT	-	1.67	-
	(c) Disputed income tax demand pertaining to AY 2011-12 as per the order of the AO under appeal before CIT(A)	19.47	19.47	-
	(d) Claims against the group not acknowledged as debt	-	103.39	-

* Future cash outflows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities

40 Segment Information

The Group is in the business of power generation projects, as such all activities undertaken by the Group are incidental to the main business. There are no separate primary business segments as per Ind as 108 on segment reporting. The breakup of geographical segment is as

Particulars	In India (2016-17)	Outside India (2016-17)	Total	In India (2015-16)	Outside India(2016-17)	Total
Segment Revenue	24,320.02	8.77	**24,328.79**	9,403.95	-	**9,403.95**
Segment Asset	1,41,417.36	800.07	**1,42,217.43**	1,25,780.00	524.45	**1,26,304.45**
Capital expenditure during the year	6,475.26	25.14	**6,500.39**	22,171.74	-	**22,171.74**
Total	**1,72,212.63**	**833.98**	**1,73,046.62**	**1,57,355.69**	**524.45**	**1,57,880.13**

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41. Employee benefit plans

A. Defined contribution plans

The Company makes Provident Fund contributions which is a defined contribution plan, for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefit. The Company recognised ₹7.59 million for the year ended March 31, 2017 (P.Y: 31st March 2016 ₹7.67 million) for Provident Fund contributions in the Statement of Profit and Loss / treated as Expenditure capitalised as the case may be. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

B. Defined benefit plans :

Gratuity -

In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as March 31, 2017 by Mr.K.Sriram, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit cost method.The following table sets forth the status of the Gratuity Plan of the Company and the amount recognized in the Balance Sheet and Statement of Profit and Loss. The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC).

The Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk : The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in thevalue of the liability (as shown in financial statements).

Investment Risk : The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Escalation Risk : The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liabilty.

Demographic Risk : The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Particulars	Gratuity (Funded)	
	2016-17	2015-16
Present Value of obligations at the beginning of the year	9.08	4.84
Current service cost	3.55	2.08
Interest Cost	0.69	0.39
Re-measurement (gains)/losses:	-	-
- Actuarial gains and losses arising from experience adjustment	2.63	1.77
Benefits paid	(0.87)	-
Present Value of obligations at the end of the year	**15.08**	**9.08**
Changes in the fair value of planned assets		
Fair value of plan assets at beginning of year	12.22	6.65
Interest Income	-	-
Return on plan assets	0.99	0.75
Contributions from the employer	1.12	5.57
Benefits Paid	(0.87)	-
Actuarial loss	0.02	(0.75)
Fair Value of plan assets at the end of the year	**13.47**	**12.22**
Amounts recognized in the Balance Sheet		
Projected benefit obligation at the end of the year	15.08	9.08
Fair value of plan assets at end of the year	13.47	12.22
Funded status of the plans – Liability recognised in the balance sheet	**1.61**	**(3.14)**
Components of defined benefit cost recognised in profit or loss		
Current service cost	3.55	2.08
Net Interest Expense	0.69	0.39
Past service cost	(0.99)	(0.75)
Net Cost in Profit or Loss	**3.26**	**1.71**

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Particulars	Gratuity (Funded) 2016-17	2015-16
Components of defined benefit cost recognised in Other Comprehensive income		
Remeasurement on the net defined benefit liability:		
- Actuarial gains and losses arising from experience adjustment	2.63	1.78
Return on plan assets	(0.02)	0.74
Net Cost in Other Comprehensive Income	**2.61**	**2.52**

	March 31,2017	March 31,2016	April 01,2015
Assumptions			
Discount rate	7.20%	8.00%	7.80%
Expected rate of salary increases	6.50%	6.50%	6.50%
Expected rate of attrition	3.00%	3.00%	3.00%
Average age of members	35.90	35.30	34.70
Average remaining working life	15.40	15.60	15.80
Mortality (IALM (2006-2008) Ultimate)	100%	100%	100%

The Company has invested the plan assets with the insurer managed funds. The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits.The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

Significant actuarial assumptions for the detemination of the defined benefit obligation are discount rate, expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	March 31,2017	March	April
Discount rate			
- 0.50% increase	14.28	8.63	4.60
- 0.50% decrease	(15.94)	(9.56)	(5.09)
Salary growth rate	-	-	-
- 0.50% increase	(15.96)	(9.58)	(5.10)
- 0.50% decrease	8.61	14.26	4.60

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset)

The Company's best estimate of the contribution expected to be paid to the plan during the next year NA (PY: ₹6.402 million).

Effect of Plan on Entity's Future Cash Flows:

a) Funding arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

b) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflows) - 11.4 years

c) Expected Benefit payments in the following years:

	In ₹
Year 1	0.32
Year 2	1.43
Year 3	0.45
Year 4	0.60
Year 5	1.26
Next 5Years	0.00

C. Long Term Compensated Absence

The assumption used for computing the long term accumulated compensated absences on actuarial basis are as follows.

Assumptions	2016-17	2015-16
Discount rate	7.20%	8.00%
Attrition Rate	3%	3%
Expected rate of salary increases	6.50%	6.50%

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42. Earnings per Share:

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Basic Earnings per share	6.62	8.55
Diluted Earnings per share	5.82	7.98

42.1 Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

Profit after Taxation (In ₹)	1,164.78	1,465.93
Earnings used in the calculation of basic earnings per share	**1,164.78**	**1,465.93**
Number of equity shares of ₹ 10 each outstanding at the beginning of the year	175.97	167.63
Add: Equity shares Issued During the year	-	8.34
Number of equity Shares of ₹ 10 each outstanding at the end of the year	175.97	175.97
(b) Weighted Average number of Equity Shares	175.97	171.36

42.2 Diluted Earnings per share

The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows.

Earnings used in the calculation of basic earnings per share	**1,164.78**	**1,465.93**
Adjustments	-	-
Earnings used in the calculation of diluted earnings per share	**1,164.78**	**1,465.93**

The weighted average number of equity shares for the purposes of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Weighted average number of equity shares used in the calculation of basic earnings per share	175.97	171.36
Potential Equity shares to be issued		-
Fully convertible debentures	24.24	12.31
Weighted average number of equity shares used in the calculation of diluted earnings per share	200.21	183.67

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43. Related party disclosures as per AS-18 (as identified by the Management and relied upon by the Auditors)

a. Ultimate Holding Company
1. Infrastructure Leasing & Financial Services Limited (IL&FS Ltd)

b. Holding Company
1. IL&FS Energy Development Company Limited (IEDCL)

c. Fellow Subsidiaries (with whom there are transactions during the year)
1. IL&FS Financial Services Limited
2. IL&FS Environmental Infrastructure Services Limited
3. IL&FS Maritime Infrastructure Company Limited
4. IL&FS Education and Technology Services Limited
5. IL&FS Engineering & Construction Company Ltd
6. IIML Asset Advisors Ltd
7. Porto Novo Maritime Limited
8. IL&FS Cluster Development Initiative Limited
9. ISSL Settlement & Transaction Services Ltd
10. IL&FS Transportation Networks Limited
11. IL&FS Transportation Networks Pte Limited
12. IL & FS Technologies Limited
13. Livia India Limited

d. Key Management Personnel
1. M .S. Srinivasan – Chairman cum Director

Nature of transactions/ balance outstanding with related parties

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Issue of Share Capital		
Infrastructure Leasing & Financial Services Limited	-	-
IL & FS Energy Development Company Limited	-	544.09
Security Premium on Conversion of Debentures		
Infrastructure Leasing & Financial Services Limited	-	-
IL & FS Energy Development Company Limited	-	2,419.81
Subscription to Debentures		
Infrastructure Leasing & Financial Services Limited	-	5,000.00
Inter-company borrowings availed		
IL & FS Energy Development Company Limited	6,547.47	290.00
IL&FS transportation networks limited	200.60	-
Inter-company borrowings repaid (with interest)		
IL & FS Energy Development Company Limited	6,563.42	-
Receipt of services		
IL & FS Energy Development Company Limited	210.67	106.66
Infrastructure Leasing & Financial Services Limited	147.95	125.74
IL & FS Financial Services Limited	293.81	213.02
IL&FS Environmental Infrastructure Services Limited	5.76	86.75
IL&FS Maritime Infrastructure Company Limited	1,425.53	1,232.10
IL&FS Education & Technology Services Limited	6.29	7.70
IL&FS Clusters Development Initiative Ltd	0.30	4.45
ISSL Settlement & Transaction Services Ltd	4.16	1.04
Porto Novo Maritime Limited	54.20	8.26
Livia India Limited	0.16	1.35
IL & FS Technologies Limited	0.15	0.52
Rendering of services		
IL & FS Energy Development Company Limited	2,252.71	1.28
IL&FS Environmental Infrastructure Services Limited	1.30	-
IL&FS Maritime Infrastructure Company Limited	1.17	-
Saurya Ujra Company Rajastan Limited	5.28	-
Porto Novo Maritime Limited	0.15	-
Additions to Capital Work in Progress		
IL&FS Engineering & Construction Company Ltd	-	0.28
Advance returned		
Porto Novo Maritime Limited	-	1,900.00
Dividend Paid		
IL & FS Energy Development Company Limited	1,503.46	-
Interest Expense		
IL & FS Energy Development Company Limited	2,094.10	600.12
Infrastructure Leasing & Financial Services Limited	-	548.03
IL&FS transportation networks limited	5.95	-
Remuneration to key management personnel		
Salary		
M S Srinivasan	17.63	15.53
Sitting fees		
M S Srinivasan	0.24	0.10

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Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Year-end payable balances			
IL & FS Energy Development Company Limited	219.09	420.68	325.24
Infrastructure Leasing & Financial Services Limited	490.81	510.07	485.53
IL&FS Education & Technology Services Limited	2.53	7.03	-
IL&FS Environmental Infrastructure Services Limited	6.05	16.92	80.29
IL&FS Engineering & Construction Company Ltd	-	31.50	76.71
IL&FS Financial Services Limited	248.65	73.15	375.25
IL&FS Clusters Development Initiative Ltd	-	2.51	1.26
ISSL Settlement & Transaction Services Ltd	-	1.02	-
Livia India Limited	0.10	0.26	-
IL&FS Technologies Limited	0.10	0.10	-
Porto Novo Maritime Limited	33.32	-	-
IL&FS Maritime Infrastructure Company Limited	1,339.04	977.00	320.49
IL&FS Transportation Network Limited	196.86	202.10	191.21
Year-end receivable balances			
IL & FS Energy Development Company Limited	1,604.11	-	-
IL&FS Environmental Infrastructure Services Limited	1.19	-	-
Porto Novo Maritime Limited	0.16	-	-
IL&FS Maritime Infrastructure Company Limited	0.54	-	-
Share Capital			
IL & FS Energy Development Company Limited	1,607.98	1,607.98	1,063.88
Infrastructure Leasing & Financial Services Limited	-	-	289.11
A S Coal Resources Pte Limited	151.72	151.72	323.31
Security Premium on Conversion of Debentures			
IL & FS Energy Development Company Limited	32,187.84	2,419.81	29,768.03
A S Coal Resources Pte Limited	96.79	96.79	195.29
Fully Compulsorily Convertible Debentures			
Infrastructure Leasing & Financial Services Limited	5,000.00	5,000.00	-
A S Coal Resources Pte Limited	-	-	100.00
IL & FS Energy Development Company Limited	2,400.00	2,400.00	4,900.00
Inter-company borrowings received			
IL & FS Energy Development Company Limited	4,636.45	3,640.00	3,350.00
L&FS Transportation Networks Limited	200.60	-	-
Investments			
Cuddalore Solar Power Company Ltd	0.18	0.18	0.18
Loans & Advances			
Maritime International Offshore Pte Ltd	1.17	1.19	1.13
IL & FS Transportation Network Pte Limited	190.65	-	-
IL&FS Engineering & Construction Company Ltd	-	2.82	3.88
Porto Novo Maritime Limited	5,003.95	1,003.50	2,903.50
Infrastructure Leasing & Financial Services Limited	-	9.18	-
IL&FS Maritime Infrastructure Company Limited	-	-	51.43
Interest Accrued			
IL & FS Transportation Network Limited	5.95	-	-
IL & FS Energy Development Company Limited	1,435.61	1,012.52	477.07
Infrastructure Leasing & Financial Services Limited	548.03	548.03	-

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44. Financial instruments

44.1 Capital management

The Company's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves attributable to the equity shareholders of the Company. Net debt includes all long-term and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Company:

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Equity	**35,886.61**	**34,529.86**	**33,129.46**
Debt	76,963.38	66,860.92	53,159.58
Cash and cash equivalents	(485.70)	(242.26)	(71.71)
Net debt	**76,477.68**	**66,618.66**	**53,087.87**
Total capital (equity + net debt)	**1,12,364.28**	**1,01,148.52**	**86,217.33**
Net debt to capital ratio	0.68	0.66	0.62

44.2 Categories of financial instruments

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Financial assets			
Measured at fair value through profit or loss (FVTPL)			
(a) Mandatorily measured:			
(i) Derivative instruments not designated in hedge accounting relationship	98.35	-	-
Measured at amortised cost			
(a) Cash and bank balances	4,712.15	724.78	727.17
(b) Other financial assets at amortised cost	21,326.12	14,063.03	8,955.06
Measured at cost			
(a) Investment in Government securities	0.12	0.12	0.12
Financial liabilities			
Measured at amortised cost	95,701.82	80,462.35	60,100.78
Measured at fair value through profit or loss (FVTPL)	326.51	2,139.57	31.03

44.3 Financial risk management objectives

The Company's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives.
In the ordinary course of business, the Company is exposed to market risk, credit risk, and liquidity risk.
Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Interest rate risk, currency risk and commodity risk.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings.

The sensitivity analysis have been carried out based on the exposure to interest rates for instruments not hedged against interest rate fluctuation at the end of the reporting period.The said analysis has been carried on the amount of floating rate long term liabilities outstanding at the end of the reporting period. A 50 basis point increase or decrease represents management's assessment of the reasonable possible change in interest rates.

In case of fluctuation in interest rates by 50 basis points on the exposure of ₹ 76,963.38 million as on 31st March, 2017 and ₹ 66,860.92 million as on 31st March, 2016 and all other variables were held constant, the Company's profit for the year would increase or decrease as follows:

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Impact on Profit or Loss for the year	384.82	334.30

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company manages its foreign currency risk by hedging transactions that are expected to realise in future.

Every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and U.S.dollar on the exposure of $ 156.56 million as on 31st March, 2017 and $ 117.53 as on 31st March, 2016, would have affected the Company's profit for the year as follows :

Particulars	Impact of change in USD to INR rate	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Impact on Profit or Loss for the year	80.85	46.92

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44.3.1 Foreign currency risk management

The Company is exposed to foreign exchange risk on account of following:
1. Imports
2. foreign currency borrowings in the form of Foreign Currency Non-Repatriable (B) loans (FCNRB), packing credit etc. availed for meeting its funding requirements

The Company has a forex policy in place whose objective is to reduce foreign exchange risk by deploying the appropriate hedging strategies (forward covers and options) and also by maintaining reasonable open exposures within approved parameters depending on the future outlook on currencies.

The Company had entered into the swap contracts to hedge the interest and currency risks on the external commercial borrowings.

a. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

Particulars	Liabilities			Liabilities		
	USD			INR		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Outstanding value of buyer's credit(both hedged and unhedged)	126.12	247.01	326.14	8,177.41	16,386.61	20,413.37
Outstanding value of retention money in respect of project contracts	72.93	70.74	61.63	4,728.65	4,692.36	3,857.21
Payables towards purchase of raw material	51.76	-	-	3,356.12	-	-
Total	**250.81**	**317.75**	**387.77**	**16,262.18**	**21,078.97**	**24,270.58**

The foreign currency risk on above exposure is mitigated by derivative contracts. The outstanding contracts as at the Balance Sheet date are as follows:

b. Foreign currency forward Contracts outstanding as at the Balance Sheet date:

	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	Buy	Sell	Buy	Sell	Buy	Sell
Forward contracts						
USD	100.58	-	200.22	-	172.29	-
Number of contracts	46	-	47	-	22	-

The forward contracts have been entered into to hedge the currency risk on the external commercial borrowings by the Company .

	Currency	Cross currency	No. of contracts	Amount in foreign currency	Amount	Buy/Sell
Forward contracts						
As at 31 March 2017	USD	INR	46	100.58	6,521.40	Buy
As at 31 March 2016	USD	INR	47	200.22	13,281.05	Buy
As at 31 March 2015	USD	INR	22	172.29	11,054.93	Buy

The forward contracts have been entered into to hedge the currency on the external commercial borrowings and loans given by the Company .

C.Foreign currency derivative contracts designated under hedging relationship

The Company has availed buyers credit facilities and have entered into Currency derivative contracts like Forward Contracts to hedge the foreign currency risk exposure. The economic relationship exists between the hedged item (buyers credit) and the hedging instrument (Forward Contracts) since both are taken on the same underlying i:e, USD / INR exchange rate.

As at 31.03.2017

Hedging instrument outstanding contracts	Currency	Forward Contract
Foreign Currency	USD Mn	94.25
Nominal amount	INR Mn	6,110.97
Average exchange rate	INR/USD	64.84
Carrying amount of hedging instrument at fair value [liability)]	INR Mn	309.78
Change in fair value of hedging instrument recognised in OCI [gain / (loss)]	INR Mn	-
Change in fair value of hedging instrument capitalised as borrowing cost along with hedge item	INR Mn	501.55
Ineffective portion of hedge recognised in statement of profit and loss	INR Mn	15.09

Hedge accounting for foreign currancy derivative contracts was followed from april 01, 2016.Hence disclosures for previuos years are not disclosed.

C) Commodity price risk

The companies operating activities require the on-going purchase of coal and other fuel. This is affected by the price volatility of certain commodities of which a portion has been mitigated by commodity option contracts

d) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.
The Company is having majority of receivables from State Electricity Boards which are Government undertakings and hence they are secured from credit losses in the future.

44.4 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2017:

Particulars	Carrying amount	upto 1 year	1-5 year	More than 5 year	Total contracted cash flows
Borrowings (including current maturities of long term borrowings)	76,963.38	10,796.01	33,271.80	32,895.56	76,963.37
Trade Payables	7,591.90	7,591.90	-	-	7,591.90
Other Financial Liabilities	11,146.53	11,146.53	-	-	11,146.53
Total	**95,701.81**	**29,534.44**	**33,271.80**	**32,895.56**	**95,701.80**

The table below provides details of financial assets as at 31 March 2017:

Particulars	Carrying amount
Trade receivables	9,947.97
Other financial assets	11,476.61
Total	**21,424.58**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2016:

Particulars	Carrying amount	upto 1 year	1-5 year	More than 5 year	Total contracted cash flows
Borrowings (including current maturities of long term borrowings)	66,860.92	5,250.37	28,762.42	32,848.13	66,860.92
Trade Payables	4,533.36	4,533.36	-	-	4,533.36
Other Financial Liabilities	11,207.63	8,265.40	2,942.23	-	11,207.63
Total	**82,601.91**	**18,049.13**	**31,704.65**	**32,848.13**	**82,601.91**

The table below provides details of financial assets as at 31 March 2016:

Particulars	Carrying amount
Trade receivables	4,442.92
Other financial assets	9,620.23
Total	**14,063.15**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 1 April 2015:

Particulars	Carrying amount	upto 1 year	1-5 year	More than 5 year	Total contracted cash flows
Borrowings (including current maturities of long term borrowings)	53,159.58	3,478.28	20,747.36	28,933.94	53,159.58
Trade Payables	1,848.15	1,848.15	-	-	1,848.15
Other Financial Liabilities	5,124.08	1,245.12	3,878.96	-	5,124.08
Total	**60,131.81**	**6,571.55**	**24,626.32**	**28,933.94**	**60,131.81**

The table below provides details of financial assets as at 1 April 2015:

Particulars	Carrying amount
Trade receivables	-
Other financial assets	8,955.19
Total	**8,955.19**

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44.5.Financial Instruments
1.Financial Assets and Financial Liabilities

Particulars	As at 31 March 2017			As at 31 March 2016			As at April 01, 2015		
	Amortised cost	Fair Value through profit or loss	Fair value	Amortised cost	Fair Value through profit or loss	Fair value	Amortised cost	Fair Value through profit or loss	Fair value
Financial assets									
Financial assets at amortised cost:									
- Trade receivables	9,947.97	-	9,947.97	4,442.92	-	4,442.92	-	-	-
- Cash and cash equivalents	485.70	-	485.70	242.26	-	242.26	71.71	-	71.71
- Bank balances other than cash and cash equivalents	4,226.45	-	4,226.45	482.53	-	482.53	655.46	-	655.46
- Investments	0.12	-	0.12	0.12	-	0.12	0.12	-	0.12
- Loans	193.64	-	193.64	1.19	-	1.19	-		-
- Other financial assets	6,472.35	98.35	6,570.70	8,894.13	-	8,894.13	8,227.90	-	8,227.90

Particulars	As at 31 March 2017			As at 31 March 2016			As at 1 April 2015		
	Amortised cost	Fair Value through profit or loss	Fair value	Amortised cost	Fair Value through profit or loss	Fair value	Amortised cost	Fair Value through profit or loss	Fair value
Financial liabilities									
Financial liabilities at amortised cost:									
Borrowings	76,963.38	-	76,963.38	63,857.24	3,003.68	66,860.92	53,159.58		53,159.58
Trade payables	7,591.90	-	7,591.90	4,533.36	-	4,533.36	1,848.15		1,848.15
Other financial liabilities	10,820.02	326.51	11,146.54	9,068.06	2,139.57	11,207.63	5,093.05	31.03	5,124.08

Fair Value hierarchy:
The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes quoted equity instruments, government securities, traded debentures and mutual funds that have quoted price.

Level 2: Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This includes derivative financial instruments and non-convertible cumulative redeemable preference shares.

Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares.

Valuation technique(s) and key input(s):
Level 1 The fair value of financial instruments, if any is based on quoted price.

Level 2 Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace. The fair value of fully convertible debentures is based on discounted cash flow at a discount rate that reflects the current borrowing rate at the end of reporting period.
Level 3 Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares.

Financial Asset	Fair value hierarchy as at 31st March, 2017			
	Level 1	Level 2	level 3	Total
Financial Assets at amortised cost				
Trade receivables	-	9,947.97	-	9,947.97
Investments	-	0.12		0.12
Loans	-	-	193.64	193.64
Cash and cash equivalents & other bank balances	-	4,712.15	-	4,712.15
Other financial assets				
MTM on commodity contracts	-	98.35	-	98.35
Others	-	6,472.35	-	6,472.35
Total	-	21,230.94	193.64	21,424.58

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44.5.Financial Instruments

Particulars	Fair value hierarchy as at 31st March, 2017			
	Level 1	Level 2	level 3	Total
Financial liabilities				
Financial liabilities at amortised cost:				
Borrowings				
Bank loan	-	-	63,257.38	63,257.38
Sub debt from related party	-	-	4,969.94	4,969.94
Non convertible debentures	-	-	4,973.12	4,973.12
Fully convertible debentures to related party	-	3,762.94	-	3,762.94
Trade payables	-	7,591.90	-	7,591.90
Other financial liabilities				
MTM on derivative contracts	-	326.51	-	326.51
Others	-	10,820.02	-	10,820.02
Total	-	22,501.37	73,200.44	95,701.81

Financial Asset	Fair value hierarchy as at 31st March, 2016			
	Level 1	Level 2	level 3	Total
Financial Assets at amortised cost				
Trade receivables	-	4,442.92	-	4,442.92
Investments	-	0.12	-	0.12
Loans	-	-	1.19	1.19
Cash and cash equivalents & other bank balances	-	724.78		724.78
Other financial assets	-	8,894.13	-	8,894.13
Total	-	14,061.95	1.19	14,063.14

	Fair value hierarchy as at 31st March, 2016			
	Level 1	Level 2	level 3	Total
Financial liabilities				
Financial liabilities at amortised cost:				
Borrowings				
Bank loan	-	-	60,081.29	60,081.29
Fully convertible debentures to related party		3,003.68	-	3,003.68
Sub debt from related party	-	-	3,775.95	3,775.95
Trade payables	-	4,533.36	-	4,533.36
Other financial liabilities				
MTM on derivative contracts		2,139.57		2,139.57
Others		9,068.06		9,068.06
Total	-	18,744.67	63,857.24	82,601.91

Financial Asset	Fair value hierarchy as at 1st April, 2015			
	Level 1	Level 2	level 3	Total
Financial Assets at amortised cost				
Trade receivables		-	-	-
Investments	-	0.12	-	0.12
Loans	-	-	-	-
Cash and cash equivalents & other bank balances	-	727.17		727.17
Other financial assets	-	8,227.90	-	8,227.90
Total	-	8,955.19	-	8,955.19

	Fair value hierarchy as at 31st March, 2015			
	Level 1	Level 2	level 3	Total
Financial liabilities				
Financial liabilities at amortised cost:				
Borrowings				
Bank loan	-	-	49,681.30	49,681.30
Sub debt from related party	-	-	3,478.28	3,478.28
Trade payables	-	1,848.15	-	1,848.15
Other financial liabilities				
MTM on derivative contracts	-	31.03	-	31.03
Others	-	5,093.05	-	5,093.05
Total	-	6,972.23	53,159.58	60,131.81

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45. First-time Ind AS adoption reconciliation

45.1 Reconciliation of total equity as at March 31, 2016 and April 01, 2015

Particulars	As at March 31, 2016 (End of last period presented under Previous GAAP)	As at April 01, 2015 Date of Transition
Total Equity (shareholder's funds) under previous GAAP	**32,401.23**	**28,409.77**
Impact of amalgamation of Goodearth Shipping Private Limited.	30.03	-
Additional depreciation on account of exchange fluctuations.	(2.50)	-
Effect of Exchange fluctuations on account of Buyers credit.	26.90	216.58
Effect of accounting Long term borrowing under Effective interest rate.	(7.25)	-
Fair valuation of derivative component throgh profit or loss.	158.77	-
Regrouping of group company payments on acquisition of mining rights.	(2,173.98)	(2,173.98)
Adjustment in the reserve pertaining joint venture(net of investment).	0.79	0.79
Reversal of loss from joint venture.	0.02	-
Exchange differences in translating the financail statements of foreign operations classified through profit and loss account.	(63.85)	-
Total adjustment to equity	***(2,031.07)***	***(1,956.61)***
Total equity under Ind AS	**30,370.16**	**26,453.16**

52.2 Reconciliation of total comprehensive income for the year ended March 31, 2016

Particulars	Year ended March 31, 2016 (Latest period presented under previous GAAP)
Profit as per previous GAAP	1,495.39
Adjustments	
Impact of amalgamation of Goodearth Shipping Private Limited	10.04
Additional Depreciation on account of exchange fluctuations	(2.50)
Effect of Exchange fluctuations on account of Buyer's credit	(188.94)
Amount considered in the other comprehensive Income	0.40
Effect of accounting Long term borrowing under Effective interest rate	(7.25)
Fair valuation of derivative component through profit or loss	158.77
Share of loss from joint venture reversed	0.02
Total effect of transition	***(29.46)***
Profit for the year as per Ind AS	**1,465.93**
Other comprehensive income for the year (net of tax)	(33.84)
Total comprehensive income under Ind AS	**1,432.09**

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under previous GAAP.

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46. First-time Ind AS adoption reconciliation

46.1 Effect of Ind AS adoption on the consolidated balance sheet as at March 31, 2016 and April 01, 2015

S.No	Particulars	As at March 31, 2016 End of last period presented under previous GAAP			As at April 01, 2015 Date of transition		
		Previous GAAP	**Effect of Transition**	**As per Ind AS balance sheet**	**Previous GAAP**	**Effect of Transition**	**As per Ind AS balance sheet**
B.	**ASSETS**						
	Non-Current Assets						
	(a) Property, plant and equipment	53,258.52	4,414.88	57,673.40	3,088.72		3,088.72
	(b) Capital Work in Progress	40,699.31	4,358.33	45,057.64	69,015.21	5,559.21	74,574.42
	(c) Goodwill	220.25	30.03	250.28	-	-	-
	(d) Other Intangible Assets	6,141.90	(2,237.83)	3,904.07	6,077.71	(2,173.96)	3,903.75
	(e) Financial Assets						
	(i) Investments						
	b) Other Investments	0.12		0.12	0.12		0.12
	(ii) Loans	-	-	-	-		-
	(iii) Other financial assets	109.38	5,952.03	6,061.41	8,020.34	-	8,020.34
	(f) Other Non Current Assets	3,094.61		3,094.61	8,858.64		8,858.64
	Total non-current assets	**1,03,524.09**	**12,517.44**	**1,16,041.53**	**95,060.74**	**3,385.25**	**98,445.99**
	Current Assets						
	(a) Inventories	2,102.20		2,102.20	-		-
	(b) Financial Assets						
	(i) Trade Receivables	4,442.92	-	4,442.92	-	-	-
	(ii) Cash and Cash Equivalents	242.26	- -	242.26	71.71	-	71.71
	(iii) Bank balances other than (ii) above	6,434.56	(5,952.03)	482.53	655.46	-	655.46
	(iv) Loans	1.19	-	1.19	-	-	-
	(v) Other Financial assets	2,928.81	(96.09)	2,832.72	207.56	-	207.56
	(c) Current tax assets (Net)	-	-		202.08	-	202.08
	(d) Other Current Assets	159.10		159.10	110.47		110.47
		16,311.04	**(6,048.12)**	**10,262.92**	**1,247.28**	**-**	**1,247.28**
	TOTAL ASSETS	**1,19,835.13**	**6,469.32**	**1,26,304.45**	**96,308.02**	**3,385.25**	**99,693.27**
A.	**EQUITY AND LIABILITIES**						
	Equity						
	(a) Equity Share Capital	1,759.70	-	1,759.70	1,676.30	-	1,676.30
	(b) Convertible debentures	-	2,400.00	2,400.00	-	5,000.00	5,000.00
	(c) Other Equity	32,413.56	(2,031.89)	30,381.67	28,419.37	(1,957.39)	26,461.98
	Non Controlling Interest	(11.51)	-	(11.51)	(8.82)	-	(8.82)
	Total equity	**34,161.75**	**368.11**	**34,529.86**	**30,086.85**	**3,042.61**	**33,129.46**
	Liabilities						
	Non-Current Liabilities						
	(a) Financial Liabilities						
	i. Borrowings	63,714.37	(2,103.82)	61,610.55	49,801.17	(119.87)	49,681.30
	ii. Other financial liability	1,104.67	1,837.56	2,942.23	4,484.61	(605.65)	3,878.96
	(b) Long term Provisions	9.27		9.27	6.43		6.43
	(c) Deferred Tax Liabilities (Net)	-		-	-		-
	(d) Other non-current liabilities	-	8,448.33	8,448.33	-	5,947.99	5,947.99
	Total non-current liabilities	**64,828.31**	**8,182.07**	**73,010.38**	**54,292.21**	**5,222.47**	**59,514.68**
	Current Liabilities						
	(a) Financial Liabilities						
	i. Borrowings	7,650.37	(2,400.00)	5,250.37	8,478.28	(5,000.00)	3,478.28
	ii. Trade Payables	4,533.36		4,533.36	1,848.15	-	1,848.15
	iii. Other financial Liabilities	8,285.89	(20.49)	8,265.40	1,214.09	31.03	1,245.12
	(b) Short Term Provisions	1.08		1.08	0.34	-	0.34
	(c) Current tax liabilities(Net)	180.81		180.81			
	(d) Other Current Liabilities	193.56	339.63	533.19	388.10	89.14	477.24
	Total current liabilities	**20,845.07**	**(2,080.86)**	**18,764.21**	**11,928.96**	**(4,879.83)**	**7,049.13**
	Total Liabilities	**85,673.38**	**6,101.21**	**91,774.59**	**66,221.17**	**342.64**	**66,563.81**
	TOTAL EQUITY AND LIABILITIES	**1,19,835.13**	**6,469.32**	**1,26,304.45**	**96,308.02**	**3,385.25**	**99,693.27**

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47.1 Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended March 31, 2016

S.No	Particulars	Year ended March 31, 2016 Latest period presented under previous GAAP		
		Previous GAAP	Effect of transition to Ind AS	Ind AS
I	Revenues from Operations	8,596.04	53.59	8,649.63
II	Other Income	420.35	333.97	754.32
III	**Total Income (I+II)**	**9,016.39**	**387.56**	**9,403.95**
IV	**Expenses:**			
	Cost of materials consumed	4,181.30		4,181.30
	Other Direct Expenses	386.74		386.74
	Employee benefits expense	75.66	(0.40)	75.26
	Finance costs	1,524.50	371.35	1,895.85
	Depreciation and amortisation expense	687.70	46.07	733.77
	Other expenses	171.04		171.04
	Total Expenses (IV)	**7,026.94**	**417.02**	**7,443.96**
V	**Profit before tax (III-IV)**	**1,989.45**	**(29.46)**	**1,959.99**
VI	**Tax Expense:**			
	(1) Current Tax	496.29		496.29
	(2) Deferred Tax	-		-
		496.29	**-**	**496.29**
VI	**Profit for the year from continuing operations(V-VI)**	**1,493.16**	**(29.46)**	**1,463.70**
VII	Profit Attributable to Non controlling interest	(2.23)	-	(2.23)
VIII	**Profit Attributable to Owners of the Company**	**1,495.39**	**(29.46)**	**1,465.93**
	Other Comprehensive Income			
	A. i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the defined benefit plans	-	(0.40)	(0.40)
		-		
		-	(0.40)	(0.40)
	B. i) Items that will be reclassified to profit or loss			
	a) Exchange differences in translating the financial statements of foreign operations	-	(33.44)	(33.44)
		-		
IX	**Total other comprehensive income (A+B)**	-	(33.84)	(33.84)
X	**Total Comprehensive Income (XI+XII)**	**1,495.39**	**(63.30)**	**1,432.09**

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

IL& FS TAMIL NADU POWER COMPANY LIMITED
CIN: U72200TN2006PLC060330
Registered Office: 4th Floor, KPR Tower, Old No. 21, New No. 2, 1st Street, Subba Rao Avenue, College Road, Chennai 600 006

Attendance Slip
11th Annual General Meeting on Wednesday, 27th September 2017 at 12.30 P.M.
at 4th Floor, KPR Tower, Old No. 21, New No. 2, 1st Street, Subba Rao Avenue, College Road, Chennai 600 006

Folio No ………………………………………………….. DP ID No ………………………………………

Client ID No …………………
Name and address of the member: ____

Name of the shareholder / proxy	Signature of the shareholder / proxy

--- Tear here ---

IL& FS TAMIL NADU POWER COMPANY LIMITED
CIN: U72200TN2006PLC060330
Registered Office: 4th Floor, KPR Tower, Old No. 21, New No. 2, 1st Street, Subba Rao Avenue, College Road, Chennai 600 006

PROXY FORM (FORM NO. MGT – 11)
[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Folio no./Client ID/DP ID: ………………………………………………………………………………………………….

Name of the Member : ………………………………………………………………………………………………….

Registered Address: …………………………………………………………………………………………………….

Email id: ………..

I/We, being the Member(s) of …………………………… shares of the above named Company, hereby appoint

1.Name	2. Name	3.Name
Address	Address	Address
Email id	Email id	Email id
Signature …………………………………….. or failing him	Signature …………………………………….. or failing him	Signature …………………………………….. or failing him

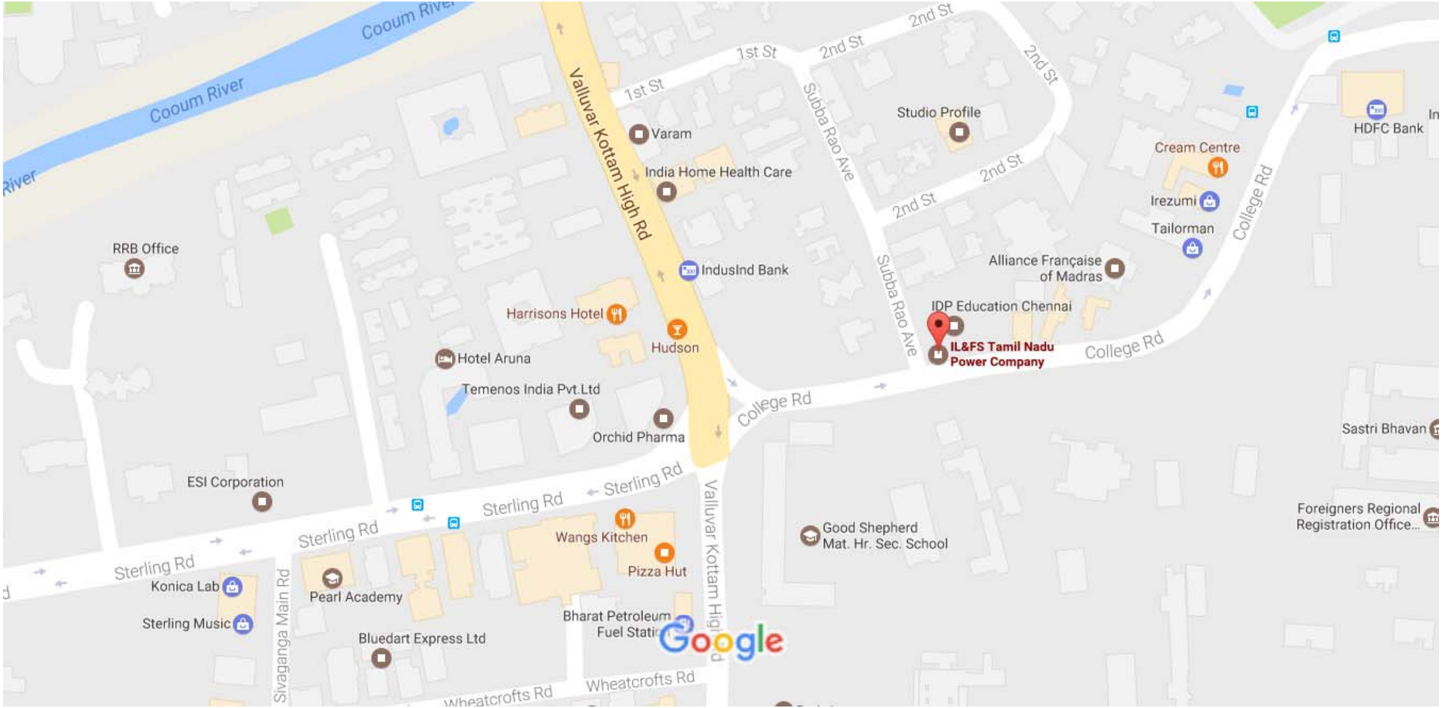
as my/our proxy to attend and vote (on a poll) for me/us and on/my behalf at the 11th Annual General Meeting of the Company to be held on Wednesday, September 27, 2017 at 4th Floor, KPR Tower, Old No. 21, New No. 2, 1st Street, Subba Rao Avenue, College Road, Chennai 600 006 and at any adjournment thereof in respect of such resolutions, as are indicated overleaf:

S. No	Resolution	For	Against
Ordinary Business:			
1	Adoption of Audited Statement of Profit and Loss for the year ended 31st March 2017 and Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon		
2	Appointment of Director in the place of Mr. Ramesh C Bawa, who retires by rotation, being eligible offers himself for re-appointment		
3	Confirmation of Interim Dividend		
4	Appointment of Statutory Auditors		
Special Business:			
5	Appointment of Mr. Maharudra M Wagle as a Director retiring by rotation		
6	Appointment of Mr. Ashwani Kumar as a Director retiring by rotation		
7	Re-appointment of Mr. M S Srinivasan, Chairman & Whole-time Director		
8	Payment of remuneration to the Cost auditors		

Signed this …………….. day of …………….. 2017
Signature of Shareholder ……………………………
Signature of Proxy(s) of Shareholder ……………….

Affix one Rupee Revenue Stamp

Notes 1. This form of Proxy in order to be effective should be fully completed and deposited at the Registered office of the Company at 4th Floor, KPR Tower, Old No. 21, New No. 2, 1st Street, Subba Rao Avenue, College Road, Chennai 600 006



Cooum River
Cooum River
River
Valluvar Kottam High Rd
1st St
1st St
2nd St
2nd St
2nd St
2nd St
2nd St
Subba Rao Ave
Subba Rao Ave
Studio Profile
Varam
India Home Health Care
IndusInd Bank
HDFC Bank
Cream Centre
Irezumi
Tailorman
College Rd
College Rd
College Rd
Alliance Française of Madras
IDP Education Chennai
IL&FS Tamil Nadu Power Company
RRB Office
Harrisons Hotel
Hudson
Hotel Aruna
Temenos India Pvt.Ltd
Orchid Pharma
Sastri Bhavan
ESI Corporation
Sterling Rd
Sterling Rd
Sterling Rd
Sterling Rd
Wangs Kitchen
Pizza Hut
Good Shepherd Mat. Hr. Sec. School
Foreigners Regional Registration Office...
Konica Lab
Sterling Music
Sivaganga Main Rd
Pearl Academy
Bharat Petroleum Fuel Stati
Bluedart Express Ltd
Wheatcrofts Rd
Wheatcrofts Rd
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