

# **INDEPENDENT AUDITORS' REPORT**

**To the Members of AZUR SOLAR KDC PRIVATE LIMITED**

## **Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying Standalone Ind AS financial statements of Azur Solar KDC Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2018, 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 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 specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 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 there under.

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.

An audit involves performing procedures to obtain audit evidence about the amount 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 controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by

the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidences obtained by us are 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 financial position of the Company as at 31<sup>st</sup> March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## **Report on Other Legal and Regulatory Requirements**

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

As required by Section 143(3) of the Act, we report that:

- (i) 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.
- (ii) 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.
- (iii) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under.
- (v) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2018 and taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- (vi) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B.
- (vii) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and information and according to the explanations given to us.
- (viii) The Company has disclosed the impact, if any, of pending litigations as at 31<sup>st</sup> March 2018 on its financial position in its standalone Ind AS financial statements - Refer Note 17 to the standalone Ind AS financial statement.
- (ix) The Company has made provision, as required under the applicable laws or Ind AS, for material foreseeable losses, if any, on long- term contracts including derivative contracts.
- (x) There were no delays in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March 2018.

- (xi) The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended 31<sup>st</sup> March 2018.

**For Monu Jain & Company**  
Firm Regn. No. 327900E  
Chartered Accountants

Monu Jain  
Partner  
Membership No. 302721

Place: Kolkata  
Date: The 24<sup>th</sup> May, 2018

## **Annexure A to the Independent Auditor's Report**

**Referred to in the Independent Auditor's Report of even date to the members of Azur Solar KDC Private Limited on the Standalone Ind AS financial statements for the year ended 31<sup>st</sup> March, 2018.**

- I. (a) The Company does not have any Fixed Assets. Hence this clause is not applicable.
- II. The Company does not have any inventory. Hence this clause is not applicable.
- III. The Company has not granted any loan, secured or unsecured to companies, firms, LLP or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- IV. According to the information and explanations given to us, in our opinion, in respect of loans, investment, guarantees and security, provisions of section 185 and 186 of the Act have been complied with by the company.
- V. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- VI. In our opinion and according to the information and explanation given to us, in respect of goods produced by the company, maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act.
- VII. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities. Further, no undisputed amounts were outstanding on the year-end for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us, there is no amount disputed in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax and cess.
- (VIII) In our opinion and according to the information and explanations given to us, the company has not defaulted in the Loan & Borrowings due to a Financial Institution, Bank, Government or dues to debenture holders during the year.
- (IX) The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) during the year.
- (X) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (XI) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid /provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.
- (XII) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

- (XIII) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- (XIV) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (XV) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (XVI) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For Monu Jain & Company**  
Firm Regn. No. 327900E  
Chartered Accountants

Monu Jain  
Partner  
Membership No. 302721

Place: Kolkata  
Date: The 24<sup>th</sup> May, 2018

## **Annexure B to the Independent Auditor's Report**

**Referred to in the Independent Auditors' Report of even date to the members of Azur Solar KDC Private Limited on the standalone Ind AS financial statements for the year ended 31<sup>st</sup> March 2018**

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

In conjunction with our audit of the standalone financial statements of Azur Solar KDC Private Limited ("the Company") as of and for the year ended 31st March 2018, we have audited the internal financial controls over financial reporting (Internal financial controls) of the Company as of that date.

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

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's Internal financial controls based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 and their operating effectiveness. Our audit of internal financial controls included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls.

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

A Company's internal financial controls is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's Internal financial controls 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized

acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

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

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

#### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by Institute of Chartered Accountants of India.

**For Monu Jain & Company**  
Firm Regn. No. 327900E  
Chartered Accountants

Monu Jain  
Partner  
Membership No. 302721

Place: Kolkata  
Date: The 24<sup>th</sup> May, 2018

**AZUR SOLAR KDC PRIVATE LIMITED****Balance Sheet as at 31st March 2018****Rs in Lakhs**

	Notes	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b>(I) ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Financial assets				
(i) Other financial assets	05	13.79	13.79	13.79
		13.79	13.79	13.79
<b>(2) Current Assets</b>				
(a) Financial assets				
(i) Cash and cash equivalent	06	0.47	2.08	1.34
(b) Other current assets	07	-	-	0.62
		0.47	2.08	1.96
<b>TOTAL ASSETS</b>		<b>14.26</b>	<b>15.87</b>	<b>15.75</b>
<b>(II) EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
(a) Equity share capital	08	1.00	1.00	1.00
(b) Other equity	09	(0.49)	(0.33)	(0.34)
		0.51	0.67	0.66
<b>(2) Non Current Liabilities</b>				
(a) Financial Liabilities				
(i) Other Financial Liabilities	10	13.27	14.77	14.77
		13.27	14.77	14.77
<b>(3) Current liabilities</b>				
(a) Financial liabilities				
(i) Trade payables	11	0.48	0.43	0.32
		0.48	0.43	0.32
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>14.26</b>	<b>15.87</b>	<b>15.75</b>

See accompanying notes forming part of the financial statements

As per terms of our report attached

**For Monu Jain & Company**  
**Firm Regn. No. 327900E**  
**Chartered Accountants**

**Monu Jain**  
**Partner**  
**Membership No. 302721**

Place: Kolkata

Date: The 24th May, 2018

For and on behalf of the Board of Directors

**Prashant Mehra**  
**Director**

**Ramesh Kumar Mehra**  
**Director**



**AZUR SOLAR KDC PRIVATE LIMITED****Statement of Profit and Loss for the quarter ended 31st March 2018**

	Notes	<b>For the year ended 31.03.2018</b>	For the Year ended 31.03.2017
(1) Other income	12	-	0.18
<b>(2) Total Revenue (2)</b>		-	0.18
<b>(3) EXPENSES</b>			
(a) Finance Costs	13	-	-
(b) Other expenses	14	0.16	0.17
<b>Total Expenses (3)</b>		0.16	0.17
<b>(4) Profit before tax (2) - (3)</b>		<b>(0.16)</b>	<b>0.01</b>
<b>(5) Tax Expense</b>			
(a) Current tax			
(i). Current tax for current year		-	-
(ii). Current tax for the previous years	15	-	-
<b>Total tax expense (5)</b>		-	-
<b>(6) Profit/Loss for the year (4) - (5)</b>		<b>(0.16)</b>	0.01
<b>(7) Earnings per equity share(In Rupees): (Face value of share of Rs 10 each)</b>	16		
(a) Basic		<b>(1.61)</b>	0.11
(b) Diluted		<b>(1.61)</b>	0.11

See accompanying notes forming part of the financial statements

As per terms of our report attached

For and on behalf of the Board of Directors

**For Monu Jain & Company**  
**Firm Regn. No. 327900E**  
**Chartered Accountants**

**Prashant Mehra**  
**Director**

**Monu Jain**  
**Partner**  
**Membership No. 302721**

**Ramesh Kumar Mehra**  
**Director**

Place: Kolkata

Date: The 24th May, 2018

	For the year ended 31.03.2018	Rs in Lakhs For the Year ended 31.03.2017
<b>A. Cash Flow from Operating activities:</b>		
Profit before Tax	(0.16)	0.01
Operating profit before working capital changes	(0.16)	0.01
Adjustments for (increase)/decrease in operating assets		
Other current assets	-	0.62
Adjustments for increase/(decrease) in operating liabilities		
Trade Payables	0.05	0.11
Non Current Liabilities- other financial liabilities	(1.50)	-
<b>Cash generated from operations</b>	<b>(1.61)</b>	<b>0.74</b>
Direct taxes paid	-	-
<b>Net cash generated/used in from operating activities</b>	<b>(1.61)</b>	<b>0.74</b>
<b>B. Cash Flow from Investing activities:</b>		
Net cash (used in) investing activities	-	-
<b>C. Cash Flow from Financing activities:</b>		
Net cash (used in) financing activities	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1.61)</b>	<b>0.74</b>
<b>Cash and cash equivalents as at beginning</b>	<b>2.08</b>	<b>1.34</b>
<b>Cash and cash equivalents as at end</b>	<b>0.47</b>	<b>2.08</b>

See accompanying notes forming part of the financial statements

1. Cash and cash equivalents represents cash and balances with banks. (Refer Note. 06)
2. Figures in brackets represent outflows.

As per terms of our report attached

**For Monu Jain & Company**  
Firm Regn. No. 327900E  
Chartered Accountants

**Monu Jain**  
Partner  
Membership No. 302721

**Place: Kolkata**  
**Kolkata, May 24, 2018**

For and on behalf of the Board of Directors

**Prashant Mehra**  
Director

**Ramesh Kumar Mehra**  
Director

**AZUR SOLAR KDC PRIVATE LIMITED****Statement of Changes in Equity for the year ended 31st March 2018****A. Equity Share Capital**

Rs in Lakhs

Particulars	Amount
Balance as at 1 April 2016	1.00
Changes in equity share capital during the year ended March 31, 2017	-
Balance as at 31 March 2017	1.00
Changes in equity share capital during the year ended March 31, 2018	-
Balance as at 31st March 2018	1.00

**B. Other Equity**

Rs in Lakhs

Statement of changes in Equity	Retained Earnings	Total Equity
Balance at April 1, 2016	(0.34)	(0.34)
Profit for the year	0.01	0.01
Balance at March 31, 2017	(0.33)	(0.33)
Loss for the year	(0.16)	(0.16)
<b>Balance at March 31, 2018</b>	<b>(0.49)</b>	<b>(0.49)</b>

See accompanying notes forming part of the financial statements

As per terms of our report attached

For and on behalf of the Board of Directors

**For Monu Jain & Company**  
**Firm Regn. No. 327900E**  
**Chartered Accountants**

**Prashant Mehra**  
**Director**

**Monu Jain**  
**Partner**  
**Membership No. 302721**

Place: Kolkata

**Ramesh Kumar Mehra**  
**Director**

Kolkata, May 24, 2018

## **1. General corporate information**

Azur Solar KDC Private Limited is a Private Limited Company, domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is a subsidiary Company of M/S Kaushalya Infrastructure Development Corporation Limited. The shares of the company are not listed on any stock exchange in India. The Company has been incorporated with the objective of generation and distribution of solar power. The Company carries on its business in domestic markets only.

## **02. Application of new and revised Ind As**

New Ind AS that has been issued but is not effective as of the closing day of the reporting period:

### **"Ind AS 115 "Revenue from Contracts with Customers"**

The Ministry of Corporate Affairs notified Ind AS 115 "Revenue from Contracts with Customers" in respect of accounting periods commencing on or after April 1, 2018, superseding Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue". The Company's current revenue recognition policy is broadly aligned to the principles enunciated in Ind AS 115 and does not require any material change except for realty business. In terms of Ind AS 115, revenue of realty business will be recognised at the time of delivery of units to the customers as compared to revenue recognition based on percentage completion method currently followed as per the Guidance note issued by the Institute of Chartered Accountants of India. The management is in the process of implementing Ind AS 115 and does not expect any material impact on the Company's financial position as at March 31, 2018 and on the financial results of the Company in the first year of implementation viz. financial year commencing on April 1, 2018 except as above.

## **3. Summary of significant accounting policies**

### **03.01 Statement of compliance**

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standard) Rules, 2015. Upto the financial year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Section 133 of the Companies Act, 2013. These are the Companies first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Refer Note [\*] for the details of first time adoption exemptions availed by the Company.

### **3.02 Basis of preparation and presentation**

This is a separate financial statement presented as per requirement of Ind AS-27 those presented by a parent, an investor in an associate or a venturer in a jointly controlled entity, in which the investments are accounted for on the basis of direct equity interest rather than on the basis of the reported results and net assets of the investees.

These separate financial statements of the Company are prepared under the historical cost except for certain financial instruments that are measured at fair value at end of each reporting period. Historical cost is generally based on 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. In these separate financial statements, the fair value for measurement and/or disclosure purpose is determined on such basis except for leasing transactions that are within the scope of Ind AS 17, and 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.

In addition, for financial reporting purposes, fair value measurements are categorised in to Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division II of Schedule III to the Companies Act, 2013. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Companies Act, 2013 are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Indian Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The preparation of separate financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the separate financial statements and the reported amounts of income and expense for the periods presented.

### 3.03 Use of Estimates

The preparation of separate financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the separate financial statements and the reported amounts of income and expense for the periods presented.

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 future periods are affected.

### 3.04 Revenue recognition

#### i). Other Income

**Interest:** Interest income is generally recognized on time proportion basis taking into account the amount outstanding and the rate applicable..

**Others:** Income from agricultural activities, consultancy etc. is recognized on accrual basis.

### 3.05 Taxation

#### i). Current tax

Current tax is payable based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Standalone 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 current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### ii). Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Standalone financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from the deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which the benefits of the temporary difference can be utilised and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

### iii). Minimum alternate tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is recognised as an asset in the balance sheet when there is convincing evidence that the Company will pay normal income tax during the specified period and it is probable that future economic benefit associated with it will flow to the Company.

### iv). Current tax and deferred tax

Current and deferred tax are recognised in profit and 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. The current and deferred tax arising from the initial accounting for business combination, are included in the accounting for the business combination.

## 3.06 Provisions, Contingent liabilities and Contingent assets

### 03.06.01 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of 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.

### 03.06.02 Contingent liabilities and assets

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised. Contingent assets are neither recognised nor disclosed.

## 3.07 Financial instruments

Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transactions 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 and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in profit and loss.

## 3.08 Financial assets

All purchases or sales of financial assets which require delivery of assets within the time frame established by regulation or convention in the market place are recognised and derecognised on a trade date basis. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### 03.08.01 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit and 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 outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit and loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; 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 outstanding.

Interest income is recognised in profit and loss for FVTOCI debt instruments. For the purpose of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus exchange differences on the amortised cost are recognised in profit and loss and other changes in the fair value of FVTOCI financial assets in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit and loss.

All other financial assets are subsequently measured at fair value.

### 03.08.02 Effective interest method

The effective interest method is a method of calculating the amortised 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 premium 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 a effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit and loss and is included in the "Other income" line item.

### 03.08.03 Investments in equity instruments at FVTOCI

On initial recognition, the Company make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in the fair value of investments in equity instruments (other than investments held for trading) in other comprehensive income. These instruments are initially measured at fair value plus transaction costs. Subsequently they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for Equity through other comprehensive income'. On disposal of these investments the cumulative gain or loss is nor reclassified to profit and loss.

Dividends on these investments in equity instruments are recognised in profit and loss when the Company's right to receive dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends are included as part of 'Other income' in the profit and loss.

### 03.08.04 Financial assets at fair value through profit and loss (FVTPL)

FVTPL'. The Company has derivatives that are not designated and effective as a hedge instrument which are designated as 'Financial Assets at FVTPL'. Financial assets at FVTPL are measured 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 and loss.

### **03.08.05 Impairment of financial assets**

The Company applies the expected credit loss model for recognising impairment loss on trade receivables, other contractual rights to receive cash or other financial instruments. Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risks on that financial instrument has increased significantly since initial recognition. If the credit risk on financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses.

If the Company measures the loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risks has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12 month expected credit losses.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures loss allowance at an equal to life time expected credit losses. For the purpose of measuring lifetime expected credit loss allowance for trade receivables the Company has used practical expedient as permitted under Ind AS 109..

### **03.08.06 Derecognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flow 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. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of financial asset in its entirety, the difference between the asset's carrying amounts 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 and loss if such gain or loss would have otherwise been recognised in profit and loss on disposal of that financial asset.

## **3.09 Financial liabilities and equity instruments**

### **03.09.01 Classification as debt or equity**

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

### **03.09.02 Classification as debt or equity**

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 entity are recognised at the proceeds received, net of direct issue costs.

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

### **03.09.03 Financial liabilities**

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.



#### **03.09.04 Financial liabilities at FVTPL**

Financial liabilities are classified as at FVTPL, when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

it has been incurred principally for the purpose of repurchasing it in the near term; or

on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern to short-term profit-taking; or

it is a derivative that is not designated and effective as a hedging instrument.

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

#### **03.09.05 Financial liabilities subsequently measured at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised 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.

#### **03.09.06 Derecognition of financial liabilities**

The Company derecognises 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 derecognised and the consideration paid and payable is recognised in profit or loss.

### **04 First-time adoption - mandatory exceptions and optional exemptions**

#### **04..01 Overall principle**

The Company has prepared the opening Standalone balance sheet as per Ind AS as of April 1, 2016 (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.

#### **04.02 Derecognition of financial assets and liabilities**

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

#### **04.03 Classification of debt instruments**

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

#### **04.04 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 ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

**05. Non-current financial assets****(a) Other Financial Assets**

(i). Security Deposits

<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>	<b>As at 01.04.2016</b>
<b>Rs in Lakhs</b>	<b>Rs in Lakhs</b>	<b>Rs in Lakhs</b>
<b>13.79</b>	13.79	13.79
<b>13.79</b>	13.79	13.79

**06. Cash and bank balances****(a). Cash and cash equivalents**

(i). Cash in hand

(ii). Balances with banks

In current accounts

**Total cash and cash equivalents**

<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>	<b>As at 01.04.2016</b>
<b>Rs in Lakhs</b>	<b>Rs in Lakhs</b>	<b>Rs in Lakhs</b>
<b>0.19</b>	1.80	1.21
<b>0.28</b>	0.28	0.13
<b>0.47</b>	2.08	1.34

**07. Other current assets**

(a). Other loans and advances

i). Advance to suppliers

<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>	<b>As at 01.04.2016</b>
<b>Rs in Lakhs</b>	<b>Rs in Lakhs</b>	<b>Rs in Lakhs</b>
-	-	0.62
-	-	0.62

## 08. Share capital

	As at 31.03.2018 Rs in Lakhs	As at 31.03.2017 Rs in Lakhs	As at 01.04.2016 Rs in Lakhs
<b>Authorised:</b>			
<b>1,00,000</b> Equity Shares of Rs. 10 each (as at March 31, 2017 : 1,00,000 Equity Shares of Rs.10 each; as at April 1, 2016: 1,00,000 Equity Shares of Rs. 10 each)	10.00	10.00	10.00
	10.00	10.00	10.00
<b>Issued, Subscribed and fully paid up:</b>			
<b>10,000</b> Equity Shares of Rs. 10 each (as at March 31, 2017 : 10,000 Equity Shares of Rs 10 each; as at April 1, 2016: 10,000 Equity Shares of Rs. 10 each)	1.00	1.00	1.00
	1.00	1.00	1.00

## Reconciliation of Number of shares and amount outstanding at the beginning and end of the reporting period

	For the year ended 31.03.2018		For the year ended 31.03.2017	
	No. of Shares	Amount Rs in Lakhs	No. of Shares	Amount Rs in Lakhs
<b>Equity shares</b>				
<b>Issued, subscribed and fully paid up:</b>				
At beginning & end of the year	10,000	1.00	10,000	1.00
	10,000	1.00	10,000	1.00

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

	As at 31.03.2018		As at 31.03.2017	
	No. of Shares	%	No. of Shares	%
<b>Holding Company</b>				
Kaushalya Energy Private Limited.	9,900	99.00%	9,900	99.00%

## Rights, preferences and restrictions attached to shares

## Equity Shares

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

	As at 31.03.2018 Rs in Lakhs	As at 31.03.2017 Rs in Lakhs	As at 01.04.2016 Rs in Lakhs
<b>09 Other Equity</b>			
a). Retained Earnings	(0.49)	(0.33)	(0.34)
	(0.49)	(0.33)	(0.34)
	For the year ended 31.03.2018 Rs in Lakhs	For the year ended 31.03.2017 Rs in Lakhs	As at 01.04.2016 Rs in Lakhs
<b>Retained Earnings</b>			
Opening balance	(0.33)	(0.34)	(0.34)
Profit/Loss for the year	(0.16)	0.01	-
Closing balance	(0.49)	(0.33)	(0.34)
	(0.49)	(0.33)	(0.34)

<b>As at 31.03.2018</b>	As at 31.03.2017	As at 01.04.2016
<b>Rs in Lakhs</b>	Rs in Lakhs	Rs in Lakhs

**10. Non Current Liabilities****Other Financial Liabilities**

(a). Deposit/Advance from Ultimate Holding Company

<b>13.27</b>	14.77	14.77
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**Total other current financial liabilities**

<b>13.27</b>	14.77	14.77
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**11. Trade Payables**

(a). Total outstanding dues of creditors other than micro enterprises and small enterprises

<b>0.48</b>	0.43	0.32
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**Total trade payables**

<b>0.48</b>	0.43	0.32
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Based on the information available with the Company, it did not have any outstanding dues to micro and small enterprises for more than 45 days during the year and as on March 31st, 2018

	For the year ended 31.03.2018 Rs in Lakhs	For the Year ended 31.03.2017 Rs in Lakhs
<b>12. Other income</b>		
(a). Miscellaneous income	-	0.18
<b>Total other income</b>	-	0.18

	For the year ended 31.03.2018 Rs in Lakhs	For the Year ended 31.03.2017 Rs in Lakhs
<b>13. Finance Costs</b>		
(a) Bank Charges	-	-
<b>Total Finance Costs</b>	-	-

	For the year ended 31.03.2018 Rs in Lakhs	For the Year ended 31.03.2017 Rs in Lakhs
<b>14 Other expenses</b>		
(a). Legal and professional fee	0.09	0.10
(b). Audit fees (Statutory Audit Fee)	0.06	0.06
(c). Other general expenses	0.01	0.01
<b>Total other expenses</b>	0.16	0.17

	For the year ended 31.03.2018 Rs in Lakhs	For the Year ended 31.03.2017 Rs in Lakhs
<b>15 Components of Tax Expenses</b>		
<b>Current Tax</b>		
In respect of current year	-	-
In respect of prior years	-	-
	-	-

	For the year ended 31.03.2018 Rs in Lakhs	For the Year ended 31.03.2017 Rs in Lakhs
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**16. Earnings per share (in Rupees)****Basic and diluted 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 for the year/period	(0.16)	0.01
Weighted average number of equity shares for the purpose of basic earnings per share	10,000	10,000
Basic and diluted earnings per share	(1.61)	0.11

The Company is not having any potential ordinary shares which are dilutive in nature. Hence diluted earnings per share is not calculated separately.

**AZUR SOLAR KDC PRIVATE LIMITED****Notes forming part of the financial statements****17. Additional information to the Financial Statements**

	<b>As at 31.03.2018</b>	As at 31.03.2017
	<b>Rs in Lakhs</b>	Rs in Lakhs
<b>17.01 Contingent Liabilities</b>		
There are no outstanding litigations or demands as at 31st March ,2018 and 31st March 2017 hence no amount has been disclosed as contingent liabilities.	-	-
	<b>As at 31.03.2018</b>	As at 31.03.2017
	<b>Rs in Lakhs</b>	Rs in Lakhs
<b>17.02. Capital and other commitments</b>		
a). Capital commitments		
Estimated value of contracts remaining to be executed on capital account	-	-
b). Others	-	-

**AZUR SOLAR KDC PRIVATE LIMITED**
**Notes forming part of the financial statements**
**18. Disclosures under Indian Accounting Standards**

	<b>For the year ended 31.03.2018</b>	For the Year ended 31.03.2017
	<b>Rs in Lakhs</b>	Rs in Lakhs
<b>18.01 Disclosure pursuant to Ind AS 11 "Construction Contracts.</b>		
a). Contract revenue recognised as revenue during the year	-	-
b). Aggregate amount of contract costs incurred and recognised profits (net of recognised losses) upto the reporting period	-	-
c). Advances received for contracts in progress (Unadjusted)	-	-
<b>18.02 Disclosures pursuant to Guidance Note on Accounting for Real Estate Transactions issued by the Institute of Chartered Accountants of India :</b>		
a). Amount of project revenue recognised for the financial year	-	-
b). Aggregate amount of costs incurred and profits recognised (less recognised losses) as at end of the financial year	-	-
c). Amount of advances received	-	-
d). Amount of work-in-progress and the value of inventories	-	-
e). Excess of revenue recognised over actual bills raised (unbilled revenue)	-	-

**18.03 Related party disclosures:**

Information on related party transactions as per Indian Accounting Standards (Ind AS) 24 - Related party Disclosures

**A). List of related parties and relationship**

Name of the related party	Nature of Relationship
Kaushalya Energy Private Limited	Holding Company
Kaushalya Infrastructure Development Corporation Limited	Ultimate Holding company

**18.04 Related party Transactions:**

**Rs in Lakhs**

Particulars	For the year ended 31.03.2018	For the Year ended 31.03.2017
a) <b>Advance repaid</b>		
i) Kaushalya Infrastructure Development Corporation Ltd.	(1.50)	-

**18.05 Related Party Balances**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
a) <b>Advance taken</b>			
(i) Kaushalya Infrastructure Development Corporation Limited	13.27	14.77	14.77

**AZUR SOLAR KDC PRIVATE LIMITED****Notes forming part of the financial statements****19. Financial instruments****19.01 Credit risk management**

Credit risks refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. Financial instruments that are subject to concentrations of credit risk, principally consist of trade receivables, finance receivables and loans and advances. None of the financial instruments of the Company result in material concentrations of credit risks. The Company does not engage in speculative treasury activity.

The credit risk on bank balances is limited because the counterparties are banks with high credit ratings.

On going credit evaluation is performed on the financial condition of accounts receivable.

**19.02 Liquidity risk management**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**Liquidity and interest risk tables**

The following tables detail the maturity profile of Company's non-derivative financial liabilities with agreed repayment period. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Rs in Lakhs

	Carrying amount	Total	Less than 1 month	1 - 3 months	3 months to 1 year	1 to 5 years	> 5 years
<b>As at 31.03.2018</b>							
Trade payables	0.48	0.48			0.48		-
Other financial liabilities- Non Current	13.27	13.27		-		13.27	-
	<b>13.75</b>	<b>13.75</b>	-	-	<b>0.48</b>	<b>13.27</b>	-
<b>As at 31.03.2017</b>							
Trade payables	0.43	0.48			0.48		-
Other financial liabilities- Non Current	14.77	14.77		-		14.77	-
	<b>15.20</b>	<b>15.25</b>	-	-	<b>0.48</b>	<b>14.77</b>	-
<b>As at 01.04.2016</b>							
Trade payables	0.32	0.32			0.32		-
Other financial liabilities-Non Current	14.77	14.77		-		14.77	-
	<b>15.09</b>	<b>15.09</b>	-	-	<b>0.32</b>	<b>14.77</b>	-



**AZUR SOLAR KDC PRIVATE LIMITED**  
**Notes forming part of the financial statements**

**20. Income tax recognised in profit and loss**

	<b>For the year ended 31.03.2018</b>	For the Year ended 31.03.2017
	<b>Rs in Lakhs</b>	Rs in Lakhs
<b>Current tax</b>		
In respect of the current year	-	-
In respect of prior years	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

**Deferred tax**

In respect of the current year	-	-
In respect of prior years	-	-
Adjustments to deferred tax attributable to changes in tax rates and laws	-	-
Write downs	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

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

	<b>For the year ended 31.03.2018</b>	For the Year ended 31.03.2017
	<b>Rs in Lakhs</b>	Rs in Lakhs
Profit/Loss before tax for the year	(0.16)	0.01
Income tax expense calculated at 25.75% (for the 2016-17: 29.87%) on above	(0.04)	0.00
Effect of losses carried forward	0.04	(0.00)
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

## AZUR SOLAR KDC PRIVATE LIMITED

### Notes forming part of the financial statements

#### 21. Financial instruments

##### 21.01 Capital management

The Company manages its capital to ensure that entities will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Capital structure of the Company consists of net debt offset by cash and bank balances) and the total equity of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, long term-term borrowings, short-term borrowings.

##### Gearing Ratio

The gearing ratio at end of the reporting period was as follows

	As at 31.03.2018 Rs in Lakhs	As at 31.03.2017 Rs in Lakhs	As at 01.04.2016 Rs in Lakhs
Debt	-	-	-
Total equity	0.51	0.67	0.66
Equity share capital	1.00	1.00	1.00
Other equity	(0.49)	(0.33)	(0.34)
Non-controlling interests	-	-	-
Net debt to equity ratio	-	-	-

##### 21.02 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The corporate treasury management reports on quarterly basis to the board of directors that monitors risks and policies implemented to mitigate risk exposures.

##### 21.03 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.

## AZUR SOLAR KDC PRIVATE LIMITED

### Notes forming part of the financial statements

#### 22 Financial instruments

##### 22.01 Fair value measurements

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 3.

##### Financial assets and Liabilities

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosure are required):

	As at 31.03.2018		
	Amortised Cost	Total Carrying Value	Total Fair Value
<b>Financial Assets:</b>			
Cash and cash equivalents	0.47	0.47	0.47
<b>Total</b>	<b>0.47</b>	<b>0.47</b>	<b>0.47</b>
<b>Financial Liabilities</b>			
Trade payable	0.48	0.48	0.48
Other financial liabilities-non current	13.27	13.27	13.27
<b>Total</b>	<b>13.75</b>	<b>13.75</b>	<b>13.75</b>
	As at 31.03.2017		
	Amortised Cost	Total Carrying Value	Total Fair Value
<b>Financial Assets:</b>			
Cash and cash equivalents	2.08	2.08	2.08
<b>Total</b>	<b>2.08</b>	<b>2.08</b>	<b>2.08</b>
<b>Financial Liabilities</b>			
Trade payable	0.43	0.43	0.43
Other financial liabilities- non current	14.77	14.77	14.77
<b>Total</b>	<b>15.20</b>	<b>15.20</b>	<b>15.20</b>
	As at April 1, 2016		
	Amortised Cost	Total Carrying Value	Total Fair Value
<b>Financial Assets:</b>			
Cash and cash equivalents	1.34	1.34	1.34
<b>Total</b>	<b>1.34</b>	<b>1.34</b>	<b>1.34</b>
<b>Financial Liabilities</b>			
Trade payable	0.32	0.32	0.32
Other financial liabilities- non current	14.77	14.77	14.77
<b>Total</b>	<b>15.09</b>	<b>15.09</b>	<b>15.09</b>

**AZUR SOLAR KDC PRIVATE LIMITED****Notes forming part of the financial statements****23. Disclosure in terms of G.S.R.307(E) read with G.S.R.308(E) dated 30th March, 2017 issued by the Ministry of Corporate Affairs, Government of India.**

The details of the specified bank notes (SBNs) held and transacted during the period from 8 November, 2016 to 30 December, 2016 are as follows:

Particulars	Specified Bank Notes	Rs in lakhs	
		Other denomination	Total amount
Closing cash in hand as on 8th November, 2016	1.35	0.03	1.38
Add : Permitted receipts	-	1.38	1.38
Less : Permitted payments	-	-	-
Less : Amount deposited in Banks	1.35	-	1.35
Closing cash in hand as on 30th December, 2016	-	1.41	1.41

The Company do not have any specified bank note and disclosures pertaining to same for the current year is not required

Disclosures relating to previous year are provided above..

**AZUR SOLAR KDC PRIVATE LIMITED****Notes forming part of the financial statements****24 First-time Ind AS Adoption reconciliation****24.01 Reconciliation of total equity as at March 31, 2017 and April 1, 2016**

	Notes	As at	As at
		31.03.2017	01.04.2016
		Rs in Lakhs	Rs in Lakhs
<b>Total equity (shareholders' funds) under previous GAAP</b>		0.67	0.66
<b>Total adjustments to equity</b>		-	-
<b>Total equity (shareholders' funds) under Ind AS</b>		0.67	0.66

**24.02 Reconciliation of total comprehensive income for the year ended March 31, 2017**

				<b>Rs in Lakhs</b>
				<b>Year ended 31.03.2017</b>
<b>Profit as per previous GAAP</b>				0.01
<b>Total effect of transition to Ind AS</b>				(0.00)
<b>Profit for the year as per Ind AS</b>				0.01

Note: Under the previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.

**24.03 Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2017**

	Previous GAAP	Effect of transition to Ind AS	As per Ind AS profit and loss
Net cash flows from operating activities	0.74	-	0.74
Net cash flows from investing activities	-	-	-
Net cash flows from financing activities	-	-	-

**25. Approval of financial statements**

The financial statements were approved for issue by the board of directors on May 24, 2018

As per terms of our report attached

**For Monu Jain & Company**  
Firm Regn. No. 327900E  
Chartered Accountants

**Monu Jain**  
Partner  
Membership No. 302721

**Place: Kolkata**

Kolkata, May 24, 2018

For and on behalf of the Board of Directors

**Prashant Mehra**  
Director

**Ramesh Kumar Mehra**  
Director