

Independent Auditors' Report

TO THE MEMBERS OF KAUSHALYA ENERGY PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **KAUSHALYA ENERGY PRIVATE LIMITED** ("the company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

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

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure "A" a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of written representations received from the directors as on 31 March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure "B".
- g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For MONU JAIN & COMPANY
Chartered Accountants
Firm Registration No: 327900E

Sd/-
Monu Jain
Proprietor
Membership No: 302721

Place: Kolkata
Date: The 20th May, 2017

Annexure “A” to the Independent Auditors’ Report

(Referred to in Paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our Report of even date)

- 1) In respect of fixed assets:
 - a) The Company does not have any fixed assets. Hence this Clause is not applicable.
- 2) The Company does not have any inventory. Hence this Clause is not applicable.
- 3) According to information and explanations given to us, the Company has not granted any loans, Secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in register maintained under section 189 of the Act.
- 4) In our opinion and according to information and explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties cover under section 185 of the Act. In respect of investments made by the Company, the Provisions of section 186 of the Act have been complied with.
- 5) According to information and explanations given to us, the company has not accepted any deposit from the public during the year in terms of the provision of section 73 to 76 of the Act or any other relevant provisions of the Companies Act, 2013 and the rules made there under.
- 6) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- 7) In respect of Statutory due:
 - a) According to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance, Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, Sales Tax, value added tax (VAT), Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2017 for a period of more than six months from the date they become payable.

- b) According to the information and explanations given to us, there is no amount disputed in respect of Income-tax, Value added Tax, Sales tax, Excise Duty, Custom Duty, Service tax and Cess.
- 8) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of loan & borrowings dues to a financial institution, bank, Government or dues to debenture holders during the year.
- 9) The company has not raised moneys by way of initial public offer or further public offer (including debt instrument) and term loans.
- 10) In our opinion and according to the information and explanations given to us, no fraud on or by the Company by its officers or employees has been noticed or reported during the Year.
- 11) In our opinion, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- 12) In our opinion, the company is not a Nidhi Company. Therefore, the Provision of clause 3(xii) of the order are not applicable to the Company.
- 13) In our Opinion, all transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
- 14) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, therefore the Provision of clause 3(xiv) of the order are not applicable to the Company under review.
- 15) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not entered into any non-cash transaction with directors or persons connected with him, therefore reporting under clause 3(xv) of the Order are not applicable.

16) In our opinion the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For MONU JAIN & COMPANY
Chartered Accountants
Firm Registration No: 327900E

Sd/-
Monu Jain
Proprietor
Membership No: 302721

Place: Kolkata
Date: The 20th May, 2017

Annexure “B” to the Independent Auditors’ Report

(Referred to in Paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our Report of even date)

Report on the Internal Financial Controls under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **KAUSHALYA ENERGY PRIVATE LIMITED** (“the company”) as of March 31, 2017 in conjunction with our audit of the standalone 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 control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting Issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a

material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on audit of Internal Financial Controls Over Financial Reporting Issued by the Institute of Chartered Accountants of India.

For MONU JAIN & COMPANY
Chartered Accountants
Firm Registration No: 327900E

Sd/-
Monu Jain
Proprietor
Membership No: 302721

Place: Kolkata
Date: The 20th May, 2017

KAUSHALYA ENERGY PRIVATE LIMITED BALANCE SHEET AS AT 31ST MARCH, 2017			
PARTICULARS	Note	As at 31-Mar-17 Rs.	As at 31-Mar-16 Rs.
EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	1,000,000	1,000,000
(b) Reserve & Surplus	4	(818,769)	(819,484)
		181,231	180,516
(2) Current Liabilities			
(a) Trade Payables	5	72,450	61,700
		72,450	61,700
TOTAL		253,681	242,216
ASSETS			
(3) Non-Current Assets			
(a) Non-Current Investments	6	99,000	99,000
		99,000	99,000
(4) Current Assets			
(a) Cash & Cash Equivalents	7	154,681	143,216
		154,681	143,216
TOTAL		253,681	242,216
See accompanying notes forming part of the financial statements	1-14	-	-
In terms of our report attached. For Monu Jain & Company Firm Regn. No. 327900E Chartered Accountants Monu Jain Proprietor Membership No. 302721 Place : Kolkata Date : The 20th day of May, 2017		For and on behalf of the Board of Directors Sd/- Prashant Mehra, Director Sd/- Kartik Mehra, Director Place : Kolkata Date : The 20th day of May, 2017	

KAUSHALYA ENERGY PRIVATE LIMITED
Statement of Profit and Loss for the year ended 31 March, 2017

Particulars		Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
			Rs.	Rs.
1	Revenue from operations (gross)		-	-
	Other Income		19,000	15,000
2	Total revenue (1+2)		19,000	15,000
3	Expenses			
	Finance cost	8	1,600	1,282
	Other expenses	9	16,550	13,009
4	Total expenses		18,150	14,291
5	Profit / (Loss) before tax (2-3)		850	709
6	Tax expense:			
	Current tax expense for current year		-	-
	Current tax expense for earlier years		135	276
	Deferred Tax expense for current year		-	-
			135	276
7	Profit / (Loss) for the year (5 - 6)		715	433
8	Earnings per share (of Rs. 10/- each):	12		
	(a) Basic		0.01	0.00
	(b) Diluted		0.01	0.00
	See accompanying notes forming part of the financial statements	1-14		

In terms of our report attached.

For Monu Jain & Company

Firm Regn. No. 327900E

Chartered Accountants

Monu Jain

Proprietor

Membership No. 302721

**For and on behalf of the
Board of Directors**

Sd/-

Prashant Mehra, Director

Sd/-

Kartik Mehra, Director

Place : Kolkata

Date : The 20th day of May, 2017

Place : Kolkata

Date : The 20th day of May, 2017

KAUSHALYA ENERGY PRIVATE LIMITED				
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2017				
Particulars	For the year ended		For the year ended	
	31st March, 2017		31st March, 2016	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		850		709
<u>Adjustments for:</u>				
Finance costs	1,600	1,600	1,282	1,282
Operating profit / (loss) before working capital changes		2,450		1,991
<u>Changes in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
Short-term loans and advances	-	-	-	-
Long-term loans and advances	-	-	-	-
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	10,750		10,709	
Other current liabilities	-		-	
Other long term liabilities	-	10,750	-	10,709
Cash generated from operations		13,200		12,700
Net income tax (paid) / refunds		(135)		(276)
Net cash flow from / (used in) operating activities (A)		13,065		12,424
B. Cash flow from investing activities				
Purchase of Long term Investment				-
Net cash flow from / (used in) investing activities (B)		-		-
C. Cash flow from financing activities				
Issue of Equity shares		-		-
Changes in Short Term Borrowings		-		-
Finance cost		(1,600)		(1,282)
Net cash flow from / (used in) financing activities (C)		(1,600)		(1,282)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		11,465		11,142
Cash and cash equivalents at the beginning of the year		143,216		132,074
Cash and cash equivalents at the end of the year		154,681		143,216
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet (Refer Note 9)		154,681		143,216
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 <i>Cash Flow Statements</i> (give details)				
Deposit pledged with bank as security against borrowings		-		-
Net Cash and cash equivalents (as defined in AS 3 <i>Cash Flow Statements</i>) included in Note 9		154,681		143,216
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 <i>Cash Flow Statements</i>)		-		-
Cash and cash equivalents at the end of the year *		154,681		143,216
* Comprises:				
(a) Cash on hand		135,396		137,331
(c) Balances with banks				
(i) In current accounts		19,285		5,885
(ii) In deposit accounts with original maturity of less than 3 months		-		-
		154,681		143,216
Notes:				
(i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.				
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.				
See accompanying notes forming part of the financial statements				
In terms of our report attached.		For and on behalf of the Board of Directors		
For Monu Jain & Company				
Firm Regn. No. 327900E		Sd/-		
Chartered Accountants		Prashant Mehra, Director		
Monu Jain				
Proprietor		Sd/-		
Membership No. 302721		Kartik Mehra, Director		
Place : Kolkata		Place : Kolkata		
Date: The 20th day of May, 2017		Date: The 20th day of May, 2017		

KAUSHALYA ENGERGY PRIVATE LIMITED

Notes forming part of the Financial Statements

Note 1: Corporate Information

Kaushalya Engergy 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 exchanges in India. The company has been incorporated with the object of generation and distribution of power. The company carries on its business in domestic markets only.

Note 2: Significant Accounting Policies

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act(to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The financial statements have been prepared on accrual basis under historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP 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 recognized in the periods in which the results are known / materialize.

2.3 Cash and cash equivalents (for purposes of Cash Flow Statement)

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

2.4 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.

2.5 Recognition of Income and Expenses:

- i. Revenue from Operation: The Company does not have any income from operation since incorporation as apparent from records.
- ii. Other Income: Other income is recognized on accrual basis.

2.6 Investments

Non Current Investments in shares of subsidiary company is valued at cost.

KAUSHALYA ENGERGY PRIVATE LIMITED

Notes forming part of the Financial Statements

2.7 Employee Benefits

The company has no employees. Therefore AS 15 Employee Benefits issued by the Institute of Chartered Accountants of India does not apply to the company.

2.8 Borrowing Costs

The company has not borrowed any funds. Therefore AS 16 Borrowing Costs issued by the Institute of Chartered Accountants of India does not apply to the company,

2.9 Segment reporting

The company is engaged in a single business segment i.e. Generation and Distribution of Power, therefore AS-17 on "Segment Reporting" issued by The Institute of Chartered Accountants of India is not applicable to the company.

2.10 Earnings per share

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

2.11 Taxes on income

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

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

The management is of the opinion that there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available to the company against which Deferred tax assets can be realized. So, deferred tax assets, as per Accounting Standard (22), has not been recognized / accounted for in the financial statements

KAUSHALYA ENGERGY PRIVATE LIMITED

Notes forming part of the Financial Statements

2.12 Provisions and contingencies

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

2.13 Events occurring after the balance sheet date

No significant events which could materially affect the financial position of the Company for the relevant year have been reported by the management, after the Balance Sheet date till the signing date of report.

KAUSHALYA ENERGY PRIVATE LIMITED
Notes forming part of the financial statements

Note 3 Share capital

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	31st March, 2015	Amount (Rs.)	Number of shares	Amount (Rs.)
(a) Authorised				
Equity shares of Rs. 10/- each with voting rights	100,000	1,000,000	100,000	1,000,000
	100,000	1,000,000	100,000	1,000,000
(b) Issued				
Equity shares of Rs. 10/- each with voting rights	100,000	1,000,000	100,000	1,000,000
	100,000	1,000,000	100,000	1,000,000
(c) Subscribed and fully paid up				
Equity shares of Rs. 10/- each with voting rights	100,000	1,000,000	100,000	1,000,000
Total	100,000	1,000,000	100,000	1,000,000

Refer Notes (i) to (iv) below

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh Issue	Other Changes	Closing Balance
Issued, Subscribed and Fully Paid-up				
<i>Equity shares with voting rights</i>				
Year ended 31 March, 2017				
- Number of shares	100,000	-	-	100,000
- Amount (Rs.)	1,000,000	-	-	1,000,000
Year ended 31 March, 2016				
- Number of shares	100,000	-	-	100,000
- Amount (Rs.)	1,000,000	-	-	1,000,000

(ii.) Rights, preferences and restrictions attached to equity shares:

The Company has issued only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Class of shares / Name of shareholder	As at 31st March, 2017		As at 31st March, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Holding Company				
Kaushalya Infrastructure Developments Corporation Ltd.	95,500	95.50	95,500	95.50
Total	95,500	95.50	95,500	95.50

(iv) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31st March, 2017		As at 31st March, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Ramesh Kumar Mehra	4,500	4.50	4,500	4.50
Total	4,500	4.50	4,500	4.50

KAUSHALYA ENERGY PRIVATE LIMITED**Notes forming part of the financial statements****Note 4: Reserves & Surplus**

Particulars	As at 31st March, 2017	As at 31st March, 2016
(a) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(819,484)	(819,917)
Add: Profit / (Loss) for the year	715	433
Total	(818,769)	(819,484)

Note 5: Trade Payables

Particulars	As at 31st March, 2017	As at 31st March, 2016
Trade Payables		
Other than Acceptances	72,450	61,700
Total	72,450	61,700

Note 7: Cash and Cash Equivalents

Particulars	As at 31st March, 2017	As at 31st March, 2016
Cash on hand (As Certified by a Director)	135,396	137,331
Balances with banks		
In current accounts	19,285	5,885
	154,681	143,216
Of the above, the balances that meet the definition of Cash and cash equivalent as per AS 3 Cash Flow	154,681	143,216

Notes:

(i) Please refer note 13 for details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30-12-2016.

Note 8: Finance Cost

Particulars	For the year Ended 31st March, 2017	For the year Ended 31st March, 2016
(a) Interest on Borrowings		
Interest to Bank	-	-
(b) Other Borrowings Costs		
Bank Charges	1,600	1,282
	1,600	1,282

Note 9: Other Expenses

Particulars	For the year Ended 31st March, 2017	For the year Ended 31st March, 2016
Filing Fees	800	1,800
Legal and professional	10,000	5,500
Payments To Auditors		
- As Audit Fees	5,750	5,709
Total	16,550	13,009

KAUSHALYA ENERGY PRIVATE LIMITED
Notes forming part of the Financial Statements

Note 6: Non Current Investments

	As At		As At	
	31st March, 2017		31st March, 2016	
	Nos	`	Nos	`
Unquoted, fully paid-up Equity Shares of Rs 10/- each in				
Subsidiaries Company				
Azur Solar KDC Ltd.				
(Formerly Kaushalya Solar Power Pvt. Ltd.)	9,900	99,000	9,900	99,000
Total	9,900	99,000	9,900	99,000
<i>Aggregate Value of Unquoted Investments</i>		99,000		99,000

KAUSHALYA ENERGY PRIVATE LIMITED

DETAILS SHEET OF BALANCE SHEET AS AT 31ST MARCH, 2017 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON THAT DATE

TRADE PAYABLES	
Other than Acceptance	
Sumanta & Co.	27,988.00
Monu Jain & Company	11,459.00
Paras Kochar	33,003.00
	72,450.00

KAUSHALYA ENGERGY PRIVATE LIMITED

Notes forming part of the Financial Statements

Note 10: Additional Information of the Financial Statements

Note 10.a. Contingent Liabilities and Commitments to the extent not provided for

	Amount (Rs.)	
	As at 31 st March, 2017	As at 31 st March, 2016
(a) Contingent Liabilities	Nil	Nil
(b) Commitments	Nil	Nil

Note 10.b: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The Company is in the process of identifying the suppliers, who would be covered under the Micro, Small and Medium Enterprises Development Act, 2006. As confirmed by the management, the company has not yet received any information about such registration from the vendors and such information will be provided as and when confirmation is received from them. However, as regards the same, no documentary evidence has been found during the course of audit.

Note 10.c: Earning & Expenditure in Foreign Currency

	Amount (Rs.)	
	For the year Ended 31 st March, 2017	For the Year Ended 31 st March, 2016
Earnings	Nil	Nil
Outgo	Nil	Nil

Note 10.d: In the opinion of the Board, the current assets have value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

Note 11: Related Parties*, Related Party Transactions and Balances receivable/payable as at the end of the year

I.	Parties Where Control Exists
	Holding Company
	Kaushalya Infrastructure Development Corporation Limited
	Subsidiary Company
	Azur Solar KDC (P) Ltd. (Formerly Kaushalya Solar Power (P) Ltd.)
	Fellow Subsidiaries
	1. Bengal Kaushalya Nirman Limited
	2. Bengal KDC Housing Development Limited
II.	Key Management Personnel :
	1. Mr. Prashant Mehra, Director
	2. Mr. Kartik Mehra, Director

III. Transactions with Related Parties

There are no related party transactions during the current year as well as previous year.

KAUSHALYA ENGERGY PRIVATE LIMITED

Notes forming part of the Financial Statements

Note 12: Earning Per Shares

Year Ended 31.03.20167

Amount (Rs.)

	Continuing Operations				Discontinuing Operations				Total Operations			
	Before Extraordinary and Exceptional Items		After Extraordinary and Exceptional Items		Before Extraordinary and Exceptional Items		After Extraordinary and Exceptional Items		Before Extraordinary and Exceptional Items		After Extraordinary and Exceptional Items	
	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted
Face Value of Shares	10	10	10	10	10	10	10	10	10	10	10	10
Profit	715	715	715	715	0	0	0	0	715	715	715	715
Weighted Average No. of Shares	100000	100000	100000	100000	100000	100000	100000	100000	100000	100000	100000	100000
EPS (Rs.)	0.01	0.01	0.01	0.01	0	0	0	0	0.01	0.01	0.01	0.01

Year Ended 31.03.2016

Amount (Rs.)

	Continuing Operations				Discontinuing Operations				Total Operations			
	Before Extraordinary and Exceptional Items		After Extraordinary and Exceptional Items		Before Extraordinary and Exceptional Items		After Extraordinary and Exceptional Items		Before Extraordinary and Exceptional Items		After Extraordinary and Exceptional Items	
	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted
Face Value of Shares	10	10	10	10	10	10	10	10	10	10	10	10
Profit	433	433	433	433	0	0	0	0	433	433	433	433
Weighted Average No. of Shares	100000	100000	100000	100000	100000	100000	100000	100000	100000	100000	100000	100000
EPS (Rs.)	0.00	0.00	0.00	0.00	0	0	0	0	0.00	0.00	0.00	0.00

Note 13: Details of Specified Bank Notes (SBN) Held and Transacted During the Period 08/11/2016 to 30/12/2016 is as under:

	SBNs	Other denomination notes	Total
Closing cash in hand on 08.11.2016	97,500	37,896	135,396
(+) Permitted receipts	-	97,500	97,500
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	97,500	-	97,500
Closing cash in hand as on 30.12.2016	-	135,396	135,396

KAUSHALYA ENGERGY PRIVATE LIMITED

Notes forming part of the Financial Statements

Note 14: Previous Year Figures

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

In terms of our report attached.

For Monu Jain & Company

Firm Regn. No. 327900E

Chartered Accountants

Monu Jain

Proprietor

Membership No. 302721

Place : Kolkata

Date : 20th day of May, 2017

**For and on behalf of the Board of
Directors**

Sd/-

**Prashant Mehra
Director**

Sd/-

**Kartik Mehra
Director**

Place : Kolkata

Date : 20th day of May, 2017