

INDEPENDENT AUDITOR'S REPORT

To the Members of SMS Vidhyut Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SMS Vidhyut Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards on Auditing are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statement.



V. K. SURANA & CO.

CHARTERED ACCOUNTANTS

V.C.A. COMPLEX, CIVIL LINES, NAGPUR – 440 001

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Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for Preparation of other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.



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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit 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 (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act read with relevant rules.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.



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- (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.



For V. K. Surana & Co.
Chartered Accountants
Firm Reg No.110634W

Suresh Galani

CA. Suresh Galani

Partner

Membership No. 168192

Nagpur, September 25, 2019

UDIN:19168192AAAABW5619

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Annexure A to the Independent auditor's report referred to in paragraph 1 of even date to the financial statements of SMS VIDHYUT PRIVATE LIMITED for the year ended March 31, 2019:

- i)
 - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
 - c) The title / lease deeds of immovable properties are held in the name of the company.
- ii) Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such verification.
- iii) According to the information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the registered maintained u/s 189 of the Companies Act 2013 during the year and accordingly, Paragraph 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there are no transactions covered under section 185 of the act and the company has not made any investments, granted any loans, and providing guarantees and securities under 186 of the Companies Act, 2013 and accordingly, Paragraph 3(iv) of the order are not applicable.
- v) The Company has not accepted deposits within the meaning of section 73 and 76 of the act and the companies (acceptance of deposits) rules, 2014 (as amended) during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.



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vii)

- a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance, Income Tax, Goods & Services Tax, Duty of Customs, Cess and any other statutory dues applicable to it with the appropriate authorities.

According to the information and explanation given to us, no material undisputed arrears of above statutory dues were outstanding as on 31st March, 2019 for a period of more than six months from the date they become payable.

Further Sales Tax, Service Tax, Duty of Excise and Value Added Tax are not applicable to the Company during the current financial year due to migration of the all indirect taxes to Goods and Service Tax.

- b) According to the information and explanation given to us, there are no disputed dues of Income Tax, Sales Tax, Service Tax, Goods and Services Tax, Duty of Customs, Duty of Excise, value added tax, which have not been deposited on account of any dispute.

viii) As per information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to the financial institutions. The Company does not have any outstanding loans or borrowings from government, banks or debenture holders during the year.

ix) The Company did not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans, so the question of application of the funds does not arise.

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

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

xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.



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- xiii) In our opinion and according to the information and explanations given to us transactions with related parties are in compliance with the provisions of section 188 of companies act, 2013 and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards. Further, section 177 of the Act is not applicable to the company.
- xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 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.

For V. K. Surana & Co.

Chartered Accountants

Firm Reg No.110634W



S. Galani

CA. Suresh Galani

Partner

Membership No. 168192

Nagpur, September 25, 2019

UDIN: 19168192AAAABW5619

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“Annexure B” referred to in Paragraph (1) of our report of even date to the members of SMS VIDHYUT PRIVATE LIMITED on the Accounts for the year ended 31st March 2019.

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 **SMS VIDHYUT PRIVATE LIMITED** (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and 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 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 financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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 V. K. Surana & Co.
Chartered Accountants
Firm Reg No. 110634W

Suresh Galani

CA. Suresh Galani

Partner

Membership No. 168192

Nagpur, September 25, 2019

UDIN: 19168192AAAABW5619

SMS VIDHYUT PRIVATE LIMITED
Balance Sheet as at 31st March 2019



Particulars	Note No.	As at	As at
		31-Mar-19	31-Mar-18
		₹ in Lacs	₹ in Lacs
I ASSETS			
1. Non-current assets			
(a) Property, Plant and Equipment	2	4,594.89	4,773.53
(b) Other non current financial assets	3	8.17	8.17
(c) Deferred tax assets (net)	4	990.01	772.03
Total Non-current assets		5,593.08	5,553.74
2. Current assets			
(a) Inventories	5	6.24	6.24
(b) Financial assets			
(i) Trade receivables	6	9.56	26.21
(ii) Cash and cash equivalent	7	27.08	8.84
(iii) Other financial assets	8	235.46	188.80
(c) Current Tax Assets (Net)	9	0.46	0.38
(d) Other Current Assets	10	9.69	9.25
Total current assets		288.50	239.71
Total Assets		5,881.57	5,793.44
II EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	11	395.00	395.00
(b) Other Equity	12	(2,106.43)	(1,485.99)
Total equity		(1,711.43)	(1,090.99)
2. Liabilities			
2.1 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	276.58	277.15
(b) Provisions	14	2.90	2.23
(c) Other non current liability	15	195.06	203.99
Total Non-current liabilities		474.53	483.36
2.2 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	6,982.44	6,358.62
(ii) Trade payables			
(A) Total outstanding dues of Micro enterprises and Small Enterprises			
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.	17	0.16	0.35
(iii) Other financial liabilities	18	64.66	29.04
(b) Other current liabilities	19	69.81	11.89
(c) Provisions	20	1.41	1.18
Total Current liabilities		7,118.47	6,401.07
Total Liabilities		7,593.00	6,884.43
Total Equity and Liabilities		5,881.57	5,793.44

Significant Accounting Policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

FOR V. K. SURANA & CO

Chartered Accountants

Firm Registration No. : 110634W

CA. SURESH GALANI

Partner (M.No. 168192)

Nagpur, dated the,

25 SEP 2019

UDIN : 19168192AAAABW5669



For and on behalf of the Board of Directors of
SMS VIDHYUT PRIVATE LIMITED

AMIT SOMANI
Managing Director
DIN : 00378635

KISHORE MALVIYA
Director
DIN : 03272644

SMS VIDHYUT PRIVATE LIMITED
Statement of Profit and Loss for the Year ended 31 March 2019



Particulars	Note No.	Year Ended 31	Year Ended 31
		March 2019	March 2018
		₹ in Lacs	₹ in Lacs
Income			
I. Revenue from operations	21	41.97	88.05
II. Other income	22	14.87	12.47
III. Total income (I+II)		56.84	100.52
Expenses			
Direct Expenses	23	16.69	17.67
Employee benefits expense	24	51.32	43.74
Finance costs	25	607.85	130.58
Depreciation and amortization expense	26	179.83	180.09
Other expenses	27	39.45	16.66
IV. Total Expenses :		895.14	388.74
Exceptional item		-	-
V. Profit/(loss) before tax (III-IV)		(838.30)	(288.21)
VI. Tax Expense:			
Current Tax		-	-
Deferred tax		(217.95)	55.49
VII. Profit/(Loss) for the year		(620.35)	(343.70)
VIII. Other comprehensive income			
i) Items will not be reclassified to profit or loss that			
Net Gain/(loss) on Remeasurement defined Benefit Plan		(0.12)	2.31
Income Tax relating to item that will not be the classified to Profit or Loss		0.03	(0.59)
Total other comprehensive income/(loss) (Net of tax)		(0.09)	1.71
IX. Total comprehensive income for the year		(620.44)	(341.99)
X. Earnings per equity share of 10/- each			
Basic	34	(15.71)	(8.70)
Diluted		(15.71)	(8.70)

Significant Accounting Policies
The accompanying notes are an integral part of the financial statements.
As per our report of even date

1

FOR V. K. SURANA & CO
Chartered Accountants
Firm Registration No. : 110634W



CA. SURESH GALANI
Partner (M.No. 168192)
Nagpur, dated the,

25 SEP 2019

UDIN : 19168192AAAABW5669

For and on behalf of the Board of Directors of
SMS VIDHYUT PRIVATE LIMITED

Amit Somani
AMIT SOMANI
Managing Director
DIN : 00378635

Kishore Malviya
KISHORE MALVIYA
Director
DIN : 03272644

Particulars	Year Ended 31 March 2019	Year Ended 31st March 2018
	₹ in Lacs	₹ in Lacs
A) Cash flow from operating activities		
Profit before tax	(838.30)	(288.21)
<u>Adjustment to reconcile profit before tax to net cash flows</u>	-	-
Depreciation & Amortisation Expenses	179.83	180.09
Exceptional Items Non Cash	(0.12)	2.31
Other Non Cash Adjustments in Depreciation & Amortisation	-	-
Finance Cost	607.85	130.58
Remeasurement of net Defined Benefit Plan	-	-
Subsidy Amortised during the year	(8.93)	(8.93)
Interest income	-	-
<u>Operating profit before working capital changes</u>	<u>(59.66)</u>	<u>15.84</u>
<u>Adjustments For Working Capital Changes :</u>	-	-
Increase/(decrease) in trade payables	(0.19)	(0.02)
Increase/(decrease) in other non Current Financial Liabilities	-	238.61
Increase/(decrease) in other Current Financial Liabilities	35.62	(786.04)
Increase/(decrease) in other Current Liabilities	57.92	(4.86)
Increase/(decrease) in Provision	0.90	(1.68)
Decrease/(increase) in trade receivables	16.65	16.86
Decrease / (increase) in Non Current Financial Assets	-	238.61
Decrease / (increase) in Current Tax Asset	-	-
Decrease / (increase) in other Current Financial Assets	(46.67)	(136.59)
Decrease / (increase) in other current assets	(0.44)	22.65
Decrease / (increase) in Inventory	-	(0.21)
<u>Cash generated from / (used in) operations</u>	<u>4.13</u>	<u>(396.84)</u>
Direct Tax Paid/Adjusted	(0.08)	0.80
<u>Net cash flow from / (used in) operating activities (A)</u>	<u>4.05</u>	<u>(396.03)</u>
B) Cash Flow from Investing Activities :		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(1.19)	(0.62)
Interest received	-	-
<u>Net cash flow from / (used in) investing activities (B)</u>	<u>(1.19)</u>	<u>(0.62)</u>
C) Cash Flow from Financing Activities :		
Proceeds from issue of equity shares	-	-
Redemption of preference Shares	-	-
Repayment of share Premium	-	-
Proceeds/(Repayment) from long-term borrowings	(0.57)	(4,474.79)
Proceeds/(Repayment) of short-term borrowings	623.82	5,221.13
Interest paid	(607.85)	(130.58)
Other Financing Cost	-	-
<u>Net cash flow from / (used in) in financing activities (C)</u>	<u>15.39</u>	<u>615.77</u>
<u>Net increase/(decrease) in cash and cash equivalents (A + B + C)</u>	<u>18.25</u>	<u>(19.49)</u>
<u>Cash and cash equivalents at the beginning of the year</u>	<u>8.84</u>	<u>28.33</u>
<u>Cash and cash equivalents at the end of the year</u>	<u>27.08</u>	<u>8.84</u>

Significant Accounting Policies

The accompanying notes are an integral part of the financial statements.
As per our report of even date

As per our report of even date
FOR V. K. SURANA & CO
Chartered Accountants
Firm Registration No. : 110634W

Suresh Galani
CA. SURESH GALANI
Partner (M.No. 168192)
Nagpur, dated the,



25 SEP 2019

UDIN : 19168192ANABW5669

For and on behalf of the Board of Directors of
SMS VIDHYUT PRIVATE LIMITED

Amit Somani
AMIT SOMANI
Managing Director
DIN : 00378635

Kishore Malviya
KISHORE MALVIYA
Director
DIN : 03272644

SMS VIDHYUT PRIVATE LIMITED
Statement Of Changes In Equity For The Year Ended 31 March 2019

₹ in Lacs
Amount

A. Equity Share Capital (Refer Note No. 11)		
As at 1st April, 2017		395.00
Changes in Equity Share Capital		-
As at 31st March, 2018		395.00
Changes in Equity Share Capital		-
As at 31st March, 2019		395.00

B. Other Equity (Refer Note No. 12)				
Particulars	Reserve and Surplus		Other Comprehensive Income	Total
	Securities Premium	Retained Earnings		
Balance as at 1st April, 2017	597.00	(1,740.25)	(0.76)	(1,144.01)
Profit/(loss) for the year	-	(343.70)		(343.70)
Other Comprehensive Income	-		1.71	1.71
Balance as at 31st March, 2018	597.00	(2,083.94)	0.95	(1,485.99)
Profit/(loss) for the year	-	(620.35)		(620.35)
Other Comprehensive Income	-		(0.09)	(0.09)
Balance as at 31st March, 2019	597.00	(2,704.29)	0.86	(2,106.43)

Significant Accounting Policies 1
The accompanying notes are an integral part of the financial statements.

As per our report of even date

FOR V. K. SURANA & CO
Chartered Accountants
Firm Registration No. : 110634W

Suresh Galani
CA. SURESH GALANI
Partner (M.No. 168192)

Nagpur, dated the,

25 SEP 2019

UDIN : 19168192AAAABW5669



For and on behalf of the Board of Directors of
SMS VIDHYUT PRIVATE LIMITED

Amit Somani
AMIT SOMANI
Managing Director
DIN : 00378635

Kishore Malviya
KISHORE MALVIYA
Director
DIN : 03272644

1 SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH 2019
i) Corporate information

SMS Vidhyut Private Limited is a private limited company domiciled in India & incorporated on 6th December 2006 under the provision of the companies Act, 1956. It is wholly owned Subsidiary Company of SMS Ltd, Nagpur. The company is engaged in generation and transmission of power from hydro project.

Hydro Power Plant Name	Life in years	Commencement Date
Right Bank Canal Project	30 years from the date of commencement of commercial operation	21 st Feb 2012
Left Bank Canal Project	30 years from the date of commencement of commercial operation	29 th Jan 2015

ii) Basis of preparation
(i) Compliance with IND AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all periods presented in Financial Statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Historical Cost Conventions

The financial statements have been prepared on a historical cost basis.

(iii) Current Versus Non Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding off of Amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

iii) Use of Estimates and Judgements :

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and judgements used in the preparation of financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The areas involving estimation of uncertainty and judgement at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year given below

- Useful lives of property, plant and equipment
- Current Tax Payable
- Valuation of deferred tax assets
- Fair value measurement of financial instruments
- Defined Benefit Obligation
- Probable outcome of matters included under Contingent Liabilities

Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item affected in financial Statements



SMS VIDHYUT PRIVATE LIMITED
Notes to financial statements for the year ended 31st March 2019
IV) Significant Accounting Policies
a) Property Plant and Equipment
i) Recognition & Measurement

The Company has applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2015 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

All items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Advances paid towards acquisition of property plant & equipment outstanding at each balance sheet date is classified as capital advances under other non current assets and the cost of asset not put to use before such date are disclosed under "Capital work in progress". Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

ii) Depreciation Methods useful lives and residual value

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as per provided in Part C of schedule II of the company act 2013 or remaining life of the project which ever is less.

The company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are same as the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition/ disposal of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values are 0.2% of original cost of asset. The residual value, useful life and method of depreciation of property plant and equipment are reviewed at each financial year end and adjusted prospectively if appropriate.

Particular	Year
Building	27
Computer & Printers	3
Furniture & Fixture	10
Office Equipment	5
Plant and Equipments	28-30
Vehicle	8-10

b) Investment in Properties :-

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

c) Intangible Assets :-

Intangible assets acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Cost of a nonmonetary asset acquired in exchange of another non-monetary asset is measured at fair value. Intangible assets are amortised over their respective individual estimated useful life on straight line basis from the date that they are available for use.

d) Inventories :-

Inventories are valued at the cost or net realisable value whichever is lower. Cost comprise of all the cost of purchase and other costs incurred in bringing the inventories to present location and condition. Cost formulae used is "Weighted Average Cost". Due allowance is estimated and made for defective and obsolete items, wherever necessary.

e) Borrowing Costs :-

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use as part of the cost of asset. All other borrowing costs are expenses in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

f) Leases :-

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Leases under which company assumes substantially all risks and rewards of ownership are called as Finance leases. When acquired, such assets are capitalised at fair value or present value of minimum lease payments at the inception of lease whichever is lower.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee, are classified as operating leases. Lease rental are charged to the statement of Profit & Loss on accrual basis.



g) Cash & Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above.

h) Government Grants :-

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in capital reserve as deferred income and are credited to Profit and Loss on a straight - line basis over the remaining period of the project and presented within other income.

i) Revenue Recognition:-

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payments.

Revenue from Power Supply and Transmission Charges are accounted for on the basis of billing to State Transmission Utility i.e. Maharashtra State Electricity Distribution Corporation Limited.

j) Financial Instruments:

(i) Financial Assets

1) Classification

The company classifies its financial Assets in the following measurement categories:

- a) Those measured at amortised cost.
- b) Those to be measured subsequently at fair value (either through other comprehensive or through statement of profit and Loss), and

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

2) Initial Recognition and measurement

All financial assets are recognised initially at fair value, transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

3) Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) Financial assets at amortized cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

b) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. In respect of equity investments (other than for investment in subsidiaries and associates) which are not held for trading, the Company has made an irrevocable election to present subsequent changes in the fair value of such instruments in OCI. Such an election is made by the Company on an instrument by instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments.

c) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in statement of profit and loss.



SMS VIDHYUT PRIVATE LIMITED
Notes to financial statements for the year ended 31st March 2019
4) Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls).

5) De-recognition of Financial Assets:

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets 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 recognize the financial asset and also recognises a collateralized borrowing for the proceeds received.

ii) Equity Instrument And Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

a) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

b) Financial Liabilities
1) Initial recognition and Measurement

Financial liabilities are recognized initially at fair value and in case of borrowing and payables, net of directly attributable cost.

2) Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

4) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

5) Offsetting Financial Liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.



SMS VIDHYUT PRIVATE LIMITED

Notes to financial statements for the year ended 31st March 2019

k) Impairment of Non-Financial Assets:

The Company assesses at each Balance Sheet date whether there is any indication that an asset, including intangible asset, may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss Account.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (A group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

A provision is recognized when the company has the present obligation (legal and constructive) as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation. When a company expects provision to be reimbursed, the reimbursement is recognized as a separate asset only when reimbursement is virtually certain.

A disclosure of contingent liabilities is made where there is possible obligation or present obligation that may probably not require an outflow of resources. When there is possible or a present obligation where there is likelihood of outflow of resource is remote, no provision or disclosure is made.

Contingent Assets are not recognized in the financial statements.

Provisions, Contingent Asset & Contingent Liabilities are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation.

m) Taxes on Income:

i) Current Tax:-

The income tax expense or credit, if there is any for the period is the tax payable on the current period's taxable income based on the applicable income tax rate as per Income tax Act 1961. Current Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

ii) Deferred Tax:-

Deferred income tax is provided in full, using the Balance sheet approach method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement, if there is any. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise these temporary differences and losses.

n) Employee Benefits :-

i) Short-term obligations :-

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Leave Encashment

The cost of short term compensated absences is provided for based on estimates. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

ii) Post-employment obligations :-

The Company operates the following post employment schemes:

- a) Defined benefit plan such as gratuity; and
- b) Defined contribution plan such as provident fund.



SMS VIDHYUT PRIVATE LIMITED**Notes to financial statements for the year ended 31st March 2019****Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset.

o) Earnings Per Share:

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

p) Segment Reporting :-

The Board of Directors of the Company constitute the Chief Operating Decision Makers ("CODM") which allocate resources to and assess the performance of the segments of the Company. The Company has single segment namely "Hydro Power Generation".

q) Foreign currency Translation :-**Initial recognition:**

Foreign currency transactions are recorded in the reporting currency, by applying the foreign currency amount the exchange rate between the reporting currency and foreign currency at the date of transaction.

Conversion:

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transactions. Non-monetary items which are measured at fair value or other similar valuation denominated in a foreign currency are translated using the exchange rate at the date when such value was determined.

Exchange Differences:

All resulting exchange differences are capitalized as a part of the cost of the respective asset.



SMS VIDHYUT PRIVATE LIMITED
 Notes to financial statements for the year ended 31st March 2019
2 Property, plant and equipment

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixture	Vehicle	Office Equipments	Computers	Total
Gross Carrying amount								
At 1st April 2017	78.82	-	5,447.86	1.19	20.71	6.91	4.05	5,559.55
Additions	-	17.47	-	-	-	0.10	0.04	17.61
Disposals	-	-	-	-	-	-	-	-
At 31st March 2018	78.82	17.47	5,447.86	1.19	20.71	7.01	4.09	5,577.15
At 1st April 2018	78.82	17.47	5,447.86	1.19	20.71	7.01	4.09	5,577.15
Additions	-	-	-	-	-	0.36	0.83	1.19
Disposals	-	-	-	-	-	-	-	-
At 31st March 2019	78.82	17.47	5,447.86	1.19	20.71	7.37	4.92	5,578.35
Accumulated Depreciation								
At 1st April 2017	-	-	591.40	0.99	20.26	6.87	4.01	623.53
Charge for the year	-	0.31	179.43	0.18	0.11	0.03	0.03	180.09
Disposals	-	-	-	-	-	-	-	-
At 31st March 2018	-	0.31	770.83	1.17	20.37	6.89	4.04	803.62
At 1st April 2018	-	0.31	770.83	1.17	20.37	6.89	4.04	803.62
Charge for the year	-	0.65	179.01	0.02	0.06	0.04	0.06	179.83
Disposals	-	-	-	-	-	-	-	-
At 31st March 2019	-	0.96	949.84	1.19	20.43	6.93	4.11	983.45
Net Carrying Amount								
At 31st March 2019	78.82	16.51	4,498.02	0.01	0.27	0.44	0.82	4,594.89
At 31st March 2018	78.82	17.16	4,677.03	0.02	0.33	0.11	0.05	4,773.53



SMS VIDHYUT PRIVATE LIMITED
Notes to financial statements for the year ended 31 March 2019

	As at 31st March, 2019 ₹ in Lacs	As at 31st March, 2018 ₹ in Lacs		
3) Other Non Current financial Assets:-				
Security deposit to electricity department	8.17	8.17		
	Total (b) :	8.17		
4) Deferred Tax Assets (Net):-				
a) Movement in deferred tax assets				
Deferred Tax Assets/(Liabilities)	As at 31st March, 2018	Recognised in Statement of Profit & Loss	Recognised in OCI	As at 31st March, 2019
Deferred Tax Assets :				
Difference of WDV of Fixed Assets	0.59	2.53		3.13
Expenses allowed on payment basis:-				
Unabsorbed Losses	755.29	224.25	-	979.53
Statutory Provisions	10.26	(8.83)	0.03	1.46
Net Deferred Tax Asset/(Liability)	766.14	217.95	0.03	984.12
MAT credit receivable	5.89			5.89
Total :	772.03	217.95	0.03	990.01
b) Movement in deferred tax assets				
Deferred Tax Assets/(Liabilities)	As at 31st March, 2017	Recognised in Statement of Profit & Loss	Recognised in OCI	As at 31st March, 2018
Deferred Tax Assets :				
Difference of WDV of Fixed Assets	3.95	(3.35)		0.59
Expenses allowed on payment basis:-				
Unabsorbed Losses	817.49	(62.20)		755.29
Statutory Provisions	0.79	10.07	(0.59)	10.26
Net Deferred Tax Asset/(Liability)	822.22	(55.49)	(0.59)	766.14
MAT credit receivable	5.89			5.89
Total :	828.11	(55.49)	(0.59)	772.03
5) Inventories :-				
[As taken, valued & certified by the Management at lower of Cost(calculated on weighted average basis) or Net Realisable Value]				
Stores and spare parts				
			6.24	6.24
			Total :	6.24
6) Current Trade Receivables :-				
Unsecured, considered good				
Trade receivable			9.56	26.21
			Total :	9.56
7) Cash and cash equivalents :-				
Balances with Banks In Current Account			27.01	8.84
Cash on Hand			0.07	-
			Total :	27.01
8) Other Current Financial Assets :				
Unsecured, considered good :-				
Interest accrued on deposits			0.71	0.70
Amount due from NBFC toward TDS			60.88	4.59
Claim from MSEDCL (33 KVA Line RBC) (Refer Note 42)			120.02	131.02
Claim From MSEDCL (33 KVA Line LBC) (Refer Note 42)			49.88	49.88
Water Cess Receivable (RBC)			1.80	1.59
Water Cess Receivable (LBC)			0.76	0.52
Security deposit to vendor			0.50	0.50
Amount due from director towards TDS			0.92	-
			Total :	235.46
9) Current Tax Assets (Net) :-				
Income Tax refund Receivable			0.46	0.38
			Total :	0.46



SMS VIDHYUT PRIVATE LIMITED
Notes to financial statements for the year ended 31 March 2019
10) Other Current assets :-

Prepaid Expenses	3.84	2.72
Vat Receivable	6.12	6.12
<u>Advance other (than capital advance) :-</u>		
Advance against expenses	0.04	-
Other Receivable from suppliers	-	0.42
Total :	9.69	9.25

11) Equity Share Capital :-
Authorised shares :

40,00,000 (31st March 2018:40,00,000) equity shares of Par value ₹ 10/- each 400.00 400.00

Issued, Subscribed and Fully Paid Up shares :

39,50,000 (31st March 2018:39,50,000) equity shares of Par value ₹ 10/- each fully paid 395.00 395.00

Total : 395.00 395.00

Notes :
a) Terms/rights attached to equity shares :

The company has only one class of equity shares having par value of ₹10 per share. Each holder of Equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of preferential amount. The distribution will be in proportion to the no. of equity shares held by the shareholder.

b) Reconciliation of the number of shares and the amount outstanding at the beginning and end of the year :

	As at 31-3-2019		As at 31-3-2018	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
At the beginning of the year	39,50,000	395.00	39,50,000	395.00
Add : Issued during the year	-	-	-	-
Outstanding at the end of the year	39,50,000	395.00	39,50,000	395.00

c) The details of the Shareholders holding more than 5% of shares in the company are :

	As at 31-3-2019		As at 31-3-2018	
	No. of Shares	% of holding	No. of Shares	% of holding
(i) SMS Limited	39,50,000	100%	39,50,000	100%

d) The details of the Shares held by Holding Company :

	As at 31-3-2019		As at 31-3-2018	
	No. of Shares	% of holding	No. of Shares	% of holding
(i) SMS Limited	39,50,000	100%	39,50,000	100%

12) Other Equity :-
(i) Securities Premium Account :-

Balance as per last Balance Sheet 597.00 597.00

Total : 597.00 597.00

(ii) Retained Earning

Balance as at Beginning of Reporting Period (2,083.94) (1,740.25)

Add : Profit for the year (620.35) (343.70)

(2,704.29) (2,083.94)

(iii) Other comprehensive income

Balance as per last Balance Sheet 0.95 (0.76)

Add : Profit for the year (0.09) 1.71

0.86 0.95

Net surplus in the statement of profit and loss

Total : (2,703.43) (2,082.99)

Total Other Equity

Total : (2,106.43) (1,485.99)



SMS VIDHYUT PRIVATE LIMITED
Notes to financial statements for the year ended 31 March 2019
13) Non-Current Borrowings :
Unsecured
a) From Body Corporate :

 Femina Industrial Finance Pvt Ltd
 Riian Ventures Pvt Ltd.

	16.08	17.83
	260.50	259.32
Total :	276.58	277.15

Additional Information to Unsecured Long Term Borrowings :
Unsecured

Loan from Riian Ventures Pvt Ltd & Femina Industrial Finance Ltd does not have specific repayment terms. Interest has been provided on

the loan @ of 8% from Riian ventures Pvt Ltd and @ 7 % on Femina Industrial Finance Pvt Ltd. for FY 18-19.

14) Non-Current Provisions :-
Provision for employee benefits:

Provision for Gratuity

	As at 31st March, 2019 ₹ in Lacs	As at 31st March, 2018 ₹ in Lacs
	2.90	2.23
Total :	2.90	2.23

15) Other non current liability :-

Deferred government grant

	195.06	203.99
Total :	195.06	203.99

16) Current Borrowings :-
(1) Secured
a) Term Loans from financial institution

- 1) Indiabulls Housing Finance I
- 2) Indiabulls Housing Finance II
- 3) Indiabulls Housing Finance III

	2,428.49	-
	658.41	-
	2,241.68	-
I	5,328.57	-

(2) Unsecured
b) Loan repayable on demand
Loan From related Parties

- 1) SMS Limited
- 2) Ayodhya Gorakhpur Private Limited

	1,633.86	6,358.62
	20.00	-
II	1,653.86	6,358.62
Total(I+II) :	6,982.44	6,358.62



SMS VIDHYUT PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2019

Details of Securities and Terms of Repayments

Of secured borrowings

- 1 **Indiabulls Housing Finance Ltd. Note No. 13.1(B) (1)**

Registered mortgage of land situated at Chandrapur, Kh No 130/1, 130/2, 130/3, 132, 133, 134/1, 135, 136 Village Ghatkul & Kh No 8 Village Tok Tehsil Pomburns & Kh No 43, 45 Village Borghat, Mal, & Kh No 89 Village Chak Dagadala Tehsil Mul, District-Chandrapur Chandrapur 442401.

Sr No.	Date of Agreement/ Sanction	Maturity period w.r.t. Balance Sheet date	Effective Rate of interest %	Total No. of instalments	Total No. of principal instalments	Total No. of interest instalments	Outstanding Balance as on 31.03.2019
							₹ in Lacs
1	16/07/2018	6 Month	16.30%	13	2	11	2,428.48
2	30/08/2018	11 Month	15.50%	12	1	11	2,241.67
3	17/07/2018	6 Month	16.30%	13	2	11	658.40



SMS VIDHYUT PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2019

From Others

2 The loan from related parties are interest free and repayable on demand.

17) Trade Payables :

Related parties
Others

	-	-
Total :	0.16	0.35
	0.16	0.35

Note :-

DUES TO MICRO AND SMALL ENTERPRISES

There are no dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosure pursuant to the said MSMED Act are as follows:

- | | | |
|---|---|---|
| 1) the principal amount remaining unpaid to any supplier at the end of each accounting year; | - | - |
| 2) the interest due on the principal amount remaining unpaid to any supplier at the end of each accounting year | - | - |
| 3) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| 4) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| 5) Interest due and payable for the period delay in making payment beyond the appointed day during the year, other than those specified under MSMED Act | - | - |
| 6) the amount of interest accrued and remaining unpaid at the end of each accounting year, | - | - |
| 7) the amount of further interest remaining due and payable even in the succeeding years, | - | - |



SMS VIDHYUT PRIVATE LIMITED
Notes to financial statements for the year ended 31 March 2019

	As at 31st March, 2019	As at 31st March, 2018
	₹ in Lacs	₹ in Lacs
18) Other Current Financial Liabilities :		
Other Payables :		
Salary payable	2.28	2.86
Bonus Payable	1.31	1.35
Balance in current account due to reconciliation	-	21.23
Creditors for Capital Goods	-	0.41
Interest accrued on borrowing	59.15	-
Audit fees Payable	0.74	0.74
Electricity Expenses Payable	0.83	1.88
Provision for Consultancy	0.24	-
Other Provision	0.10	0.57
	-	-
Total :	64.66	29.04
19) Other Current Liabilities :		
Statutory Dues Payable :		
TDS payable	60.12	2.03
Employees State Insurance Corporation	0.16	0.17
Provident Fund payable	0.54	0.72
Employees Profession Tax	0.04	0.04
	-	-
Other Liability :		
Deferred government grant	8.93	8.93
Total :	69.81	11.89
20) Current Provisions :		
Provision for employee benefits		
Provision for Leave Encashment	1.36	1.02
Provision for Gratuity	0.05	0.06
Expenses payable to Employees	-	0.10
Total :	1.41	1.18
21) Revenue from Operations		
Sale of Electricity	41.97	88.05
Total :	41.97	88.05
22) Other Income		
Interest income on :-		
a) Bank deposits	-	0.41
b) Security deposit with MSEB	0.79	0.77
c) Income Tax Refund	-	0.05
d) Interest on MVAT refund	-	2.31
Others Misc. Income		
a) Amount written back	0.41	-
b) Surcharge on Late Receipt of Payment	4.75	-
c) Recoupment of subsidy Received	8.93	8.93
Total :	14.87	12.47
23) Direct Expenses		
Plant Operation Maintenance Expenses	5.04	7.83
Electricity Charges	11.65	9.84
Total :	16.69	17.67
24) Employee Benefit Expenses		
Salaries & Wages:		
a) Salary & Wages	41.75	32.41
b) Bonus	3.04	3.29
c) Gratuity*	1.14	2.60
d) Leave Encashment	0.33	1.02
Contribution to provident and other funds:		
a) Provident Fund Employer's Contribution	4.92	4.40
Staff Welfare	0.14	0.02
Total :	51.32	43.74

Note:-

Since the Gratuity is unfunded the same is clubbed under head Salaries & Wages as per the guidance note on Division-II INDAS of Schedule III to the companies act, 2013.



SMS VIDHYUT PRIVATE LIMITED
Notes to financial statements for the year ended 31 March 2019
25) Finance Costs

	-	
a) Interest on Secured Term loan :-	542.57	94.31
b) Interest on Unsecured Loan	20.64	19.31
c) <u>Other Borrowing Costs</u>		
Loan Processing Charges	44.65	-
Other Borrowing Costs	-	16.96
Total :	607.85	130.58

26) Depreciation and Amortization Expenses

Depreciation of Tangible Assets

	179.83	180.09
Total :	179.83	180.09

27) Other Expenses

Professional / Consultancy Charges
 Insurance
 Repair & Maintenance
 Petrol & Diesel Expenses
 Office and Administrative Expenses
 Rates & Taxes
 Medical Expenses
 Audit Fees
 Mess & Fooding Expenses
 Transportation Charges
 Conveyance Charges
 Bank Charges
 Subscription Charges (Demat fee)
 Accounts Written. Off
 Land Lease
 ROC Fees
 Telephone Charges
 Site Work Expenses
 Stationery & Printing
 Interest on late payment of taxes
 Profession Tax (Company)
 Commission Charges
 Legal Expenses
 Electricity Expenses
 Computer Maintenance Charges
 Travelling & Tour Fare Exp.
 Rent

	As at 31st March, 2019 ₹ in Lacs	As at 31st March, 2018 ₹ in Lacs
	22.02	0.77
	2.84	3.94
	2.68	0.85
	2.67	3.67
	2.59	2.69
	2.38	0.43
	1.13	-
	0.83	0.83
	0.47	0.77
	0.47	0.64
	0.35	0.28
	0.30	-
	0.18	-
	0.10	0.48
	0.10	0.09
	0.07	0.23
	0.07	0.15
	0.07	-
	0.06	-
	0.04	0.12
	0.03	0.03
	0.01	-
	0.01	0.12
	-	0.20
	-	0.19
	-	0.12
	-	0.07
Total :	39.45	16.66



SMS VIDHYUT PRIVATE LIMITED
Notes to financial statements for the year ended 31st March 2019

Additional Notes forming Part of Accounts

28) Contingent Liability, Contingent Assets & Commitments

1 Contingent Liability

- A) Claims against Company not acknowledge as Debt**
B) Guarantees
C) Commitments
a. Capital Commitments
b. Revenue Commitments
D) Contingent assets

Total

	31-Mar-19 ₹ in Lacs	31-Mar-18 ₹ in Lacs
A) Claims against Company not acknowledge as Debt	-	-
B) Guarantees	-	-
C) Commitments	-	-
a. Capital Commitments	-	-
b. Revenue Commitments	-	-
D) Contingent assets	-	-
Total	-	-
	0.83	0.83
	0.83	0.83

29) Payment to Auditors :-

- a) Audit Fees (Excluding Taxes)

30) Related Party Transactions

Relationships

- (a) **Holding Company**

SMS Limited

- (b) **Key Management Personal**

1. Amit Somani- Director
2. Arun Patil - Director

3. Kishore Malviya- Director

- (c) **Others**

Subsidiary of Holding Co.

- SMS Envoclean Pvt. Ltd.
SMS Mine Developers Pvt. Ltd.
SMS Parking Solution Pvt. Ltd.
SMS Taxi Cabs Pvt. Ltd.
SMS Infolink Pvt. Ltd.
SMS Water Grace BMW Pvt. Ltd.
SMS Tolls And Developers Ltd.
SMS Bhatgaon Mines Extension Pvt. Ltd.
SMS-AABS India Tollways Private Limited
PT. SMS Minerals International
Solar Bhatgaon Extension Mines Pvt. Ltd.
Ayodhya Gorakhpur SMS Tolls Pvt. Ltd.
Patwardhan Infrastructure Pvt. Ltd.
Maharashtra Enviro Power Ltd.
SMS Waste Management Pvt. Ltd.
PT. SMS Mines Indonesia

Joint Ventures of Holding Co.

- SMS Infrastructure Ltd. & D. Thakkar Construction Pvt. Ltd. JV
Shaktikumar M. Sancheti Ltd. & S N Thakkar Construction Pvt. Ltd. JV
SMS Infrastructure Ltd. & Brahamaputra Infrastructure Ltd (JV)
SMS Infrastructure Ltd. & B. P. Construction Co. Pvt Ltd (JV)
SMS Infrastructure Ltd. & Brahamaputra Consortium Ltd (JV)
SMSIL KTCO (JV)
Bhartiya SMSIL (JV)
SMS Infrastructure Ltd. Shreenath Enterprises J.V.
SMSIL- MBPL-BRAPL (JV)
GSJ Envo Ltd. In consortium with SMS Infrastructure Ltd.
SMS Infrastructure Ltd - Aarti Infra-Projects Pvt. Ltd. J.V.
SRRCPL-SMSL-BEKEM-JV
GDCL-SMSIL (J.V)
SMSL- SRRCPL (J.V)
Associates of Holding Co.
RCCL Infrastructure Ltd.
SMS AAMW Tollways Pvt. Ltd.

Enterprises having Significant Influence of Key Management Personnel

SMS Envocare Limited

Enterprises having Significant Influence

SAN Finance Corporation



SMS VIDHYUT PRIVATE LIMITED
Notes to financial statements for the year ended 31st March 2019
₹ in Lacs
(Figure in the Second row relates to Previous Year)

Nature of Transactions	Related Parties		
	Referred in (a)	Referred in (b)	Referred in (c)
Sales of Material	-	-	-
Purchase of Service	-	-	-
Advance Received against work	-	-	-
Advance refunded	-	-	-
Loan Received / during the year	245.74	3.00	20.00
	5,356.13	-	-
Loan Paid During the year	4,970.50	3.00	-
	135.00	-	-
Tax paid /Other Transaction Recd.	-	-	-
	-	-	17.91
Tax paid /Other Transaction (Paid)	-	-	-
	-	-	17.91
Outstanding Balances included in assets	-	0.92	-
	-	-	-
Outstanding Balances included in liabilities	1,633.86	-	20.00
	6358.62	-	-
Remuneration paid during the year	-	9.43	-
	-	-	-

31) Leases:-
Operating Lease Disclosures as per IND AS 17
(a) The total of future minimum lease payments under non-cancellable operating leases for each of the following periods:

- i. Not later than one year - Rs. 0.11 Lakhs (Rupees eleven Thousand)
- ii. Later than one year and not later than five years - Rs. 0.63 Lakhs (Rupees Sixty three Thousand)
- iii. Later than five years - Rs. 3.54 Lakhs (Rupees Three lacs fifty four Thousand)

(b) The total of future minimum sublease payments expected to be received under non-cancellable subleases at the balance sheet date - Nil.
(c) Lease payments recognized in the statement of profit and loss for the year ended 31st March, 2019, with separate amounts for minimum lease payments and contingent rents.

- i. Lease Payment - Rs.9.835
- ii. Contingent Rent - Nil.

(d) Sub-lease payments received (or receivable) recognized in the statement of profit and loss for the year ended 31st March, 2019 - Nil.
(e) A general description of the lessee's significant leasing arrangements:
i. Name of Lessor : Government Of Maharashtra, Water Resources Department
ii. Assets Description:

Name of Village	Survey No.	Area in Ha.	Remark
Kamthi Khairy	2	1.5 Ha	RBC Hydro power projects
Deoli	1	3 Ha	LBC Hydro power projects



SMS VIDHYUT PRIVATE LIMITED
Notes to financial statements for the year ended 31st March 2019
iv. Terms and condition of lease.

- The term of the lease shall be same as that of Hydro Power Development Agreement dated 22nd October, 2007 if Hydro Power Development Agreement is terminated for any of the reasons as mentioned in Hydro Power Development Agreement Land Lease shall stand terminated accordingly.
1. Generating company shall pay to GOMWRD land lease charges. Land lease shall be RS. 1 (Rupee One) per kw per annum to be calculated on the basis of Installed capacity of the project as approved in Techno Economic Feasibility Report for the first year. Land Lease charges will be increased in every subsequent year by 5% by compounding. Year for the calculation of Land Lease, shall be from 1st of April to 31st of March. Land Lease charges for 1st year shall be applicable, from the first, date of month in which GOMWRD intimates
 2. Generating Company about site, being ready for delivery to 31st March of next calendar year. Generating company shall pay the Lease Rent of first year in advance within 30 days from the date on which it is intimated about readiness of the land for delivery Land Lease charges of subsequent years shall also be paid in advance up to 30th of April of every subsequent year.
 3. If Generating Company fails to pay the Land Lease charges in stipulated time, it will have to pay Land Lease charges with interest at 8% prime lending rate plus 2% (Two percent) per annum on delayed payment for delayed period. However, if the Generating Company fails to pay the Land Lease Charges with interest up to 31st of the March of that year GOMWRD, shall recover the same from Performance Security Deposit. And the Generating Company shall be intimated to recoup the Performance Security Deposit within 30 days. And failure of the Generating Company to recoup Performance Security Deposit within stipulated period it will be treated as event of default and the agreement shall be terminated.
 4. Land Lease charges as mentioned in section 4 above shall be reviewed after 30 years if GOMWRD decides to extend; the term of this agreement. However, such extension shall be solely at the discretion of the GOMWRD.
 5. Generating company shall hand over the land along with the structure, plant & equipment on it at free of cost to GOMWRD at the end of lease period.
 6. Generating company shall keep all Dam Component in intact position Also the Generating Company shall provide for access in leased area to the DC authorities for inspection of Dam components.
 - 7.

32) Employee Benefit Obligations :
Gratuity obligations
A. Amount recognised in the Balance Sheet

Particulars	₹ in Lacs	
	As at 31st March, 2019	As at 31st March, 2018
(Present Value of Benefit Obligation as at the end of the year)	2.95	2.29
Fair value of plan assets	-	-
Net Obligation	2.95	2.29
Net (Liability)/Asset Recognized in the Balance Sheet	2.95	2.29

B. Movements in Plan Assets and Plan Liabilities

There are no Plan Assets and Liabilities since the the obligation is not funded.

C. Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses

Particulars	₹ in Lacs	
	As at 31st March, 2019	As at 31st March, 2018
Service Cost	0.96	2.46
Net interest Cost	0.18	0.15
Expenses recognised in the Statement of Profit and Loss	1.14	2.60

D. Amount recognised in the Statement of Profit and Loss as Other Comprehensive Income

Particulars	₹ in Lacs	
	As at 31st March, 2019	As at 31st March, 2018
Actuarial (Gains)/Losses on Obligation For the Period	(0.12)	2.31
Net (Income)/Expense For the Period Recognized in OCI	(0.12)	2.31



SMS VIDHYUT PRIVATE LIMITED

Notes to financial statements for the year ended 31st March 2019

E. Change in Present Value of Obligations

Change in Present Value of Obligations	₹ in Lacs	
	As at 31st March, 2019	As at 31st March, 2018
Opening of defined benefit obligations	2.29	1.99
Service cost	0.96	2.46
Interest Cost	0.18	0.15
Benefit Paid	(0.59)	-
Actuarial (Gain)/ Loss on total liabilities:	0.12	(2.31)
- due to change in financial assumptions	0.01	(0.13)
- due to change in demographic assumptions	-	-
- due to experience variance	0.12	(2.18)
Closing of defined benefit obligation	2.95	2.29

F. Assumptions

The assumptions under Ind AS 19 are set by reference to market conditions at the valuation date. The significant actuarial assumptions were as follows:

Particulars	₹ in Lacs	
	As at 31st March, 2019	As at 31st March, 2018
Expected Return on Plan Assets	N.A	
Rate of Discounting	7.76%	7.78%
Rate of Salary Increase	6%	
Withdrawal rate	For Services 4 years & Below 10% P.A and for Services 5 years and above 2% P.A.	
Mortality Rate	100 % of IALM (2006-08)	
Mortality Rate After Employment	N.A	

G. Sensitivity Analysis

Following table shows the sensitivity results on liability due to change in the assumptions.

Particulars	₹ in Lacs		
	As at 31st March, 2019	Impact (Absolute)	Impact %
Base liability	2.95	0.00	
Increase Discount Rate by 0.50%	2.79	-0.16	-5.50%
Decrease Discount Rate by 0.50%	3.13	0.18	5.98%
Increase Salary Inflation by 1.00%	3.32	0.37	12.57%
Decrease Salary Inflation by 1.00%	2.63	-0.32	-10.83%
Increase Withdrawal Rate by 2.00%	2.96	0.01	0.21%
Decrease Withdrawal Rate by 2.00%	2.92	-0.03	-1.10%

Note :-

- 1) The base liability is calculated at discount rate of 7.76 % per annum and salary inflation rate of 6.00 % per annum for all future years.
- 2) Liabilities are very sensitive to salary escalation rate, discount rate & withdrawal rate
- 3) Liabilities are very less sensitive due to change in mortality assumptions. Hence, sensitivities due to change in mortality are ignored.

H. The defined benefit obligations shall mature after year end 31st March, 2019 as follows:

Projected Benefit Obligation Payable in future Years from the date of reporting	₹ in Lacs	
	As at 31st March, 2019	As at 31st March, 2018
1st Following Year	0.05	0.06
2nd Following Year	0.05	0.06
3rd Following Year	0.06	0.06
4th Following Year	0.28	0.06
5th Following Year	0.23	0.08
After 5th Year	8.06	7.83



SMS VIDHYUT PRIVATE LIMITED
Notes to financial statements for the year ended 31st March 2019
33) Segment Reporting :-

In accordance with Accounting Standard Ind As 108 'Operating Segment', the company's business activity falls within a single segment viz. "Hydro Power Generation" and the services are rendered only in the domestic market hence Segment reporting not applicable.

34) Earnings Per Share:

	31-Mar-19	31-Mar-18
	₹ in Lacs	₹ in Lacs
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Continuing operations		
Profit/(loss) after tax	(620.35)	(343.70)
Net profit for calculation of basic EPS	(620.35)	(343.70)
Net profit as above	(620.35)	(343.70)
Effect of dilution	-	-
Net profit/(loss) for calculation of diluted EPS	(620.35)	(343.70)
Weighted average number of equity shares in calculating basic EPS	39.50	39.50
Weighted average number of equity shares in calculating diluted EPS	39.50	39.50
39,50,000 (31 March 2018: 39,50,000) equity shares of ₹10/- each		
Earnings per equity share:		
Basic	(15.71)	(8.70)
Diluted	(15.71)	(8.70)

35) Financial risk management objective and policies :-

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, current investment and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The senior management reviews and agrees policies for managing each of these risks, which are summarised below:

i) Market risk :-

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits etc.

Interest Rate Risk:-

Interest rate risk is the risk that the future cash flows with respect to interest payments on borrowings will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates, however the company does not have any long term debt obligation with floating interest rates.

Foreign Currency Risk :-

The company does not have any foreign currency risk exposure.

Other Price Risk :-

the company has not made any investment in equity securities hence no exposure

ii) Credit Risk :

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or a customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

The trade receivable includes receivables from PSU's. further the company expects the recovery of all the receivable.

Particulars	31-Mar-19	31-Mar-18
	₹ in Lacs	₹ in Lacs
1-90 days past due	9.56	26.21
91 to 180 days past due	-	-
More than 180 days past due	-	-
Total	9.56	26.21

iii) Liquidity Risk :

The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit facility and bank loans. Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.



SMS VIDHYUT PRIVATE LIMITED
Notes to financial statements for the year ended 31st March 2019
i) Maturity patterns of borrowings

₹ in Laos

At 31st March 2019	Up to 1 year	1 to 5 years	Beyond 5 Years	Total
Long term borrowings (including current maturity of long term debt)	-	276.58	-	276.58
Short term borrowings	6,982.44	-	-	6,982.44
Total	6982.44	276.58	0.00	7,259.01

At 31st March 2018	Up to 1 year	1 to 5 years	Beyond 5 Years	Total
Long term borrowings (including current maturity of long term debt)	-	277.15	-	277.15
Short term borrowings	6,358.62	-	-	6,358.62
Total	6,358.62	277.15	-	6,635.76

b) Maturity patterns of other Financial Liabilities

₹ in Laos

As at 31st March, 2019	6 months or less	6-12 months	Beyond 12	Total
Trade payable	0.16	-	-	0.16
Creditors for Capital goods	-	-	-	-
Other Financial Liability (Current)	2.28	62.38	-	64.66
Total	2.44	62.38	-	64.82

As at 31st March, 2018	6 months or less	6-12 months	Beyond 12	Total
Trade payable	0.35	-	-	0.35
Creditors for Capital goods	-	0.41	-	0.41
Other Financial Liability (Current)	25.44	0.74	-	26.18
Total	25.79	1.15	-	26.94

38) Events after reporting date :-

There are no subsequent events between the reporting date and signing of financial statements which have material impact on the financials of the Company.

39) A reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:
Tax Expenses

	31st Mar 2019 (₹ In lakhs)	31st Mar 2018 (₹ In lakhs)
Profit / (loss) before tax	-838.30	-288.21
Other comprehensive income before tax	-0.12	2.31
Total comprehensive income before tax	-838.42	-285.90
India Statutory Income tax rate	26%	26%
Expected income tax expenses	(217.99)	(73.62)
Tax effect of adjustments to reconcile expected Income Tax Expenses		
Tax effect of Non Deductible Expenses	0.01	0.03
Restatement of earlier year DTL due to change in tax rate		130.38
Other Adjustments		-0.71
Total Tax Expenses as per the above reconciliation	(217.98)	56.08
a. Tax on normal income recognised in profit & loss	(217.95)	55.49
b. Tax on other comprehensive income recognised in profit and loss	(0.03)	0.59
Total Tax Expenses recognised in Profit & Loss	(217.98)	56.08

Note: 1 The tax rate used for reconciliation above is the corporate tax rate of 26% payable by corporate entities in India on taxable profits under Indian tax law.

Note: 2 Deferred Tax Assets : The management is of the view that company will be able to setoff the accumulated losses incurred till 31/03/2019 considering the fact that new developments have been forecast in the current project. In the view of this there is a virtual certainty that Deferred Tax Assets recognised on accumulated losses will be realised in near future.



SMS VIDHYUT PRIVATE LIMITED
Notes to financial statements for the year ended 31st March 2019
40) Reconciliation of Comprehensive Income

	<u>31-Mar-18</u>
	<u>₹ in Lacs</u>
Profit/(loss) as per audited financial statements	341.99
Adjustments Impact : Gain/(Loss)	-
Earlier year Deferred Tax	-
Total Comprehensive Income reflected in profit & loss	<u>341.99</u>

41) Reconciliation of Other Equity

	<u>31-Mar-18</u>
	<u>₹ in Lacs</u>
Other equity as per audited financial statements	1,273.07
Adjustments of capital subsidy:	212.92
Earlier year Deferred Tax	-
Total Comprehensive Income reflected in Other Equity	<u>1,485.99</u>

42) Additional Information

Overdue balance of 33 KVA transmissions Line for Hydro Power plant at Right Bank Canal and at Left Bank Canal

The company is having Hydro power plant at Right bank canal and at Left Bank canal near reservoir on Pench river. The evacuation/ transmission of power from power plant to nearby relay station have to be done through a 33 KVA transmission line. The company has erected this facility for Maharashtra State Electricity Distribution Company Ltd. for evacuation/ transmission of power from RBC power plant and handed over to Maharashtra State Electricity Distribution Company Ltd. For this 33 KVA transmission line the company has incurred and claimed expense of Rs 2.30 Cr. Against this claim the Maharashtra State Electricity Distribution Company Ltd has approved and paid a total due of Rs. 1.10 Cr only. The company has taken up the matter with MSEDCCL for recovery of balance amount and hopeful of its recovery.

Similarly the construction work of 33 KVA transmission line for evacuation/ transmission of power from Left Bank Canal power plant is complete and handed over to MSEDCCL. Till 31st Mar 2018 the company has incurred expenditure of Rs 0.50 Cr for this LBC transmission line and management is hopeful of its Recovery.

- 43) Party balances are subject to confirmation and the balances shown under Trade Receivables, Trade Payables, Loan and advances have approximately the same realisable value as shown in the financials.
- 44) Company is not required to spent on CSR Expenditure as the company is not qualified for any of the following criteria stipulated per provision of section 135 of the Companies Act.
- net worth of or more than five hundred crores rupees or
 - turnover of one thousand crores rupees or more
 - net profit of rupees five crore or more during any preceding three financial year
- 45) Previous year's figures have been regrouped/recasted, wherever necessary.

FOR V. K. SURANA & CO
Chartered Accountants
Firm Registration No. :110634W

Suresh Galani
CA. SURESH GALANI
Partner (M. No. 168192)
Nagpur, dated the,



25 SEP 2019
UDIN : 19168192A AAAABW5669

For and on behalf of the Board of Directors of
SMS VIDHYUT PRIVATE LIMITED

Amit Somani
AMIT SOMANI
Managing Director
DIN : 00378635

Kishore Malviya
KISHORE MALVIYA
Director
DIN : 03272644