



DEEPENDER ANIL & ASSOCIATES

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To
The Members of
SUN-AMP Solar India Private Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of SUN-AMP Solar India Private Limited (Formerly known as Nicety IT Consulting Private Limited) ('the Holding Company'), and its subsidiary (the Company and its subsidiary collectively referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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



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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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

Other Matters

We did not audit the financial statements of the subsidiary company, whose financial statements reflect total assets of Rs. 2165.94 lacs as at March 31, 2017, total revenues of Rs.144.40 lacs and net cash inflow amounting to Rs.148.26 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of other auditor.

Report on other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:

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



- b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books and the report of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors of the Holding Company as on 31st March 2017, taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company, none of the directors of the Group companies is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure – A'.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- There are no pending litigation of the Group.
 - The Group do not have any long term contracts including derivatives contracts for which there are any material foreseeable losses.
 - There is no amount which is required to be transferred to the Investor Education and Protection Fund by the Group.
 - The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in "Specified Bank Notes" during the period from 08th November 2016 to 30th December 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management – Refer to Note no 33 to the consolidated financial statements.

For Deepender Anil & Associates

(Chartered Accountants)

FRN – 019666N

CA Deepender Kumar
(Partner)

M. No. 501762

Place: Delhi

Dated: 27/04/2017



Annexure - A

To The Independent Auditor's Report of Even Date on the Consolidated Financial Statements of SUN-AMP Solar India Private Limited

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March, 2017, we have audited the internal financial controls over financial reporting of SUN-AMP Solar India Private Limited ('the Holding Company') and its subsidiary company and associate company which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary company and its associate company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, 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 Holding Company and its subsidiary company which is a company incorporated in India, have, 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 31 March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

For Deepender Anil & Associates
(Chartered Accountants)
FRN – 019666IN

CA. Deepender Kumar
(Partner)
M. No.501762



Place: Delhi
Dated: 27/04/2017

SUN - AMP SOLAR INDIA PRIVATE LIMITED
(FORMERLY KNOWN AS "NICETY IT CONSULTING PRIVATE LIMITED")
N-34, LOWER GROUND FLOOR, KALKAJI, NEW DELHI-110019, INDIA
CIN: U74140DL2015PTC279028

Consolidated Balance Sheet as at 31st March, 2017

(All amounts are in Rupees)

Particulars	Note No	As at 31.03.2017
<u>EQUITY AND LIABILITIES</u>		
Shareholders' Funds		
Share Capital	2	4,92,90,000
Reserve & Surplus	3	(1,58,52,685)
Total (1)		3,34,37,315
Minority Interest		1,06,28,810
Total (2)		1,06,28,810
Non-Current Liabilities		
Long-term borrowings	4	9,80,00,000
Other Long term liabilities	5	2,40,10,000
Total (3)		12,20,10,000
Current Liabilities		
Short-term borrowings	6	3,62,00,000
Other current liabilities	7	1,49,12,243
Short-term provisions	8	4,47,484
Total (4)		5,15,59,727
TOTAL (1+2+3+4)		21,76,35,852
<u>ASSETS</u>		
Non-Current Assets		
Fixed Assets:		
-Tangible assets	9	17,88,62,918
Long-term loans and advances	10	13,29,998
Goodwill on Consolidation		16,822
Total (1)		18,02,09,738
Current Assets		
Trade receivables	11	42,13,964
Cash and Cash Equivalents	12	1,74,79,698
Short-term loans and advances	13	1,07,04,487
Other current assets	14	50,27,965
Total (2)		3,74,26,114
TOTAL (1+2)		21,76,35,852

Notes to the consolidated financial statements

1 to 34

As per our report of even date

For Deepender Anil & Associates
Chartered Accountants
FRN. 019666N

CA. Deepender Kumar

(Partner)

(M.No.- 501762)

Place: Delhi

Date: 27/04/2017



For and on behalf of the Board of Directors

Deepak Mehta

Director

DIN No. 00035908

Deependra Agarwal

Director

DIN No. 01108168

SUN - AMP SOLAR INDIA PRIVATE LIMITED
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CIN: U74140DL2015PTC279028

Consolidated Statement of Profit and Loss for the year ended 31st March, 2017

(All amounts are in Rupees)

Particulars	Note No.	For the year 31st March, 2017
Revenue:		
Revenue from operations	15	1,42,19,520
Other Income	16	7,11,550
Total revenue		1,49,31,070
Expenses:		
Cost of Production	17	43,22,307
Finance costs	18	59,46,864
Depreciation and amortization expense	19	20,64,734
Other expenses	20	1,60,57,396
Total expenses		2,83,91,301
Profit/ (Loss) before tax		(1,34,60,231)
Tax expense:		
-Current tax		4,69,576
-Deferred tax		-
Profit/ (Loss) for the year before minority interest		(1,39,29,807)
Minority Interest		(5,18,633)
Balance carried forward to Reserve and Surplus		(1,44,48,440)
Earnings per equity share:	21	
(Nominal value of share Rs 10/-share)		
-Basic		(4.04)
-Diluted		(2.87)

Notes to the consolidated financial statements

1 to 34

As per our report of even date

For Deepender Anil & Associates
Chartered Accountants
FRN. 019666N

CA. Deepender Kumar
(Partner)
(M.No.- 501762)
Place: Delhi
Date: 27/04/2017



For and on behalf of the Board of Directors

Deepak Mehta
Director
DIN No. 000359

Deependra Agarwal
Director
DIN No. 01108168

SUN - AMP SOLAR INDIA PRIVATE LIMITED
(FORMERLY KNOWN AS "NICETY IT CONSULTING PRIVATE LIMITED")
N-34, LOWER GROUND FLOOR, KALKAJI, NEW DELHI-110019, INDIA
CIN: U74140DL2015PTC279028
Consolidated Cash Flow Statement for the Year Ended 31st March, 2017

(All amounts are in Rupees)

Particulars	For the year ended 31st March, 2017
Cash Flow From Operating Activities:	
Net Profit/ (Loss) before tax	(1,34,60,231)
Adjustments for:	
Depreciation/ Amortization	20,64,734
Finance Cost	59,46,864
Operating Profits/ (Loss) before working capital changes	(54,48,633)
Adjustments for changes in working capital	
(Increase)/ Decrease in Trade Receivables	(42,13,964)
(Increase)/ Decrease in Short-Term Loans and Advances	(1,07,04,487)
(Increase)/ Decrease in Other current assets	(49,54,784)
Increase/ (Decrease) in Other Current Liabilities	1,48,47,183
(Increase)/ Decrease in Long term loans & advances	(13,29,998)
Cash generated from operations	(1,18,04,683)
Taxes Paid	(22,092)
Net Cash from Operating Activities	(1,18,26,775)
Cash Flow From Investing Activities:	
Purchase of Investment	(50,000)
Purchase of Fixed Assets	(18,09,27,652)
Net cash inflow/(outflow) from investing activities	(18,09,77,652)
Cash Flow From Financing Activities:	
Long-term loan from Financial Institution	9,80,00,000
Issue of Equity share capital	2,49,90,000
Issue of Equity share capital to Minority shareholder in subsidiary	1,00,77,000
Issue of Compulsory Convertible Debentures (CCD)	2,40,10,000
Short term Borrowings	7,62,00,000
Repayment of short term borrowings	(4,00,00,000)
Finance Cost	(59,46,864)
Net cash (outflow)/inflow from financing activities	18,73,30,136
Net increase/(decrease) in cash & cash equivalents	(54,74,291)
Cash & cash equivalents at the beginning of the period	2,29,53,988
Cash & cash equivalents at the end of the period	1,74,79,698
Cash & cash equivalents at the end of the period comprise of:	
-Cash in Hand	32,076
-Balances with Scheduled Banks	1,74,47,622
	1,74,79,698

Notes :-

The above Consolidated Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 (AS-3) 'Cash Flow Statements' issued by the Institute of Chartered Accountants of India (ICAI)

As per our report of even date

For Deepender Anil & Associates
Chartered Accountants
FRN. 019666N

CA. Deepender Kumar

(Partner)

(M.No.- 501762)

Place: Delhi

Date : 27/04/2012



For and on behalf of the Board of Directors

Deepak Mehta

Director

DIN No. 00035908

Deependra Agarwal

Director

DIN No. 01108168

SUN - AMP SOLAR INDIA PRIVATE LIMITED

(FORMERLY KNOWN AS "NICETY IT CONSULTING PRIVATE LIMITED")

Notes on Consolidated financial statement for the Year Ended 31st March, 2017

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Corporate Information

SUN-AMP Solar India Private Limited (hereinafter referred to as 'the Holding Company') and its Subsidiary (collectively referred to as 'the Group') are private limited companies domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Group is into the business of enhancing knowledge and skills of solar technologies in India, specially the expertise in solar park development and to carry on the business of generating power supply through clean energy sub-sectors e.g., solar energy, biomass, wind, and energy efficiency projects and/or any other means, distribute, supply and sell such power either directly or through facilities or Central/State Governments or private companies or Electricity Boards to industries and to Central/State Governments

1.1 SIGNIFICANT ACCOUNTING POLICIES

1.1.1 Basis of Preparation

These consolidated financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied 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.

1.1.2 Going Concern

Consolidated Financial Statements are prepared on going concern basis.

1.1.3 Uses of Estimates

The preparation of the Consolidated Financial Statements in conformity with Indian GAAP requires Management to make Judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosures relating to contingent assets and liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in material or immaterial adjustments to the carrying amounts of assets or liabilities in future periods.

1.1.4 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Revenues from main business activities are recognized on due basis, as and when the services are rendered, based on the agreements/arrangements with the concerned parties. Unbilled revenue is recognized to the extent not billed at the year end.



Interest is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Claims for damages etc. against the contractors/service providers are recognized on due basis, as and when the certainty to receive the claim is ascertained.

1.1.5 Tangible Fixed Assets

Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any subsidy/ reimbursement/ contribution received for installation and acquisition of any fixed assets is shown as deduction in the year of receipt. Capital work- in progress is stated at cost.

Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repairs and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets derecognized.

1.1.6 Depreciation

Depreciation by the Holding Company on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the Management or those prescribed under the Schedule II of the Companies Act, 2013, whichever is higher.

Depreciation by the subsidiary on Fixed Assets is provided to the extent of depreciable amount on the Straight Line Value Method. Depreciation rate is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, except in respect of the following assets, where useful life is either not given or different than those prescribed in Schedule II are used:-

Type of Asset	Useful Life
Plant & Machinery- 3 MW	
- Inverter	10 years
- Modules & Accessories	25 years
- Monitoring System	25 years
- Civil Work	25 years
- AC & DC Electric Work	25 years
- Evacuation/Transmission Lines	25 years
Office Equipments	
- Refrigerators	3 years

Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each financial year end.

1.1.7 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets are not capitalized and expensed off in the Statement of Profit and Loss in the year in which the expenditure is incurred.

Intangible assets of holding and subsidiary company are amortized on a straight line basis over the estimated useful economic life.



The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

1.1.8 Borrowing Cost

Borrowing cost includes interest. Such 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 or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

1.1.9 Method of Accounting

The Group maintains its accounts on accrual basis of accounting.

1.1.10 Foreign Exchange Transactions

Initial Recognition

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

Conversion

Foreign Currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

Exchange Differences

Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. The exchange differences on other foreign currency monetary items are accumulated in 'Foreign Currency Monetary Item Translation Difference Account' and amortized over the remaining life of the concerned monetary item.

All other exchange differences are recognized as income or as expenses in the period in which they arise.

1.1.11 Investment

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the consolidated financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in values is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.



1.1.12 Taxes

Current Income Tax:- Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Indian Income Tax Act, 1961.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The subsidiary recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the subsidiary will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the subsidiary recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The subsidiary reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the subsidiary does not have convincing evidence that it will pay normal tax during the specified period.

Deferred Tax:- The deferred tax charge or credit and the corresponding deferred tax liability or deferred tax asset is recognised using the tax rates that have been enacted or substantially enacted as at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty of realization.

1.1.13 Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, an impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

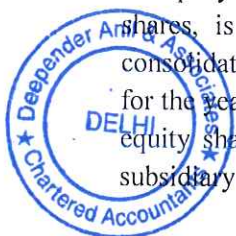
1.1.14 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

1.1.15 Principles of Consolidation

The Consolidated Financial Statements (CFS) has been prepared in accordance with the Accounting Standard-21 on "Consolidated Financial Statements" (AS-21) and are prepared on the following basis:

- (a) The financial statements of the Holding Company and its Subsidiary are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating the inter-group balances and inter-group transactions including unrealized profits/ losses in the period-end assets, such as inventories, fixed assets, etc. The difference between the Holding Company's cost of investments in the Subsidiary, over its portion of equity at the time of acquisition of shares, is recognized in the consolidated financial statements as Goodwill or Capital Reserve on consolidation, as the case may be. Minority Interest's share in net profit/loss of consolidated subsidiary for the year is adjusted against the income of the Group in order to arrive at the net income attributable to equity shareholders of the Holding Company. Minority Interest's share in net assets of consolidated subsidiary is presented in the Consolidated Balance Sheet separate from liabilities and the equity of the



parent's shareholders. Minority interest in the income of the group is separately presented. Minority Interest in the consolidated financial statements is identified and recognized after taking into consideration:

- (i) The amount of equity attributable to minority at the date on which investments in a subsidiary is made.
 - (ii) The minorities' share of movement in equity since the date parent-subsidiary relationship came into existence.
 - (iii) The losses attributable to the minorities are adjusted against the minority interest in the equity of the subsidiary.
 - (iv) The excess of loss over the minority interest in the equity is adjusted against General Reserve of the Company.
- (b) The Consolidated Financial Statements are prepared by using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations, if any, and to the extent possible, are made in the Consolidated Financial Statements and are presented in the same manner as the Company's separate financial statements except otherwise stated elsewhere in this schedule.
- (c) Figures pertaining to the subsidiary have been re-classified wherever necessary to bring them in line with the holding company's financial statements.
- (d) The subsidiary included in Consolidated Financial Statements is as under :

Sr. No.	Name of Subsidiary	Country of Incorporation	Proportion of ownership as on 31 st March 2017
1.	Samyama Jyothi Solar Energy Private Limited	India	74 %



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N-34, LOWER GROUND FLOOR, KALKAJI, NEW DELHI-110019, INDIA
CIN: U74140DL2015PTC279028
Notes to Consolidated Financial Statements for the year ended 31st March, 2017

(All amounts are in Rupees)

Note No	Particulars	As at 31st March, 2017
<u>Shareholders' Funds</u>		
2	Share Capital	
2.1	<u>Authorised</u>	
	50,00,000 (previous year 50,00,000) equity shares of Rs.10/- each	<u>5,00,00,000</u>
2.2	<u>Issued, Subscribed & Paid up</u>	
	49,29,000 (previous year 16,60,000) equity shares of Rs. 10/- each fully paid	<u>4,92,90,000</u>
2.3	The Company has only one class of shares referred to as equity shares with the par value of Rs. 10/- each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the residual assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist, currently. The distribution will be in proportion to the number of equity shares held by the shareholders.	
2.4	Reconciliation of the no. of shares outstanding:	
		No. of Shares Amount (Rs)
	Equity shares at the beginning of the year	16,60,000 1,66,00,000
	Add: Shares Issued	32,69,000 3,26,90,000
	Less: Shares Cancelled on Buy Back	-
	Equity shares at the end of the year	<u>49,29,000 4,92,90,000</u>
2.5	Shareholders Holding More Than 5% Shares in The Company	
(i)	Indag Rubber Limited	No. of Shares % Holding
		37,38,300 76%
(ii)	SUN Alternate Energy Pvt Ltd	11,90,700 24%
	Total	<u>49,29,000 100%</u>
3	<u>Reserve & Surplus</u>	
	Surplus in the statement of profit and loss	
	Balance as per last financial statements	(14,04,246)
	Add:- Profit /(Loss) for the period	(1,44,48,440)
	Less: Appropriations	-
	Closing balance	<u>(1,58,52,686)</u>
	<u>Non-Current Liabilities</u>	
4	Long-term borrowings	
(i)	-Secured	
	Term Loan from Financial Institution	9,80,00,000
		<u>9,80,00,000</u>
4.1	Secured Term Loan are secured by way of :-	
(i)	100% by way of Exclusive first charge on all movable and immovable assets of subsidiary company, pertaining to 3.00 MW (1 X 3 MW) Solar Photovoltaic Grid Connected Power Project set up at Village Madanayakahalli, Taluka Chitradurga, District Chitradurga, in the State of Karnataka (Project No. 2245)	
(ii)	Exclusive charge on the subsidiary company's movables, including machinery, machinery spares, tools and accessories, pertaining to all the other projects funded by IREDA	
(iii)	Assignment of leasehold rights of project land and mortgage of other immovable assets of the subsidiary company, pertaining to the project in favour of IREDA.	
(iv)	Exclusive charge on present & future on receivables of the subsidiary company from power generation from said Project & other monies credited/to be credited in TRA and/or held anywhere else.	
(v)	Pledge of 100% subsidiary's shares (i.e. 38,95,000 shares) and Corporate Guarantee is given by the holding Company "SUN-AMP Solar India Pvt. Ltd."	
(vi)	Bank Guarantee of Rs. 258 lacs, equivalent to 20% of sanctioned term loan of Rs 1,290 lacs, is given by ultimate the holding company (Indag Rubber Limited) for the period of 3 years from the Commercial Operation Date (COD) of the project i.e. December 21, 2016.	



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Notes to Consolidated Financial Statements for the year ended 31st March, 2017

(All amounts are in Rupees)

Note No	Particulars	As at 31st March, 2017
4.2	Maturity Profile and Rate of interest of Secured Term Loan of Rs. 12.90 Cr from Financial Institution are set out below: - Sanctioned term loan - Disbursed term loan	Rs. 1,290 Lakhs Rs. 980 Lakhs
	Rate of Interest and Maturity Profile of Sanctioned Term loan	
	11.40% Repayable in 13.6 years as per following schedule	
		1-2 years 2-3 years 3-4 years Beyond 4 years
		95,96,000 95,96,000 95,96,000 10,02,12,000
5	Other Long Term Liabilities Compulsory Convertible Debentures (CCD) [Refer Note No:- 22.2 (b) (iii)]	2,40,10,000
		<u>2,40,10,000</u>
5.1	Compulsory Convertible Debentures (CCD) has been issued to SUN Alternate Energy Pvt. Ltd. (associate company), carrying interest rate of 12.5% p.a. payable yearly. The CCDs may be converted into Equity shares of Rs. 10/- each of the company anytime after 6 months but before the end of 10 years from the date of issue, at the discretion of the holder.	
	<u>Current Liabilities</u>	
6	Short-term borrowings -Unsecured Loan from Related Parties [Refer Note No:- 22.2 (b) (i)]	3,62,00,000
		<u>3,62,00,000</u>
6.1	Loan is carrying interest of 10% p.a. payable along with principal and repayable by November 01, 2017	
7	Other current liabilities	
(i)	Statutory Dues Payable	10,92,330
(ii)	Accrued interest on Unsecured Loan/CCD from Related Companies [Refer Note No:- 22.2 (b) (ii) & (iv)]	31,52,943
(iii)	Other Expenses Payables	1,06,66,970
		<u>1,49,12,243</u>
8	Short-Term Provisions Provision for Income Tax (Net of Advance tax/TDS for current year)	4,47,484
		<u>4,47,484</u>

Non - Current Assets :

9	Fixed Assets-				
	Tangible Assets				
A	Gross Block				
	Assets				
(i)	Plant & Equipment- 3 MW	Op. Balance	Addition	Deletion	Total
(ii)	Computers & Printers	-	18,09,11,253	-	18,09,11,253
(iii)	Office Equipments	-	3,799	-	3,799
	Total Of this Year	-	12,600	-	12,600
	Total Of Previous Year	-	18,09,27,652	-	18,09,27,652



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Notes to Consolidated Financial Statements for the year ended 31st March, 2017

(All amounts are in Rupees)

Note No	Particulars	As at 31st March, 2017
B	Depreciation Block	
(i)	Plant & Equipment- 3 MW	Op. Balance Addition Deletion Total
(ii)	Computers & Printers	- 20,62,701 - 20,62,701
(iii)	Office Equipments	- 514 - 514
	Total Of this Year	- 1,519 - 1,519
	Total Of Previous Year	- 20,64,734 - 20,64,734
C	Net Block	As on 31.03.2017
(i)	Plant & Equipment- 3 MW	17,88,48,552
(ii)	Computers & Printers	3,285
(iii)	Office Equipments	11,081
	Total	17,88,62,918
10	Long-Term loans and advances (Unsecured, considered good, unless stated otherwise)	
(i)	Security Deposits	10,000
(ii)	Prepaid Expenses	13,19,998
		13,29,998
	Current Assets :	
11	Trade Receivables (Unsecured, considered good, unless stated otherwise)	
(i)	Outstanding for a period exceeding six months from the date they are due for payment	-
(ii)	Other debts	42,13,964
		42,13,964
12	Cash and Cash Equivalents	
(i)	Cash in hand	32,076
(ii)	Balance with banks:-	
	-In current Accounts	1,44,47,622
	-Fixed Deposits with bank	30,00,000
		1,74,79,698
12.1	FDR of Rs 30 lakhs is lien marked against issuance of Performance Bank Guarantee to Bangalore Electricity Supply Company Limited (BESCOM) as per Power Purchase Agreement (PPA)	
13	Short-Term loans and advances (Unsecured, considered good, unless stated otherwise)	
(i)	Advance for rendering of services	-
(ii)	Security Deposits [Refer Note No:- 22.2 (b)(v)]	1,01,30,000
(iii)	Prepaid Expenses	5,74,487
		1,07,04,487
14	Other Current Assets	
(i)	Accrued interest on FDR	1,47,132
(ii)	Unbilled Debtors	44,62,080
(iii)	TDS Receivable	3,44,753
(iv)	Other Receivable	74,000
		50,27,965



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Notes to Consolidated Financial Statements for the Year Ended 31st March, 2017

(All amounts are in Rupees)

Note No.	Particulars	Figures for the Year 2016-17
15	Revenue from Operation	
	Income from power generation	1,42,19,520
		<u>1,42,19,520</u>
16	Other Income	
(i)	Interest on Fixed Deposits	5,56,865
(ii)	Interest Income	1,54,685
		<u>7,11,550</u>
17	Cost of Production	
(i)	Insurance	1,13,744
(ii)	Power and Fuel	83,636
(iii)	Lease Rent	35,37,041
(iv)	Other Direct Expenses	5,87,886
		<u>43,22,307</u>
18	Finance Costs	
(i)	Interest on Loan (secured/ unsecured)	35,90,881
(ii)	Interest on CCD	12,74,503
(iii)	Loan/Bank Processing charges	10,81,480
		<u>59,46,864</u>
19	Depreciation and amortization expense	
	Depreciation	20,64,734
		<u>20,64,734</u>
20	Other Expenses	
(i)	Audit fee	2,01,250
(ii)	Bank Charges	1,59,816
(iii)	Rebate/Cash Discount	54,842
(iv)	Communication Exp.	2,556
(v)	Travelling & Conveyance Exp.	3,20,946
(vi)	Office/Guest House Maintenance	90,990
(vii)	Legal & Professional	1,51,10,661
(viii)	Miscellaneous exp.	1,16,335
		<u>1,60,57,396</u>
20.1	Payment to Auditor -	
	As auditor:	
	Audit fee	2,01,250
	In other capacity:	
	Certification/Taxation Matters	86,250
		<u>2,87,500</u>
21	<u>BASIC AND DILUTED EARNING PER SHARE</u>	
(i)	Net Profit/(Loss) for the year for Basic EPS	(1,44,48,440)
(ii)	Net Profit/(Loss) for the year for Diluted EPS	(1,31,73,937)
(iii)	Weighted Average Number of Shares for Basic EPS	35,77,041
(iv)	Weighted Average Number of Shares for Diluted EPS	45,96,644
	Basic EPS [(i)/(iii)]	(4.04)
	Diluted EPS [(ii)/(iv)]	(2.87)

22 **Related Party Disclosure for the period ended 31st March, 2017**

22.1 **Related party and their relationship:**



- (i) Holding Company
- (ii) Company having substantial interest (Associate Company)
- (iii) Subsidiary Companies

Indag Rubber Limited

SUN Alternate Energy Pvt. Ltd.

- (i) Samyama Jyothi Solar Energy Pvt. Ltd. w.e.f 30.05.2016
- (ii) Arete Elena Energy Pvt. Ltd. From 27.06.2016 till 10.10.2016
- (iii) B G SUN Solar Hiriyur Pvt. Ltd. From 06.07.2016 till 17.02.2017
- (iv) Poorvaj Solar Energy Pvt. Ltd. from 06.06.2016 till 02.01.2017

Notes to Consolidated Financial Statements for the Year Ended 31st March, 2017

(All amounts are in Rupees)

Note No.	Particulars	Figures for the Year 2016-17
		(v) SUN Solar KFP Bellari Pvt. Ltd. From 06.06.2016 till 19.12.2016
(iv)	Key Managerial Personnel	Deependra Agarwal Deepak Mehta
(v)	Persons having substantial interest in subsidiary company	T. Yathiraju
(vi)	Entity under common control	SUN Renewable Energy Services Pvt. Ltd.

22.2 Transactions/ balances outstanding with the related parties

a) Transactions during the year	31-Mar-17
(i) Issue of 24,99,000 Equity shares (P.Y. Nil.) to Indag Rubber Limited	2,49,90,000
(ii) Issue of 24,01,000 CCD (P.Y. Nil.) to SUN Alternate Energy Pvt. Ltd.	2,40,10,000
(iii) Interest on CCD to SUN Alternate Energy Pvt. Ltd.	12,74,503
(iv) Security Deposit to T. Yathiraju	1,00,00,000
(v) Short-term loan taken from SUN Alternate Energy Pvt. Ltd.	7,62,00,000
(vi) Repayment of Short-term loan to SUN Alternate Energy Pvt. Ltd.	4,00,00,000
(vii) Interest on loan to SUN Alternate Energy Pvt. Ltd.	22,28,767
(viii) Reimbursement of Expenses to Deependra Agarwal	13,807
(ix) Reimbursement of capital expenses to T. Yathiraju	8,58,677
(x) Land Lease Rental to T. Yathiraju	35,37,041
(xi) Reimbursement of bank charges to Indag Rubber Limited	6,25,860
(xii) Project Management Charges (PMC) paid to SUN Renewable Energy Services Pvt. Ltd.	28,75,000
b) Balances outstanding at year end	
(i) Unsecured Loan payable to SUN Alternate Energy Pvt. Ltd.	3,62,00,000
(ii) Interest payable on unsecured loan to SUN Alternate Energy Pvt. Ltd.	20,05,890
(iii) CCD issued to SUN Alternate Energy Pvt. Ltd.	2,40,10,000
(iv) Interest payable on CCD to SUN Alternate Energy Pvt. Ltd.	11,47,053
(v) Security Deposit to T. Yathiraju	1,00,00,000
(vi) Expense Payable to Deependra Agarwal	5,000
(vii) Lease Rental and expense payable to T. Yathiraju	19,86,183

23 (i) Contingent liabilities
Corporate Guarantee against loan taken by subsidiary company. Rs. 1290 Lakh

(ii) Capital Commitments
There is no capital commitment as on 31st March, 2017.

Disclosure as required by Accounting Standard (AS) 19 Leases – The Group has taken following premises :-

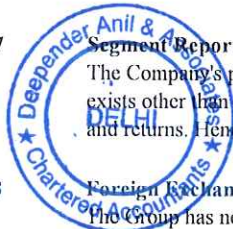
- Land for Solar Power Plant situated at Village Madanayakahalli, Taluka Chitradurg, District Chitradurga, in the State of Karnataka, for a period of 25 years from the date of commencement of solar plant from Mr. T. Yathiraju. The rental expense in respect of land lease amounting to Rs. 35,37,041/- (previous year Rs. Nil) has been charged to Profit & Loss Account.
- Cancelable lease for office premise. The lease normally renewed at expiry. The rental expenses in respect of office lease charged during the year to the Statement of Profit & Loss amounts to Rs. 15,000/- (P.Y. Rs. 5,000)
- Cancelable lease for Guest house. The lease normally renewed at expiry. The rental expenses in respect of guest house lease charged during the year to the Statement of Profit & Loss amounts to Rs. 45,000/- (P.Y. Rs. Nil)

25 Loans and advances, trade receivables and other current /non current assets are in the opinion of the management do not have a value on realisation in the ordinary course of the business less than the amount at which they are stated in the Balance Sheet.

26 Based on the information presently available with the management, there are no dues outstanding to micro, small and medium enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006.

27 Segment Reporting
The Company's principle business is transmission of power generated through solar power plants and present, no other business segment exists other than this. The Company operates within India and does not have operations in economic environments with different risks and returns. Hence, it is considered operating in single geographical segment.

28 Foreign Exchange Transactions
The Group has neither earned any foreign exchange nor incurred any expenditure in foreign currency.



Notes to Consolidated Financial Statements for the Year Ended 31st March, 2017

(All amounts are in Rupees)

**Figures for the Year
2016-17**

**Note
No.**

Particulars

29 Deferred Taxation
Since there is no virtual certainty with convincing evidence of its realisation, Deferred Tax Asset is not provided.

30 Employees' Benefit
There are no employees during the period and therefore there are no retirement benefits.

31 Additional information required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiary/Associates/Joint ventures.

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in Profit or loss	
	As % of Consolidated net assets	Amount (Rs. in lakhs)	As % of Consolidated profit or loss	Amount (Rs. in lakhs)
Parent				
SUN-AMP Solar India Private Limited	7.16	31.55	114.32	(159.25)
Subsidiaries - Indian				
Samyama Jyothi Solar Energy Private Limited	68.72	302.82	(10.60)	14.76
Minority Interest in Subsidiary	24.12	106.29	(3.73)	5.19
Total	100.00	440.66	100.00	(139.30)

Balance in trade receivables, trade payables, current /non current advances given/received are subject to reconciliation and confirmation from respective parties. The balance of said trade receivables, trade payables, current/non current advance given/received are taken as shown by the books of accounts.

33 Disclosure on details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-

	SBNs	Other Denomination Notes	Amt(Rs.)
Closing cash in Hand as on 08.11.2016	(i) 35 currency notes of Rs. 1000	(i) 268 currency notes of Rs. 100 (ii) 35 currency notes of Rs. 50 (iii) 2 currency notes of Rs.10 (iv) 4 coins of Rs.1	63,574
(+) Permitted receipts**	Nil	24 currency notes of Rs. 2000	48,000
(-) Permitted payments	Nil	(i) 12 currency notes of Rs. 2000 (ii) 134 currency notes of Rs. 100	(37,400)
(-) Amount Deposited in Banks	35 currency notes of Rs.1000	-	(35,000)
Closing cash in Hand as on 30.12.2016	Nil	(i) 12 currency notes of Rs. 2000 (i) 134 currency notes of Rs. 100 (ii) 35 currency notes of Rs. 50 (ii) 2 currency notes of Rs.10 (iv) 4 coins of Rs.1	39,174

** There are no cash receipts other than withdrawal from Banks

34 Previous year figures have been regrouped / rearranged wherever considered necessary to make them comparable with the current year's figures.

As per our report of even date

For Deepender Anil & Associates
Chartered Accountants
FRN. 019606N

CA. Deepender Kumar
(Partner)
(M.No.- 501762)
Place: Delhi
Date : 27/04/2017



For and on behalf of the Board of Directors

Deepak Mehta
Director
DIN No. 00035908

Deependra Agarwal
Director
DIN No. 01108168