

INDEPENDENT AUDITOR'S REPORT To The Members of Statkraft Markets Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Statkraft Markets Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies.

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 Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its loss, its cash flows for the year ended on that date.

Basis for Opinion

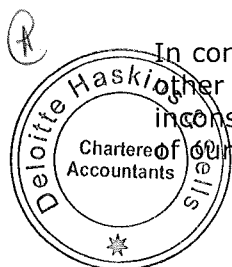
We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. 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 made 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report including its annexures, but does not include the financial statements and our auditor's report thereon. The Director's report including its annexures is expected to be made available to us after the date of this auditor's report

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 during the course of our audit or otherwise appears to be materially misstated.



When we read the Director's report including its annexures, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information

Management's Responsibility for the 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 financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards 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 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

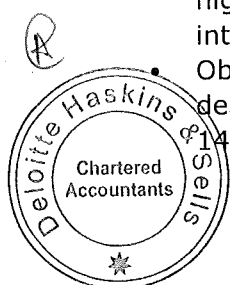
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility 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 control 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 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 the 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.

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.

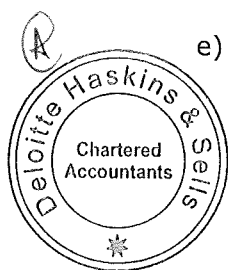
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- 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 March 31, 2019 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 Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer note 21(i) of the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer note 21(ii) to the Financial Statements.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. Refer note 31 to the Financial Statements.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.



For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No.015125N)

Vijay Agarwal
(Partner)
(Membership No. 094468)
(UDIN: 19094468AAAAEU5540)

Place: Gurugram
Date: September 03, 2019

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

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

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

Auditor's Responsibility

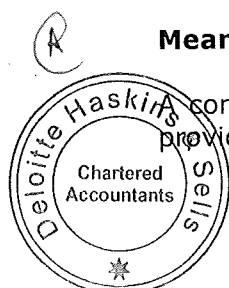
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the



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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

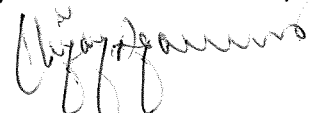
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting 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.



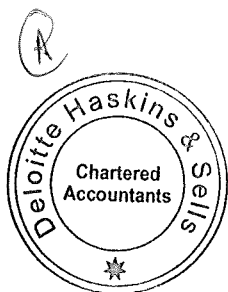
For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No.015125N)


Vijay Agarwal
(Partner)
(Membership No. 094468)
(UDIN: 19094468AAAAEU5540)

Place: Gurugram
Date: September 03, 2019

**"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

- (i) In respect of the Company's property and plant equipment:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The Company does not have any immovable properties of freehold or leasehold land and building and hence the reporting under clause (i)(c) of the order is not applicable.
- (ii) As explained to us, the company does not have any inventory and hence reporting under clause (ii) of the order is not applicable.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the companies Act, 2013 in respect of grant loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit under Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits during the year and hence reporting under clause (v) of the Order is not applicable.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Goods and Services Tax and other material statutory dues applicable to it with appropriate authorities. We are informed that Employees State Insurance, Custom Duty and cess are not applicable to the company.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Income Tax, Goods and Services Tax and other material



statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

- (c) There are no dues of Goods and Services Tax which have not been deposited as on March 31, 2019. Details of dues of Income Tax which have not been deposited as on March 31, 2019 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs.in '000)	Amount under Protest (paid/adjusted) (Rs. in '000)	Amount Unpaid (Rs. in '000)
The Income tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	AY 2014-15	15,227	5,749	9,477

- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a private company and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards. The company is a private company and hence the provisions of section 177 are 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 convertible debentures and hence reporting under clause (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 with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 015125N)

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Vijay Agarwal
(Partner)
(Membership No. 094468)
(UDIN: 19094468AAAEU5540)

Place: *Gurgaon*
Date: *September 03, 2019*

Statkraft Markets Private Limited
Balance Sheet as at March 31, 2019

(Rs. in '000)

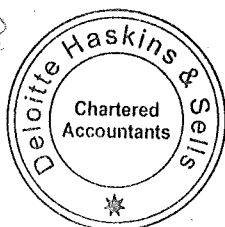
Particulars		Note No.	As at March 31, 2019	As at March 31, 2018
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	14,19,068	14,19,068
	(b) Reserves and surplus	4	(3,41,307)	(2,44,518)
			10,77,761	11,74,550
2	Non-current liabilities			
	Long-term provisions	5	21,891	15,194
			21,891	15,194
3	Current liabilities			
	(a) Trade payables	6		
	(i) Total outstanding dues of micro and small enterprises		171	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		20,007	11,810
	(b) Other current liabilities	7	72,323	37,012
	(c) Short-term provisions	8	2,171	28,846
			94,672	77,668
	TOTAL		11,94,324	12,67,412
B	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipments			
	(i) Tangible assets	9 (a)	29,842	7,151
	(ii) Intangible assets	9 (b)	260	395
	(iii) Intangible assets under development	9 (c)	5,059	-
	(b) Non current investments	10	-	-
	(c) Long-term loans and advances	11	45,018	26,002
			80,179	33,548
2	Current assets			
	(a) Trade receivables	12	10,928	9,574
	(b) Cash and cash equivalents	13	9,38,896	11,97,532
	(c) Short-term loans and advances	14	1,20,666	8,212
	(d) Other current assets	15	43,655	18,546
			11,14,145	12,33,864
	TOTAL		11,94,324	12,67,412
	See accompanying notes forming part of the financial statements	1 to 36		

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

Vijay Agarwal
Partner

Place: Gurugram
Date: September 03, 2019

Place: DELHI
Date: 03-09-2019



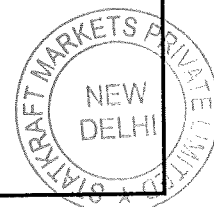
For and on behalf of the Board of Directors

Pooja Malhotra
Managing Director
DIN : 07343901

Maneesh Bhartia
Director
DIN : 06949674

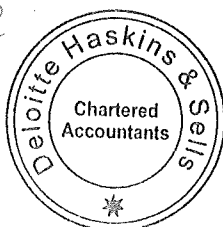
Gauri Shankar Mishra
Company Secretary

F-4620



Particulars		Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
1	Revenue from operations	16	3,66,671	5,36,105
2	Other income	17	85,065	75,702
3	Total Revenue (1+2)		4,51,736	6,11,807
4	Expenses			
	(a) Purchase of Power - trading	18	3,46,579	5,45,456
	(b) Employee benefits expenses	19	91,923	64,272
	(c) Finance costs	20	652	513
	(d) Depreciation and amortisation expenses	9	6,739	8,139
	(e) Other expenses	21	1,02,632	84,348
	Total expenses		5,48,525	7,02,728
5	Loss before tax (3 - 4)		(96,789)	(90,921)
6	Tax expense			
	Current Tax		-	-
	Current tax related to earlier years		-	6,925
7	Loss for the year (5 - 6)		(96,789)	(97,846)
8	Earning/ (Loss) per Equity share (of Rs. 10 each): Basic/ Diluted	25	(0.68)	(0.69)
See accompanying notes forming part of the financial statements		1 to 36		

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



Vijay Agarwal
Partner

Place: Gurugram
Date: September 3, 2019

For and on behalf of the Board of Directors

Pooja Malhotra
Managing Director
DIN : 07343901

Maneesh Bhartia
Director
DIN : 06949674

Gauri Shankar Mishra
Company Secretary
F-4670



Place: DELHI
Date: 03-09-2019

Statkraft Markets Private Limited
Cash Flow Statement for the year ended March 31, 2019.

(Rs. in '000)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Cash flow from operating activities		
Net Profit / (Loss) before tax	(96,789)	(90,921)
<u>Adjustments for:</u>		
Depreciation and amortisation expenses	6,739	8,139
Interest income	(84,960)	(75,610)
Interest expense	652	513
Net Loss on disposal of Property, Plant and Equipment	1,531	21
Operating loss before working capital changes	(1,72,827)	(1,57,858)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Long-term provisions	6,697	2,604
Short-term provisions	(26,675)	26,938
Trade payables	8,368	2,008
Other current liabilities	35,311	10,295
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Trade receivables	(1,354)	27,119
Long-term loans and advances	(8,911)	2,407
Short-term loans and advances	(1,12,454)	(3,097)
Other current assets	(16,819)	795
Cash used in operations	(2,88,664)	(88,789)
Income tax (paid)/ refund	(10,105)	(6,071)
Net cash flow used in operating activities (A)	(2,98,769)	(94,860)
B. Cash flow from investing activities		
Purchase of Property, plant and equipment	(36,180)	(984)
Proceeds from sale of Property, plant and equipment	295	25
Bank balances not considered as Cash and cash equivalents	2,08,846	46,119
Investment in equity shares	-	-
Interest received	76,670	76,140
Net cash flow used in investing activities (B)	2,49,631	1,21,300
C. Cash flow from financing activities		
Proceeds/(repayment) of Short-term borrowings	-	-
Interest paid	(652)	(513)
Net cash flow from financing activities (C)	(652)	(513)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(49,790)	25,927
Cash and cash equivalents at the beginning of the year	70,532	44,605
Cash and cash equivalents at the end of the year	20,742	70,532
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents (Refer Note 13)	9,38,896	11,97,532
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements:		
(i) In other deposit accounts	7,14,303	11,27,000
- original maturity more than 3 months		
(ii) In earmarked account - held as security against bank guarantee	2,03,851	-
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 13	20,742	70,532
Cash and cash equivalents at the end of the year *	20,742	70,532

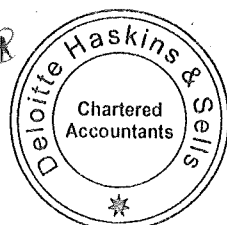
See accompanying notes forming part of the financial statements 1 to 36

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

Vijay Agarwal
Vijay Agarwal
Partner

Place: Gurugram
Date: September 3, 2019

Place: DELHI
Date: 03-09-2019

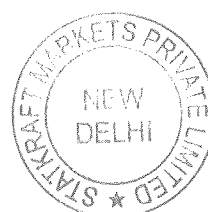


For and on behalf of the Board of Directors

Pooja Malhotra
Pooja Malhotra
Managing Director
DIN : 07343901

Maneesh Bhartia
Maneesh Bhartia
Director
DIN : 06949674

Gauri Shankar Mishra
Gauri Shankar Mishra
Company Secretary
F-4620



Statkraft Markets Private Limited
Notes forming part of the financial statement

1. Corporate Information

Statkraft Markets Private Limited ("the Company") incorporated on December 13, 2011 to purchase, sell, distribute, trade, import, export, generate or accumulate all forms of electrical power. The Company is a subsidiary of Statkraft Holding Singapore Pte Limited. Registered office of the company is situated at Unit 401, 4th Floor, Salcon Rasvilas Building, Saket District Centre, New Delhi-110017.

2. Significant accounting policies

(a) Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(b) Use of estimates

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

(c) Cash and cash equivalent (for the purpose of Cash flow statement)

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

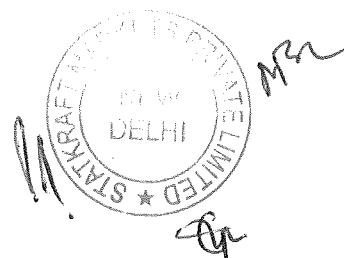
(d) Cash flow statement

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

(e) Depreciation and amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except for assets costing upto Rs.40,000 each which are fully depreciated net of residual value (i.e. 5%) in the year of purchase. Leasehold improvements are depreciated over the period of the lease.



Statkraft Markets Private Limited
Notes forming part of the financial statement

Class of Assets	Useful life (in years)
(a) Tangible Assets - owned	
Computers - hardware	3-6
Furniture and Fixtures	10
Office Equipment	5

Intangible assets represent computer software and are amortized over their estimated useful life i.e. three years, on straight-line method. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

(f) Revenue Recognition

Sale of power- Trading

Revenue from sale of power is accounted for based on rates agreed with the customers and is inclusive of trading margin on transfer of significant risks and rewards of ownership to the buyer and when there is a reasonable certainty to expect ultimate collection, net of any penalties arising on account of non- performance of contract.

Sale of Services

Revenue from professional services are recognized as per the terms of the contract with customers when the related services are rendered and when there is certainty of collection.

Other Income

Interest income is recognized using the time-proportion method, based on rates implicit in the transaction.

(g) Property, plant and equipments (Fixed assets)

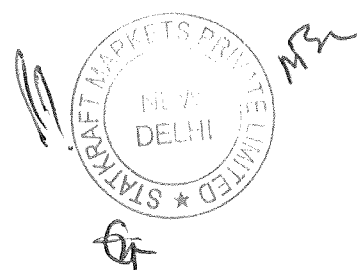
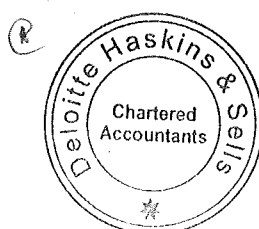
Fixed assets are carried at cost less accumulated depreciation/ amortization and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Subsequent expenditure on fixed assets after its purchase/ completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

(h) Foreign currency transactions and translations

Initial recognition: Transactions in the foreign currency 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 transactions.

Measurement of foreign currency monetary items at the Balance Sheet date: Monetary items denominated in foreign currencies at the year-end are restated at the exchange rates prevailing on the date of the Balance Sheet.

Treatment of exchange differences: The exchange difference arising on the settlement of monetary items or on reporting these items at rate different from the rates at which these were initially recorded are recognized as income/expense in the Statement of Profit and Loss in the period in which they arise.



Statkraft Markets Private Limited
Notes forming part of the financial statement

(i) Employee benefits

Employee benefits include provident fund, gratuity and compensated absences.

Defined contributions plans: The Company's contribution to provident fund is considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans: Gratuity liability, is defined benefit obligations, is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost.

Long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences (including medical leave) which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

(j) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

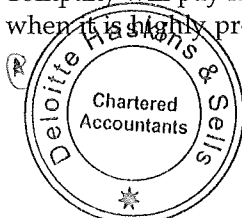
For calculating diluted earnings per share, the net profit or loss after tax for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(k) Taxes on income

Tax Expense comprises current tax and deferred tax.

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.



Statkraft Markets Private Limited
Notes forming part of the financial statement

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets in respect of unabsorbed depreciation, carry forward of losses and items relating to capital losses are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are reviewed at each balance sheet date for their realisability.

(l) Provisions and contingencies

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

(m) Operating leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

(n) Impairment of Assets

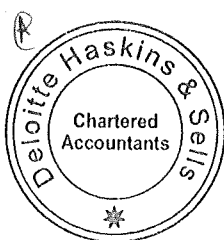
The carrying values of assets/ cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss.

(o) Operating cycle

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

(p) Goods and Services Tax (GST) input credit

Goods and Services Tax input credit is accounted for in the books in the period in which the underlying service received/ the payment made in the case of reverse charge is accounted and when there is reasonable certainty in availing/ utilising the credits.



3. SHARE CAPITAL

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Amount (Rs in '000)	Number of shares	Amount (Rs in '000)
(a) Authorised Equity shares of Rs.10 each with voting rights	17,50,00,000	17,50,000	17,50,00,000	17,50,000
(b) Issued, Subscribed and fully paid up # Equity shares of Rs.10 each with voting rights	14,19,06,790	14,19,068	14,19,06,790	14,19,068
Total	14,19,06,790	14,19,068	14,19,06,790	14,19,068

Refer Notes (i) to (iv) below

Notes:

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

Particulars	Equity Share Capital			
	As at March 31, 2019		As at March 31, 2018	
	Number	Amount (Rs in '000)	Number	Amount (Rs in '000)
Issued, subscribed and paid up equity shares				
Shares outstanding at the beginning of the year	14,19,06,790	14,19,068	14,19,06,790	14,19,068
Movement during the year	-	-	-	-
Shares outstanding at the end of the year	14,19,06,790	14,19,068	14,19,06,790	14,19,068

(ii) Rights, preferences and restrictions attached to the equity shareholders:

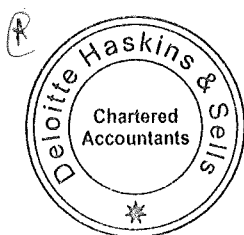
The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Class of shares / Name of shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Statkraft Holding Singapore Pte Limited, holding company	14,19,06,789	99.99%	14,19,06,789	99.99%

(iv) Details of shares held by the holding company and the subsidiary of the holding company:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Statkraft Holding Singapore Pte Limited, holding company	14,19,06,789	99.99%	14,19,06,789	99.99%
Statkraft Holding Peru Pte Limited, subsidiary of the holding company	1	0.01%	1	0.01%



4. RESERVES AND SURPLUS

(Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Deficit in Statement of Profit and Loss		
Opening balance	(2,44,518)	(1,46,672)
Add: Loss for the year	(96,789)	(97,846)
Closing balance	(3,41,307)	(2,44,518)

5. LONG-TERM PROVISIONS

(Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
Provision for gratuity (refer Note 22)	14,200	9,856
Provision for compensated absences - Earned leave (refer Note 22)	7,691	5,338
Total	21,891	15,194

6. TRADE PAYABLES

(Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Other than acceptance		
(a) total outstanding dues of micro enterprises and small enterprises; and (refer Note 1 below)	171	-
(b) total outstanding dues of creditors other than micro enterprises (refer Note 2 below)	20,007	11,810
Total	20,178	11,810

Notes:

(1) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	171	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
	171	-

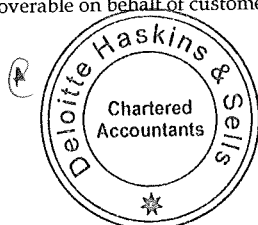
(2) Includes an amount of Rs.6,994 ('000) (Previous year Rs.2,727 ('000)) payable to related parties (refer note 24).

7. OTHER CURRENT LIABILITIES

(Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory dues (PF, TDS and GST/ Service Tax)	9,402	4,610
Payable for purchase of fixed assets	8,207	-
Advance received from customers	11,067	11,839
Security deposits	12,742	-
Amount payable to customers *	30,905	20,563
Other liabilities	-	-
Total	72,323	37,012

* On account of amount recovered/recoverable on behalf of customers (refer Note 33).



8. SHORT-TERM PROVISIONS

(Rs. in '000)

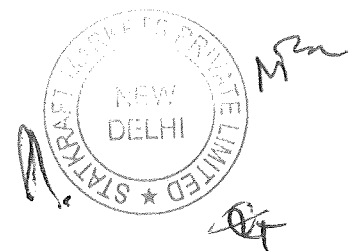
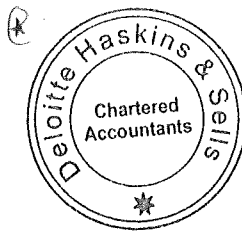
Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
Provision for gratuity (refer Note 22)	568	356
Provision for compensated absences - Earned leave (refer Note 22)	347	254
Provision for compensated absences - Medical Leave	256	236
Provision- Others		
Provision for Contingencies # (also refer Note 23(ii))	1,000	1,000
Provision for foreseeable losses (also refer note 23(ii))	-	27,000
Total	2,171	28,846

Details of provision for Contingencies:

(Rs. in '000)

Particulars	As at April 1, 2018	Additions	Utilisation	Reversal	As at March 31, 2019
Provision for Contingencies	1,000 (1,000)	- (-)	- (-)	- (-)	1,000 (1,000)
Total	1,000	-	-	-	1,000

Note: Figures in brackets relate to the previous year.



9. PROPERTY, PLANT AND EQUIPMENT

(Rs. in '000)

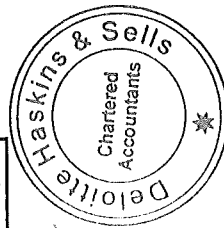
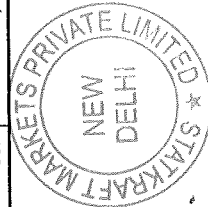
Description	Gross block			Accumulated Depreciation/ Amortisation			Net Block	
	As at April 01, 2018	Additions	Deductions/ Adjustments	As at March 31, 2019	As at April 01, 2018	For the year	Deductions/ Adjustments	As at March 31, 2019
(a) Tangible assets- owned								
Computers - hardware	6,732	4,073	146	10,659	4,746	1,828	139	4,224
Furniture and Fixtures	3,369	3,299	2,660	4,008	899	400	842	3,551
Leasehold improvement	11,547	20,103	11,547	20,103	10,427	3,029	11,546	18,193
Office equipment	4,536	3,536	-	8,072	2,961	1,237	-	3,874
Total	26,184	31,011	14,353	42,842	19,033	6,494	12,527	29,842
(b) Intangible assets - owned								
Computers - software	3,358	110	-	3,468	2,963	245	-	260
Total	3,358	110	-	3,468	2,963	245	-	260
(c) Intangible assets under development								
SAP software	-	5,059	-	5,059	-	-	-	5,059
Total	-	5,059	-	5,059	-	-	-	5,059
Grand Total (a) + (b) + (c)	29,542	36,180	14,353	51,369	21,996	6,739	12,527	35,161

9. PROPERTY, PLANT AND EQUIPMENT (contd..)

(Rs. in '000)

Description	Gross block			Accumulated Depreciation/ Amortisation			Net Block	
	As at April 01, 2017	Additions	Deductions/ Adjustments	As at March 31, 2018	As at April 01, 2017	For the year	Deductions/ Adjustments	As at March 31, 2018
(a) Tangible assets- owned								
Computers	6,441	593	302	6,732	3,305	1,728	287	1,986
Furniture and Fixtures	3,369	-	-	3,369	577	322	-	2,470
Leasehold improvement	11,547	-	-	11,547	5,951	4,476	-	1,120
Office equipment	4,756	391	611	4,536	2,527	1,014	580	1,575
Total	26,113	984	913	26,184	12,360	7,540	867	7,151
(b) Intangible assets - owned								
Computers - software	3,358	-	-	3,358	2,364	599	-	395
Total	3,358	-	-	3,358	2,364	599	-	395
Grand Total (a) + (b)	29,471	984	913	29,542	14,724	8,139	867	7,546

* With effect from April 1, 2014, depreciation on fixed assets is computed in accordance with Schedule II of the Companies Act, 2013.



10. NON CURRENT INVESTMENTS

(Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Other Investments		
Investments in Equity Instruments		
- Investment in fellow subsidiary	-	-
	-	-

* Investment in 1 share of Statkraft Solar Solutions Pvt. Ltd. at INR 11.60

11. LONG - TERM LOANS AND ADVANCES

(Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
Security deposits	11,411	2,500
Advance Income Tax (net of provision of Rs.13,051,881, PY Rs.13,051,881)	23,233	13,128
Balance with government authorities - Income Tax		
-Amount paid under protest	10,374	10,374
Total	45,018	26,002

12. TRADE RECEIVABLES

(Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured and considered good		
Trade receivables outstanding for a period exceeding six months from the due date.	275	-
Trade receivables outstanding for a period not exceeding six months from the due date.	10,653	9,574
	10,928	9,574

*Includes an amount of Rs.7,707 (Rs '000) (Previous year Rs.2,335 (Rs '000)) receivable from related parties (refer note 24).

13. CASH AND CASH EQUIVALENTS

(Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Cash on hand	2	1
Balances with banks		
(i) In current accounts	20,740	32,031
(ii) In deposit accounts (original maturity of 3 months or less)	-	38,500
Cash and cash equivalents (as per AS 3 cash flow statement)	20,742	70,532
Other Bank Balances		
(iii) In earmarked account - held as security against bank guarantee	2,03,851	-
(iv) In other deposit accounts	7,14,303	11,27,000
	9,18,154	11,27,000
Total	9,38,896	11,97,532

14. SHORT-TERM LOANS AND ADVANCES

(Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured and considered good		
Loans and advances given *	1,16,000	-
Unsecured and considered good		
Security deposits	69	2,486
Prepaid expenses	3,416	3,983
Balance with government authorities - GST / Service Tax	-	1,326
Earnest money deposit	60	-
Advance to vendors	1,121	417
Total	1,20,666	8,212

* Secured by Pledge on the assets

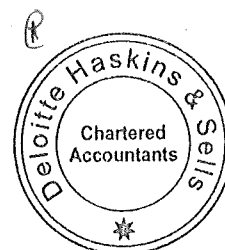
15. OTHER CURRENT ASSETS

(Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest accrued on deposits	16,242	15,432
Interest accrued on loans and advances #	7,480	-
Cenvat Credit receivable on Reverse charge	-	-
Amount recoverable from customers	10,880	-
Amount recoverable from power exchange *	9,053	3,114
Total	43,655	18,546

* Includes Rs.8,983 (in '000) (previous year Rs.2,746 ('000)) recoverable on behalf of customers (Refer Note 33)

Represents Interest on loan given to NSL Renewable



16. REVENUE FROM OPERATIONS

(Rs. in '000)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of Power - trading *	3,33,856	5,25,254
Management service fees #	11,851	4,266
Professional services for sale of Power	7,777	6,129
Professional services for power forecasting & scheduling	13,187	456
Total	3,66,671	5,36,105

* net of penalties of Rs.54,858 ('000) (Previous year Rs.50,879 ('000)).

includes sales to Related parties of an amount of Rs.11,851 ('000) (Previous year Rs.4,266 ('000)) (refer note 24).

17. OTHER INCOME

(Rs. in '000)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on fixed deposits	77,480	74,772
Interest on Income tax refund	-	838
Interest on loans and advances	7,480	-
Foreign exchange gain (net)	71	-
Miscellaneous Income	34	92
Total	85,065	75,702

18. PURCHASE OF POWER - TRADING

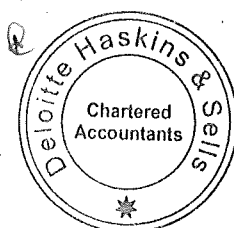
(Rs. in '000)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Purchase of Power	3,73,579	5,45,456
Less: Reversal of provision for foreseeable losses	(27,000)	-
Total	3,46,579	5,45,456

19. EMPLOYEE BENEFITS EXPENSES

(Rs. in '000)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, wages and allowances	77,624	54,644
Contributions to provident fund (refer Note 22)	5,481	4,457
Gratuity expense (refer Note 22)	4,556	2,339
Staff welfare expenses	4,262	2,832
Total	91,923	64,272



20. FINANCE COSTS

(Rs. in '000)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on delayed payment of statutory dues	12	513
Interest on deposits from customers	640	-
Total	652	513

21. OTHER EXPENSES

(Rs. in '000)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Legal and professional	19,823	9,257
Information system support services	11,322	4,326
Management consultancy charges	2,306	938
Rent	18,764	9,581
Office maintenance charges	6,474	4,362
Repair and maintenance - other	1,438	1,296
Travelling and conveyance	8,331	6,517
Vehicle running and maintenance charges	396	560
Foreign exchange loss (net)	-	151
Auditor's remuneration (refer Note 28)	987	905
Meetings and seminars expenses	1,437	646
Recruitment expenses	3,677	489
Communication charges	1,415	1,141
Postage and courier	75	47
Licence fees	5,057	4,869
Newspapers and magazines	1,242	1,110
Goods and Services Tax (GST)/ Service Tax credit written off	11,340	5,924
Power Exchange membership fees #	1,832	2,556
Bank charges	1,215	97
Loss on disposal of fixed assets	1,531	21
Provision for foreseeable losses (also refer note 23(ii))	-	27,000
Deviation Settlement Charges	396	-
Miscellaneous expenses	3,574	2,555
Total	1,02,632	84,348

Net of reimbursements Rs.400 ('000)(Previous Year Rs.823 ('000))



22. Disclosures under Accounting Standard - 15 "Employee Benefits"

(a) Defined contribution plan

The Company makes provident fund contributions to defined contribution plans for employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.5,481 ('000) (Previous year Rs.4,456 ('000)) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Scheme.

(b) Defined benefit plans

Gratuity scheme (Unfunded)

The amount of gratuity has been computed based on respective employee's salary and the years of employment with the Company. Gratuity has been accrued based on actuarial valuation as at the Balance Sheet date, carried out by an independent actuary.

(c) Long term employee benefits

Compensated Absence (Unfunded)

The amount of compensated absence has been computed based on respective employee's salary and the years of employment with the Company. Compensated absence has been accrued based on actuarial valuation as at the Balance Sheet date, carried out by an independent actuary.

(Rs. in '000)

Particulars			Gratuity		Earned Leave	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
A. Expenses recognized in the Statement of Profit and Loss						
Current service cost			2,982	2,252	1,930	1,450
Interest cost on benefit obligation			787	630	431	334
Expected return on Plan Assets			-	-	-	-
Net actuarial (gain)/loss recognised in the year			787	(543)	95	(324)
Total expenses			4,556	2,339	2,456	1,460
B. Actual contribution and benefit payments for the year						
Actual benefit payments			-	703	10	410
C. Net liabilities recognized in the Balance Sheet						
Present value of obligation as at the end of the year			14,768	10,212	8,038	5,592
Fair value of plan assets at the end of the year			-	-	-	-
Funded deficit / difference			(14,768)	(10,212)	(8,038)	(5,592)
Net Liability recognised in Balance Sheet			(14,768)	(10,212)	(8,038)	(5,592)
D. Change in the obligation during the year ended						
Present value of defined benefit obligation at the beginning of the year			10,212	8,576	5,592	4,542
Current service cost			2,982	2,252	1,930	1,450
Interest cost			787	630	431	334
Benefits paid			-	(703)	(10)	(410)
Actuarial (gains)/losses			787	(543)	95	(324)
Present value of obligation at the end of the year			14,768	10,212	8,038	5,592
E. Main actuarial assumptions (refer Note 1 below)						
Discount rate			7.66%	7.71%	7.66%	7.71%
Future salary increase			10.00%	10.00%	10.00%	10.00%
Mortality rate			IALM (2006-08)			
Withdrawal rate			10.00%	10.00%	10.00%	10.00%
Estimate of amount of contribution in the immediate next year			5,169	3,519	1,213	1,313
F. Experience Adjustments (refer Note 2)	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Present value of obligation at the end of the year	14,768	10,212	8,576	5,199	5,774	4,261
Experience adjustment on plan liabilities gain/(loss)	(659)	(139)	189	530	738	(239)

Notes:

- (1) The discount rate is based upon the market yields available on Government Bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate that takes account of inflation, seniority, promotion and other relevant factors on long term basis.
- (2) Experience Adjustments given above is to the extent the information is available.



Statkraft Markets Private Limited
Notes forming part of the financial statement

23. CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for):

(i) Contingent liabilities:

There are no contingent liabilities/ pending litigation except the following as at March 31, 2019.

(In Rs. '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Claims against the Company not acknowledged as debts - Income tax (including interest to the extent indicated in the order)	15,227	15,227

(ii) Other Commitments #

Considering the market scenario, the Company has estimated future profitability on certain contracts which are long term in nature and accordingly estimated provision for foreseeable losses of NIL as at March 31, 2019 (Previous Year Rs.27,000 ('000)).

24. RELATED PARTY DISCLOSURES

In accordance with the requirement of Accounting Standard (AS) -18 on Related Party Disclosures, the names of the related parties where control exists and /or with whom transactions have taken place during the period in the ordinary course of business and description of relationships are:

(a) Name of related parties and their relationships

Name of related party	Nature of relationship
Statkraft Holding Singapore Pte. Ltd.	Holding company
Statkraft AS, Norway	Ultimate holding company
Statkraft India Private Ltd.	Fellow subsidiary
Statkraft Markets GmbH	
Tidong Power Generation Pvt. Ltd. (w.e.f 4 th September 2018)	
Statkraft Markets B.V.	
Statkraft Energi AS	
Statkraft IH Holding AS	
Statkraft Solar Solutions Private Limited	
Maneesh Bhartia	Key management personnel
Marthe Hoff	
Pooja Malhotra	



25. EARNINGS PER SHARE

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Loss for the year (Rs. In '000)	(96,789)	(97,846)
Weighted average number of equity shares (Nos.)	141,906,790	141,906,790
Nominal value per equity share (Rs./share)	10	10
Basic and diluted earning/(loss) per share (in Rs.)	(0.68)	(0.69)

26. EXPENDITURE IN FOREIGN CURRENCY

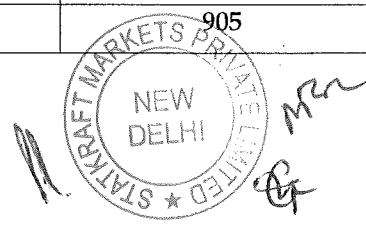
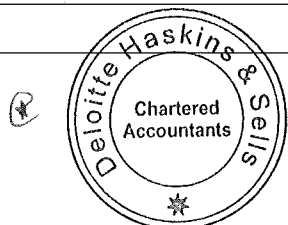
(Rs. in '000)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Professional charges	17,453	9,604
Other expenses	693	1,055
Capital WIP (Software License)	5,059	--
Total	23,205	10,659

27. INCOME IN FOREIGN CURRENCY

(Rs. in '000)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Professional fees	5,933	-
Reimbursement received	137	-
Total	6,070	-

28. AUDITOR'S REMUNERATION

(Rs. in '000)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Payment to the auditors comprises (excluding service tax):		
- For statutory audit	774	724
- For taxation related matters	190	178
- For out-of-pocket expenses	23	3
Total	987	905



29. SEGMENT REPORTING

The Company is engaged in the services of a single segment "Power trading in all electrical forms" in India. Accordingly, the separate primary and secondary segment reporting disclosure as envisaged in AS-17 on Segment Reporting notified under Companies (Accounting Standards) Rules, 2006 is not applicable to the Company.

30. DEFERRED TAXATION

(Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
<u>Deferred Tax Liability (DTL) arising on:</u>		
- Difference in written down value of fixed assets	--	--
<u>Deferred Tax Assets (DTA) arising on:</u>		
- Unabsorbed depreciation and losses carried forward	(79,786)	(48,161)
- Expenses deductible on payment basis	(7,179)	(4,397)
- Provision for foreseeable loss	(-)	(7,511)
- Difference in written down value of fixed assets	(3,405)	(2,439)
Deferred Tax Assets (net)	(90,370)	(62,508)

The Company has not recognized deferred tax assets in absence of virtual certainty that sufficient taxable income will be available in future years, against which such deferred tax asset could be realized.

31. OPERATING LEASE

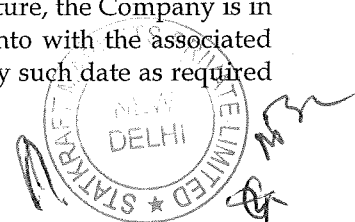
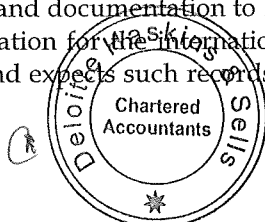
The Company has entered into operating lease arrangements for certain facilities and office premises. The leases for office premises are non-cancellable and are for a period of upto 3 years and may be renewed for a further period of 3 years based on mutual agreement of the parties. The office premises lease agreement provide for an increase in the lease payments by 15% every 3 years.

(Rs. in '000)

Future minimum lease payments	For the year ended March 31, 2019	For the year ended March 31, 2018
- not later than one year	18,483	1,993
- later than one year and not later than five years	23,104	--
- later than five years	--	--
Lease payments recognized in the Statement of Profit and Loss	18,764	9,581

32. TRANSFER PRICING

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by such date as required



Statkraft Markets Private Limited
Notes forming part of the financial statement

under law. The management is of the opinion that its international transactions are at arm's length and the transfer pricing legislation under Section 92-92F of the Income-tax Act, 1961 will not have any impact on the financial statements.

33. Pursuant to the terms agreed with its customer, the Company is acting as an agent and is providing professional services to its customer in relation to sale of power through power exchange and earn the professional charges from their customer based on the total value of transaction occurred. In view of this, the Company bills to power exchange for sale of power on customer's behalf and on receipt of such amount from the power exchange, transfers it to customers account. As at year end, the following balances pertaining to customers are included in other current liabilities/ other current assets:

(Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Amounts payable to customers (being the amount received/recoverable on sale of power on their behalf) (included under other current liabilities)	(21,158)	(20,563)
Amounts recoverable from power exchange on behalf of customers (being the amount receivable on sale of power on their behalf) (included under other current assets)	8,983	2,746
Net amount payable to the customer	(12,175)	(17,817)

34. INVESTOR EDUCATION AND PROTECTION FUND

There were no amounts which were required to be transferred to the Investor Education and Protection Fund as at March 31, 2019.

35. The Company has incurred net loss of INR 96,789 ('000) during the current year and has accumulated losses aggregating Rs 2,44,518 ('000) as on March 31, 2019. The Company's business model is to purchase, sell, distribute, trade, import, export or accumulate all forms of electrical power. In view of the positive network, current ratio and ability to fund the operations and intention to continue as going concern in the next twelve months, the management has prepared the financial statements on a going concern basis.

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

For and on behalf of the Board of Directors



Pooja Malhotra
Pooja Malhotra
 Director

Maneesh Bhartia
Maneesh Bhartia
 Director

DIN - 07343901

DIN - 06949674



Gauri Shankar Mishra
Gauri Shankar Mishra
 Company Secretary
 F-4670

Place: DELHI
 Date: 03-09-2019