



NAVA BHARAT

NAVA BHARAT VENTURES LIMITED

Annual Reports of the Subsidiary Companies 2014-15

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NAVA BHARAT

General Information

Nava Bharat (Singapore) Pte. Limited

MANAGING DIRECTOR

Ashwin Devineni

DIRECTORS

Devineni Ashok

Chalasani Venu Durga Prasad

SECRETARY

Ana Criselda Pangilinan Fresnido

@Pangilinan ana Criselda Punzal

INDEPENDENT AUDITOR

Sashi Kala Devi Associates

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Directors' Report

The directors are pleased to present their report to the member together with the audited financial statements of Nava Bharat (Singapore) Pte. Limited (the "Company") for the financial year ended 31st March, 2015.

1. DIRECTORS

The directors of the Company in office at the date of this report are:

Ashwin Devineni
Devineni Ashok
Chalasanani Venu Durga Prasad

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the

financial year was the Company a party to any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The following directors, who held office at the end of the financial reporting year, had, according to the register of director's shareholdings required to be kept under section 164 of the Singapore Companies Act, Chapter 50, an interest in shares of immediate and ultimate holding company is stated below:

Name of director	Ordinary shares at INR 2 each Held in the name of directors	
	At beginning of year	At end of year
Immediate and ultimate holding company Nava Bharat Ventures Limited		
Ashwin Devineni	1,594,703	1,619,469
Devineni Ashok	1,082,268	1,113,000
Chalasanani Venu Durga Prasad	70,915	70,915

Except as disclosed in the financial statements, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year or end of the financial year.

4. DIRECTORS' CONTRACTUAL BENEFITS

Except as disclosed in the financial statements, since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a Company in which the director has a substantial financial interest.

5. OPTIONS TO TAKE UP UNISSUED SHARES

During the financial year, no option to take up unissued shares of the Company was granted.

6. OPTIONS EXERCISED

During the financial year, there were no shares of the Company issued by virtue of the exercise of options to take up unissued shares.



Statement by Directors

7. UNISSUED SHARES UNDER OPTION

At the end of the financial year, there were no unissued shares of the Company under option.

8. INDEPENDENT AUDITOR

The independent auditor, Sashi Kala Devi Associates has expressed its willingness to accept reappointment as auditor.

On behalf of the board of directors

Ashwin Devineni
Managing Director

Devineni Ashok
Director

Date : 6th May, 2015

STATEMENT BY DIRECTORS

We, Ashwin Devineni and Devineni Ashok, being two of the directors of Nava Bharat (Singapore) Pte. Limited, do hereby state that, in the opinion of the directors,

- (a) the accompanying statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and the results of the business, changes in equity and cash flows of the Company for the year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the board of directors

Ashwin Devineni
Managing Director

Devineni Ashok
Director

Date : 6th May, 2015

Independent Auditor's Report

To the member of

Nava Bharat (Singapore) Pte. Limited

(Co. Reg. No. 200409999D)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Nava Bharat (Singapore) Pte. Limited (the "Company"), which comprise the statement of financial position as at 31 March 2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the

auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 March 2015 and the results, changes in equity and cash flows of the Company for the year ended on that date.

EMPHASIS OF MATTERS

Without qualifying our opinion, we draw attention to the following,

1. Financial support from holding company for working capital loans

The Company is dependent on its holding company to give financial support for its ongoing investments. In addition, the subsidiaries were in their preliminary stages of operations. Therefore, the validity of the going concern assumption on which the financial statements are prepared depends on the successful generation of income from these new businesses and continuous



Independent Auditor's Report

To the member of

Nava Bharat (Singapore) Pte. Limited

(Co. Reg. No. 200409999D)

availability of the financial support from the holding company. The holding company undertakes to give continuous financial support to meet its obligations as and when required.

2. Amount due from subsidiaries

As mentioned above, the subsidiaries are in their initial stages of operations. The loans to subsidiaries as disclosed in note 9 to the financial statements are dependent on the outcome of their businesses and the directors are of the view that the businesses of these subsidiaries will be successful. In the event that these outcomes are not favourable, allowances for impairment for these receivables are required to be made in subsequent years.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Sashi Kala Devi Associates
Public Accountants and
Chartered Accountants

Singapore
Date : 6th May, 2015

Statement of Financial Position

for the financial year ended 31st March, 2015

	Note	2015	2015	2014	2014	2013	2013
		US\$	INR	US\$	INR	US\$	INR
NON-CURRENT ASSETS							
Property, plant and equipment	3	532,179	33,258,527	558,429	33,455,481	402,059	21,857,938
Investment in subsidiaries	4	232,506,523	14,530,495,155	180,977,109	10,842,338,601	97,733,951	5,313,306,246
Investment in unquoted shares	5	99	6,187	99	5,931	99	5,382
Other receivables	6	1,013,460	63,336,183	761,417	45,616,492	568,847	30,925,367
		234,052,261	14,627,096,052	182,297,054	10,921,416,505	98,704,956	5,366,094,933
CURRENT ASSETS							
Trade receivables	7	440,118	27,505,175	1,964,110	117,669,830	1,684,400	91,572,406
Other receivables	6	197,599	12,348,950	6,530,250	391,227,276	5,507,980	299,441,333
Amount due from a subsidiary	8	-	-	2,146,449	128,593,760	2,805,509	152,521,497
Amount due from a related party	9	-	-	5,480	328,307	5,480	297,920
Investment securities		7,888,411	492,986,246	17,573,351	1,052,819,459	6,934,362	376,986,590
Cash and cash equivalents	11	3,867,532	241,701,412	2,432,908	145,755,518	6,597,134	358,653,190
		12,393,660	774,541,783	30,652,548	1,836,394,150	23,534,865	1,279,472,936
CURRENT LIABILITIES							
Other payables	12	180,303	11,268,036	409,756	24,548,482	394,625	21,453,788
Amount due to holding Company	13	24,806,916	1,550,308,216	16,780,059	1,005,293,334	18,859,149	1,025,277,635
Amount due to subsidiaries	14	267,437	16,713,475	269,436	16,141,911	267,436	14,539,158
Interest bearing loans	15	69,558,929	4,347,085,268	53,480,000	3,203,986,800	44,000,000	2,392,060,000
Tax payable	16	343,285	21,453,597	488,828	29,285,685	615,429	33,457,798
		95,156,870	5,946,828,592	71,428,079	4,279,256,212	64,136,639	3,486,788,379
Net current liabilities		(82,763,210)	(5,172,286,809)	(40,775,531)	(2,442,862,062)	(40,601,774)	(2,207,315,443)
Non Current liability							
Interest bearing loans	15	1,666,676	104,158,917	-	-	-	-
Net assets		149,622,375	9,350,650,326	141,521,523	8,478,554,443	58,103,182	3,158,779,490
Equity attributable to equity holder of the Company							
Share Capital	17	154,600,000	9,661,727,000	137,600,000	8,243,616,000	55,600,000	3,022,694,000
Accumulated (loss)/profits		(4,977,625)	(311,076,674)	3,921,523	234,938,443	2,503,182	136,085,490
TOTAL EQUITY		149,622,375	9,350,650,326	141,521,523	8,478,554,443	58,103,182	3,158,779,490

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



Statement of Comprehensive Income

for the financial year ended 31st March, 2015

	Note	2015		2014	
		US\$	INR	US\$	INR
REVENUE	18	44,984,815	2,811,326,014	38,403,503	2,300,753,865
Cost of sales		(44,580,191)	(2,786,039,037)	(38,035,218)	(2,278,689,910)
Gross Profit		404,624	25,286,977	368,285	22,063,955
Other operating income	19	5,791,392	361,933,043	7,245,090	434,053,341
Administrative expenses		(2,155,783)	(134,725,658)	(1,453,771)	(87,095,421)
Other (charges)/credit	20	(9,291,737)	(580,687,104)	(2,231,032)	(133,661,127)
Finance costs	21	(2,726,349)	(170,383,181)	(2,032,432)	(121,763,001)
(Loss)/profit before tax	22	(7,977,853)	(498,575,923)	1,896,140	113,597,747
Income tax expense	23	(921,295)	(57,576,331)	(477,799)	(28,624,938)
(Loss)/profit after tax		(8,899,148)	(556,152,254)	1,418,341	84,972,809
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		(8,899,148)	(556,152,254)	1,418,341	84,972,809

Statement of Changes in Equity

for the financial year ended 31st March, 2015

	Share capital	Accumulated profit/(loss)	Total	
	US\$	US\$	US\$	INR
Balance at 31st March, 2013	55,600,000	2,503,182	58,103,182	3,631,158,359
Issue of ordinary shares	82,000,000	-	82,000,000	5,124,590,000
Total comprehensive income for the year	-	1,418,341	1,418,341	88,639,221
Balance at 31st March, 2014	137,600,000	3,921,523	141,521,523	8,844,387,580
Issue of ordinary shares	17,000,000	-	17,000,000	1,062,415,000
Total comprehensive loss for the year	-	(8,899,148)	(8,899,148)	(556,152,254)
Balance at 31st March, 2015	154,600,000	(4,977,625)	149,622,375	9,350,650,326

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

Cash Flow Statement

for the financial year ended 31st March, 2015

	2015	2015	2014	2014
	US\$	INR	US\$	INR
CASH FLOWS FROM OPERATING ACTIVITIES				
(Loss)/profit before tax	(7,977,853)	(498,575,923)	1,896,140	113,597,747
Adjustments for:				
Allowance for impairment on amount due from a subsidiary	2,258,264	141,130,209	-	-
Impairment loss on investment in subsidiaries	950,000	59,370,250	-	-
Bad debts written off:				
- Amount due from a related party	6,160	384,969	-	-
- Amount due from subsidiary	-	-	853,564	51,137,019
Legal and other expenses claims recoverable written off	6,297,319	393,550,951	-	-
Investment in a subsidiary written off	1,000	62,495	-	-
Depreciation of property, plant and equipment	26,250	1,640,494	26,027	1,559,278
Interest income from a subsidiary	(5,326,126)	(332,856,244)	(6,487,465)	(388,664,028)
Fair value (gain)/loss on investment securities	(243,293)	(15,204,596)	1,377,461	82,523,689
Interest expenses	2,726,349	170,383,181	1,443,019	86,451,268
Operating loss before working capital changes	(1,281,930)	(80,114,214)	(891,254)	(53,395,027)
Decrease/(Increase) In Trade Receivables	1,523,992	95,241,880	(279,710)	(16,757,426)
Increase In Other Receivables	(216,711)	(13,543,354)	(1,214,840)	(72,781,064)
Decrease/(Increase) in amount Due to holding Company	1,693,315	105,823,721	(2,262,175)	(135,526,904)
(Decrease)/Increase In Other Payables	(229,453)	(14,339,665)	15,131	906,498
Cash generated from/(used in) operations	1,489,213	93,068,368	(4,632,848)	(277,553,923)
Foreign tax paid	(275,037)	(17,188,437)	(127,609)	(7,645,055)
Tax paid	(791,801)	(49,483,603)	(476,791)	(28,564,549)
Net cash flows from/(used in) operating activities	422,375	26,396,328	(5,237,248)	(313,763,527)



Cash Flow Statement

for the financial year ended 31st March, 2015

	2015	2015	2014	2014
	US\$	INR	US\$	INR
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of plant and equipment	-	-	(182,397)	(10,927,404)
Proceeds from issue of shares	17,000,000	1,062,415,000	82,000,000	4,912,620,000
Proceeds from disposal of subsidiary	16,000	999,920	-	-
Purchase of investment securities	-	-	(12,016,450)	(719,905,520)
Proceeds from disposal of investment securities	9,928,233	620,464,921	-	-
Increase in investment in subsidiary	(370,000)	(23,123,150)	(2,000)	(119,820)
Fixed deposits (over 3 months period)	(1,800,000)	(112,491,000)	-	-
Net cash flows from investing activities	24,774,233	1,548,265,691	69,799,153	4,181,667,256
CASH FLOWS FROM FINANCING ACTIVITIES				
Decrease in amounts due from subsidiaries	(111,815)	(6,987,878)	(659,060)	(39,484,285)
Increase in loans to subsidiaries	(52,126,414)	(3,257,640,243)	(82,776,602)	(4,959,146,226)
Interest received from subsidiary	5,326,126	332,856,244	6,487,465	388,664,028
Increase in amount due from related party	(680)	(42,497)	-	-
Increase in amount due to holding company	6,333,542	395,814,707	183,085	10,968,622
(Decrease)/increase in amounts due to subsidiaries	(1,999)	(124,928)	2,000	119,820
Loans interest paid	(2,726,349)	(170,383,181)	(1,443,019)	(86,451,268)
Proceeds from short term loans	17,745,605	1,109,011,584	9,480,000	567,946,800
Net cash flows used in financing activities	(25,561,984)	(1,597,496,192)	(68,726,131)	(4,117,382,509)
Net decrease in cash and cash equivalents	(365,376)	(22,834,173)	(4,164,226)	(249,478,780)
Cash and cash equivalents at beginning of the year	2,432,908	152,044,585	6,597,134	395,234,298
Cash and cash equivalents at end of the year (Note 11)	2,067,532	129,210,412	2,432,908	145,755,518

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

Notes

to the Financial Statements 31st March, 2015

These notes are an integral part of and should be read in conjunction with the accompanying financial statements.

1. CORPORATE INFORMATION

The Company is a private Company limited by shares incorporated and domiciled in Singapore and its immediate and ultimate holding Company is Nava Bharat Ventures Limited, a Company incorporated in India.

The registered office of the Company is located at 120, lower Delta Road, #05-14, Cendex Centre, Singapore 169208.

The principal activities of the Company are to carry on the business of general trading and exporters of natural minerals, coal, ferro alloys, ores and alloys. There have been no significant changes in the principal activities during the financial year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS).

The financial statements have been prepared on a historical cost basis except where otherwise described in the accounting policies below.

The financial statements are presented in Singapore Dollar (USD or US\$) and all values are rounded to the nearest one-dollar unless otherwise stated.

The accounting policies adopted are consistent with those used in the previous financial year except in current financial year, the Company has adopted all applicable new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the current financial year. The adoption of these new and revised FRS and INT FRS did not result in any changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

Standards issued but not yet effective

The Company has not adopted the following standards and interpretations which are potentially relevant to the Company that has been issued but not yet effective:

	Effective date (Annual periods beginning on or after)
FRS 109 Financial Instruments	1st January, 2018
Amendments to FRS19: Defined Benefits Plans Employee Contributions	1st July, 2014
Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	1st January, 2016
Improvements to FRSs (January 2014)	
– Amendment to FRS 16 Property, Plant and Equipment	1st July, 2014
– Amendment to FRS 24 Related Party Disclosures	1st July, 2014
Improvements to FRSs 2014 (November 2014)	
FRS 107 Financial Instruments: Disclosures	1st January, 2016
FRS 19 Employee Benefits	1st January, 2016
Amendment to FRS 1 Disclosures Initiative	1st January, 2016

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application.



Notes

to the Financial Statements 31st March, 2015

Consolidated Financial Statements (Non-consolidated)

The financial statements of the subsidiaries have not been consolidated with the Company's financial statements as the Company itself is a wholly owned subsidiary of Nava Bharat Ventures Limited, incorporated in India, which prepares consolidated financial statements on a worldwide basis. Such financial statements are publicly available.

The registered address of Nava Bharat Ventures Limited is Nava Bharat Chambers, 6-3-1109/1, Raj Bhavan Road, Hyderabad – 500 082.

Investments in subsidiaries in the financial statements of the Company are stated at cost, less any impairment in recoverable value.

(b) Significant accounting estimates and judgements

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities, and disclosure of contingent liabilities at the end of each reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

- Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond

the control of the Company. Such changes are reflected in the assumptions when they occur.

- (i) Useful lives of plant and equipment

The cost of plant and equipment is depreciated on a straight-line basis over the plant and equipment's estimated economic useful lives. Management estimates the useful lives of these plant and equipment to be within 1 to 60 years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, therefore, future depreciation charges could be revised. The carrying amount of the plant and equipment at the end of the reporting period is disclosed in Note 3 to the financial statements. A 5% difference in the expected useful lives of these assets from management's estimates would result in insignificant variance in the profit before tax.

- (ii) Impairment of investment in subsidiary

The Company assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets

Notes

to the Financial Statements 31st March, 2015

with similar credit risk characteristics. The carrying amount of the Company's investment in subsidiaries at the end of the reporting period is disclosed in Note 4 to the financial statements.

- Judgement made in applying accounting policies

The management in the opinion that there were no material judgements made by management in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(c) Functional and foreign currency

The management has determined the currency of the primary economic environment in which the Company operates i.e. functional currency, to be USD.

Foreign currency transactions

Transactions in foreign currencies are measured in USD and are recorded on initial recognition at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are re-translated to the functional currency at the rate of exchange ruling at the end of the reporting period. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of initial recognition. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

(d) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of

property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold buildings	-	60 years
Motor vehicles	-	10 years
Office equipment	-	3 years
Renovation	-	3 years
Computer	-	1 year

Fully depreciated assets are retained in the financial statements until they are no longer in use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

(e) Subsidiaries

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.



Notes

to the Financial Statements 31st March, 2015

(f) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When a financial asset is recognised initially, an entity shall measure it at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of financial asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by FRS 39. Derivatives including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

The Company has not designated any financial assets upon initial recognition at fair value through profit or loss.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in profit or loss.

(ii) Held-to-maturity investment

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Company has the positive intention and ability to hold the investments to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the held-to-maturity investments are derecognised or impaired, and through the amortisation process.

(iii) Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loan and receivables comprise cash and cash equivalents, trade receivables and other receivables, amount due from subsidiaries and amount due from a related party.

(iv) Available-for-sale financial assets

Available-for-sale financial assets include equity and debt securities. Equity investment classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses

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arising from changes in the fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

De-recognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchase or sale of a financial asset

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place concerned.

(g) Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

(i) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company first assesses whether objective

evidence of impairment exists individually for financial asset that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The loss is recognised in the profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amount charged to the allowance account is written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.



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If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(ii) Financial assets carried at cost

If there is objective evidence that an impairment loss on a financial asset carried at cost has been incurred (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) the impairment loss is recognised and the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(iii) Available-for-sale financial assets

In the case of equity investments classified as available-for-sale, objective evidence of impairment include (i) significant financial difficulty of the issuer or obligor, (ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and (iii) a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is to be evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

If an available-for-sale financial assets is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from other comprehensive income and recognised in profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

(h) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that a non-financial asset, may be impaired. If any such an indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash generation unit to which the asset belongs.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

(i) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

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to the Financial Statements 31st March, 2015

When a financial liability is recognised initially, an entity shall measure it at its fair value plus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of financial liability.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

The Company has not designated any financial liabilities upon initial recognition at fair value through profit or loss.

(ii) Financial liabilities at amortised cost

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability

and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss.

(j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position, when and only when, there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at bank.

(l) Other payables

Other payables are non-interest bearing and have an average term of six months.

(m) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(n) Borrowing costs

Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds. All borrowing costs are expensed in the period they occur except



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to the extent that they are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset.

(o) Employee benefits

(i) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

In particular, the Company makes contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. These contributions are recognised as an expense in the period in which the related service is performed.

(ii) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees.

(p) Contingencies

A contingent liability is:

- (a) a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event or events not wholly within the control of the Company, or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or

- (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

A contingent liabilities and assets are not recognised on the balance sheet of the Company except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

(q) Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Government grant shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as "Other income". Alternatively, they are deducted in reporting the related expenses.

(r) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes. The following specific recognition criteria must also be met before revenue is recognised:

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(i) Sales of goods

Revenue from sale is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(ii) Trading in investment securities

Profit on sale of investment and trading securities, options and futures is recognised on settlement date

(iii) Interest income

Interest income is recognised using the effective interest method.

(s) Share capital and share issue expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

(t) Share capital

Ordinary shares

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

(u) Taxes

(i) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period.

Current income taxes are recognised in the profit or loss except to the extent that tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.



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to the Financial Statements 31st March, 2015

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax ("GST") except:

- Where the goods and services tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the goods and services tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of goods and services tax included.

The net amount of goods and services tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

(v) Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Company if that person:
 - (i) Has control or joint control over the Company;
 - (ii) Has significant influence over the Company; or
 - (iii) Is a member of the key management personnel of the Company or of a parent of the Company.
- (b) An entity is related to the Company if any of the following conditions applies:
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) Both entities are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;

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to the Financial Statements 31st March, 2015

- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

	Leasehold building	Office Equipment	Motor vehicle	Computer	Renovation	Total	Total
	US\$	US\$	US\$	US\$	US\$	US\$	INR
3. PROPERTY, PLANT AND EQUIPMENT							
Cost:							
At 1st April, 2013	463,528	7,975	-	5,626	84,033	561,162	35,069,819
Additions	-	-	180,500	1,897	-	182,397	11,398,901
At 31st March, 2014 and 1st April, 2014	463,528	7,975	180,500	7,523	84,033	743,559	46,468,720
Additions	-	-	-	-	-	-	-
At 31st March, 2015	463,528	7,975	180,500	7,523	84,033	743,559	46,468,720
Accumulated depreciation:							
At 1st April, 2013	61,803	7,975	-	5,292	84,033	159,103	9,943,142
Charge for the year	7,725	-	16,546	1,756	-	26,027	1,626,557
At 31st March, 2014 and 1st April, 2014	69,528	7,975	16,546	7,048	84,033	185,130	11,569,699
Charge for the year	7,725	-	18,050	475	-	26,250	1,640,494
At 31st March, 2015	77,253	7,975	34,596	7,523	84,033	211,380	13,210,193
Net carrying amount:							
At 31st March, 2014	394,000	-	163,954	475	-	558,429	34,899,021
At 31st March, 2015	386,275	-	145,904	-	-	532,179	33,258,527
INR	24,140,256	-	9,118,270	-	-	33,258,527	



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to the Financial Statements 31st March, 2015

	2015	2015	2014	2014
	US\$	INR	US\$ (Reclassified)	INR (Reclassified)
4. INVESTMENT IN SUBSIDIARIES				
Unquoted shares, at cost	130,597,465	8,161,688,575	30,885,505	1,850,350,605
Impairment loss	(950,000)	(59,370,250)	-	-
	129,647,465	8,102,318,325	30,885,505	1,850,350,605
Loan to subsidiary	102,859,058	6,428,176,830	150,091,604	8,991,987,996
	232,506,523	14,530,495,155	180,977,109	10,842,338,601

Details of the subsidiary at 31st March, 2015 are as follows:-

Name and principal activities	Country of incorporation	Cost of investments				Effective equity interest held by Company	
		2015	2015	2014	2014	2015	2014
		US\$	INR	US\$	INR	%	%
+Maamba Collieries Limited (Mining activity and thermal power plant) (1)	Zambia	129,275,465	8,079,070,185	29,916,505	1,792,297,815	65	65
Nava Bharat Lao Energy Pte. Ltd. (Investment holding)	Singapore	370,000	23,123,150	1,000	59,910	100	100
Nava Energy Pte. Ltd	Singapore	1,000	62,495	1,000	59,910	100	100
*NB Tanagro Limited (Dormant) (2)	Tanzania	1,000	62,495	-	-	100	-
*NB Rufiji Limited (Dormant)	Tanzania	#	-	-	-	100	-
*Kariba Infrastructure Development Limited (Dormant)	Zambia	#	-	-	-	100	-
*PT Nava Bharat Sungai Cuka (3) (Dormant)	Indonesia	475,000	29,685,125	475,000	28,457,250	95	95
*PT Nava Bharat Indonesia (Dormant) (3)	Indonesia	475,000	29,685,125	475,000	28,457,250	95	95
Kobe Green Power & Co., Ltd. (4) (Hydropower plant)	Japan	-	-	16,000	958,560	-	80

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to the Financial Statements 31st March, 2015

Name and principal activities	Country of incorporation	Cost of investments				Effective equity interest held by Company	
		2015	2015	2014	2014	2015	2014
		US\$	INR	US\$	INR	%	%
Nava Bharat Africa Resources Pvt Limited (Dormant) (5)	Mauritius	-	-	1,000	59,910	-	100
		130,597,465	8,161,688,575	30,885,505	1,850,350,605		
Held through Nava Bharat Lao Energy Pte. Ltd. +Namphak Power Company Limited (Hydropower plant)	Laos	168,000	10,499,160	-	-	70	-

+ : Audited by firm other than Sashi Kala Devi Associates

* : Unaudited financial statements

: Insignificant investment during the year

- (1) During the year, the amount due from subsidiary relating to Maamba Collieries Limited amounting to USD 99,358,960 (2014: Nil) is converted to equity as an additional investment in the subsidiary.
- (2) During the financial year, the Company has incorporated a wholly owned subsidiary NB Tanagro Limited in Tanzania with an initial paid up share capital of USD 1,000 and has not commenced business operation since the date of incorporation.
- (3) During the financial year, the Company has fully impaired its investment in PT Nava Bharat Sungai Cuka and PT Nava Bharat Indonesia, of USD 475,000 each as the subsidiaries are dormant since the date of incorporation. On 30 March 2015, the Company intended to strike off its subsidiary PT Nava Bharat Sungai Cuka and PT Nava Bharat Indonesia.
- (4) On 27th February, 2015, the Company entered into a sale and purchase agreement to dispose of 80%

equity interest in a subsidiary, Kobe Green Power & Co., Ltd., for a sale consideration of USD 16,000.

- (5) Nava Bharat Africa Resources Pvt Limited, a wholly owned subsidiary of the Company has been strike off and the cost of investment was written off during the year.

Loans to subsidiaries

The amounts are non-trade, unsecured, - convertible into investments at future date and interest-free except for an amount of USD 98,607,210 – INR 6,162,457,589 (2014: USD 139,334,855 – INR 8,347,551,163) which is charged at interest rate of 6% (2014: 6%) per annum.

The directors are of the view that these amounts are recoverable although the subsidiaries are in preliminary stages of operation as they are of the opinion that these subsidiaries will successfully generate income in future.

	2015	2015	2014	2014
	US\$	INR	US\$	INR
5. INVESTMENT IN UNQUOTED SHARES				
Available for sale financial assets				
Unquoted equity shares, at cost	99	6,187	99	5,931



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to the Financial Statements 31st March, 2015

	2015	2015	2014	2014
	US\$	INR	US\$	INR
6. OTHER RECEIVABLES				
Non-Current asset				
Amount due from a third party	1,013,460	63,336,183	761,417	45,616,492
Current asset				
Deposits	1,500	93,743	-	-
Interest receivable from investment securities	76,500	4,780,868	201,695	12,083,547
Legal and other expenses claims recoverable	-	-	6,297,319	377,272,381
Prepayment	118,394	7,399,033	29,306	1,755,722
Sundry receivables	1,205	75,306	1,930	115,626
	197,599	12,348,950	6,530,250	391,227,276

As at 31st March, 2015, the legal and other expenses claim recoverable was written off.

The amount due from a third party is non-trade, unsecured, interest-free, and is repayable at disinvestment of interest in step down subsidiary Namphak Hydro Power Company or otherwise mutually agreed with third party.

7. TRADE RECEIVABLES

Trade receivables are non-interest bearing and are generally on 30 to 90 days' terms. They are recognised at their original invoice amounts which represents their fair values on initial recognition.

Receivables that are past due but not impaired

The Company assesses at the end of each reporting period whether there is objective evidence that trade and other receivables are impaired.

The Company has trade receivables amounting to Nil (2014: USD 111,240) that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis of their aging at the end of the reporting period is as follow:

	2015	2015	2014	2014
	US\$	INR	US\$	INR
Trade receivables past due but not impaired:				
More than 120 days	-	-	111,240	6,664,388

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to the Financial Statements 31st March, 2015

	2015	2015	2014	2014
	US\$	INR	US\$	INR
8. AMOUNT DUE FROM A SUBSIDIARY				
Non-trade	2,258,264	141,130,209	2,146,449	128,593,760
Allowance for impairment:				
Charge for the year	(2,258,264)	(141,130,209)	-	-
	-	-	2,146,449	128,593,760

The amount due is unsecured, interest-free, and is repayable on demand and is to be settled in cash.

9. AMOUNT DUE FROM A RELATED PARTY

The amount due was non-trade, unsecured, interest-free, and was written off during the year.

	2015	2015	2014	2014
	US\$	INR	US\$	INR
10. INVESTMENT SECURITIES				
Investments held for trading:				
Debt securities	4,196,900	262,285,266	10,610,438	635,671,341
Commodity linked options	3,691,511	230,700,980	6,962,913	417,148,118
	7,888,411	492,986,246	17,573,351	1,052,819,459

The investment securities are charge to a bank as a security for a bank loan (note 15)

	2015	2015	2014	2014
	US\$	INR	US\$	INR
11. CASH AND CASH EQUIVALENTS				
Cash and bank balances	2,067,532	129,210,412	2,432,908	145,755,518
Fixed deposit	1,800,000	112,491,000	-	-
	3,867,532	241,701,412	2,432,908	145,755,518
Less: Fixed deposit under lien	1,800,000	112,491,000	-	-
Cash and cash equivalent as stated in cash flow	2,067,532	129,210,412	2,432,908	145,755,518

Short-term deposit is made for 3 months period and pledged as a security for bank loan (note 15), and earn interest rate of 0.3 % per annum.



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to the Financial Statements 31st March, 2015

Cash and cash equivalents denominated in foreign currency at 31st March, is as follows:

	2015	2015	2014	2014
	US\$	INR	US\$	INR
Singapore Dollars	160,929	10,057,258	42,001	2,516,280

	2015	2015	2014	2014
	US\$	INR	US\$	INR
12. OTHER PAYABLES				
Accrued liabilities	13,524	845,182	14,000	838,740
Advance received from customer	-	-	287,370	17,216,337
Sundry payable	4,264	266,479	5,000	299,550
Interest payable	162,515	10,156,375	103,386	6,193,855
	180,303	11,268,036	409,756	24,548,482

Other payable denominated in foreign currency as at 31st March, is as follows:

	2015	2015	2014	2014
	US\$	INR	US\$	INR
Singapore Dollars	4,264	266,479	5,000	299,550

	2015	2015	2014	2014
	US\$	INR	US\$	INR
13. AMOUNTS DUE TO HOLDING COMPANY				
Trade	18,082,135	1,130,043,027	16,388,820	981,854,206
Non-trade	724,781	45,295,189	391,239	23,439,128
Loan	6,000,000	374,970,000	-	-
	24,806,916	1,550,308,216	16,780,059	1,005,293,334

The amounts due are unsecured, interest-free, and repayable on demand and is to be settled in cash except for loan bears interest rate of 5% per annum, repayable by 31st July, 2015 and to be settled in cash.

14. AMOUNT DUE TO SUBSIDIARIES

The amount due is non-trade, unsecured, interest-free, and repayable on demand and is to be settled in cash.

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to the Financial Statements 31st March, 2015

	2015	2015	2014	2014
	US\$	INR	US\$	INR
15. INTEREST BEARING LOANS				
Current:				
Bank loan (secured)				
Loan 1	5,558,937	347,405,768	9,480,000	567,946,800
Bank loan (unsecured)				
Loan 2	44,000,000	2,749,780,000	44,000,000	2,636,040,000
Loan 3	19,999,992	1,249,899,500	-	-
	69,558,929	4,347,085,268	53,480,000	3,203,986,800
Non-Current:				
Bank loan (unsecured)				
Loan 3	1,666,676	104,158,917	-	-
	1,666,676	104,158,917	-	-

Secured bank loans

Loan 1

The loan is secured by a charge of investment securities (note 10) and bears interest rate ranges from 1.1% to 1.15% (2014: 1.1%) per annum.

Unsecured bank loans

Loan 2

The loan is guaranteed by its holding Company and bears an interest rate of 4.4% (2014: 3.4%) per annum.

Loan 3

The loan is secured by a deed on purchase and sales agreement on ferro alloys, assignment of receivables, fixed deposit (note 11) and guaranteed by its holding company. It bears interest rate of 3.4% per annum and is repayable by April 2016.

	2015	2015	2014	2014
	US\$	INR	US\$	INR
16. TAX PAYABLE				
Balance at the beginning of year	488,828	30,549,306	615,429	36,870,351
Current year's tax expense on profit	343,285	21,453,596	560,220	33,562,780
Income tax paid	(791,801)	(49,483,603)	(476,791)	(28,564,549)
Under/(over) provision in respect of prior years	302,973	18,934,298	(210,030)	(12,582,897)
Balance at end of year	343,285	21,453,597	488,828	29,285,685



Notes

to the Financial Statements 31st March, 2015

	2015	2015	2015	2014	2014	2014
	Number of ordinary shares	US\$	INR	Number of ordinary shares	US\$	INR
17. SHARE CAPITAL						
Issued and fully paid						
At beginning of the year	137,606,870	137,600,000	8,599,312,000	55,606,870	55,600,000	3,330,996,000
Issued during the year	17,000,000	17,000,000	1,062,415,000	82,000,000	82,000,000	4,912,620,000
At end of the year	154,606,870	154,600,000	9,661,727,000	137,606,870	137,600,000	8,243,616,000

During the financial year, 17,000,000 (2014: 82,000,000) new ordinary shares of were issued and allotted for total cash consideration of USD 17,000,000 – INR 1,062,415,000 (2014: USD 82,000,000 – INR 4,912,620,000). The proceeds were used for working capital purposes;

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value, carry one vote per share without restrictions.

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to the Financial Statements 31st March, 2015

18. REVENUE

Revenue represents income from sale of minerals, coal, ores and alloys.

	2015	2015	2014	2014
	US\$	INR	US\$	INR
19. OTHER OPERATING INCOME				
Interest income on:				
- debt securities	458,889	28,678,268	609,895	36,538,809
- loans to subsidiary	5,326,126	332,856,244	6,487,465	388,664,028
- bank account	-	-	53	3,175
Premium on commodity linked options	-	-	147,677	8,847,329
Government grant - PIC bonus payment	6,377	398,531	-	-
	5,791,392	361,933,043	7,245,090	434,053,341

	2015	2015	2014	2014
	US\$	INR	US\$	INR
20. OTHER CHARGES/ (CREDIT)				
Allowance for impairment on amount due from a subsidiary	2,258,264	141,130,209	-	-
Impairment loss on investment in subsidiaries	950,000	59,370,250	-	-
Investment in a subsidiary written off	1,000	62,495	-	-
Bad debts written off:				
- Amount due from a related party	6,160	384,969	-	-
- Amount due from subsidiary	22,287	1,392,826	853,564	51,137,019
Legal and other expenses recoverable written off	6,297,319	393,550,951	-	-
Fair value (gain)/loss on investment securities	(243,293)	(15,204,596)	1,377,461	82,523,689
Foreign exchange adjustments - loss	-	-	7	419
	9,291,737	580,687,104	2,231,032	133,661,127

	2015	2015	2014	2014
	US\$	INR	US\$	INR
21. FINANCE COSTS				
Guarantee Commission	574,272	35,889,129	539,253	32,306,647
Facility fee	50,185	3,136,312	50,160	3,005,086
Interest expense on bank loans	2,101,892	131,357,740	1,443,019	86,451,268
	2,726,349	170,383,181	2,032,432	121,763,001



Notes

to the Financial Statements 31st March, 2015

22. (LOSS)/ PROFIT BEFORE TAX

The (loss)/ profit before tax is arrived at after charging

	2015		2014	
	US\$	INR	US\$	INR
Purchases	44,580,192	2,786,039,099	38,035,218	2,278,689,910
Project expenditure	179,977	11,247,663	291,534	17,465,802
Overseas travel expenses	202,194	12,636,114	93,615	5,608,475
Legal expenses	530,705	33,166,409	-	-

23. INCOME TAX EXPENSE

(i) Major components of income tax expense

The major components of income tax expense for the years ended 31st March, are:

	2015		2014	
	US\$	INR	US\$	INR
Statement of comprehensive income:				
- Current year	343,285	21,453,596	560,220	33,562,780
- Under/(over) provision in respect of prior years	302,973	18,934,298	(210,030)	(12,582,897)
- Withholding tax expense	275,037	17,188,437	127,609	7,645,055
	921,295	57,576,331	477,799	28,624,938

(ii) Relationship between tax expense and accounting (loss)/ profit

The reconciliation between the tax expense and the product of accounting (loss)/profit multiplied by the applicable tax rate for the years ended 31st March, are as follows:

	2015		2014	
	US\$	INR	US\$	INR
(Loss)/profit before tax	(7,977,853)	(498,575,923)	1,856,140	111,201,347
Tax expense on (loss)/profit before tax at 17% (2014: 17%)	(1,356,235)	(84,757,906)	322,343	19,311,569
Adjustments:				
Non-deductible expenses	1,743,825	108,980,343	200,848	12,032,804
Income not subject to taxation	-	-	82,437	4,938,801
Enhanced allowances	-	-	(967)	(57,933)
Under/(over) provision in prior years	302,973	18,934,298	(210,030)	(12,582,897)
Tax exemptions	(20,576)	(1,285,897)	(20,590)	(1,233,547)

Notes

to the Financial Statements 31st March, 2015

23. INCOME TAX EXPENSE (CONTD.)

	2015	2015	2014	2014
	US\$	INR	US\$	INR
Deferred tax liability/(asset) not recognised for current year	81	5,062	(24)	(1,438)
Corporate income tax rebate	(23,810)	(1,488,006)	(23,827)	(1,427,476)
Withholding tax expense	275,037	17,188,437	127,609	7,645,055
Total tax expense	921,295	57,576,331	477,799	28,624,938

	2015	2015	2014	2014
	US\$	INR	US\$	INR
24. EMPLOYEE BENEFITS				
Employee benefits expense (including directors):				
Salaries and bonuses	991,678	61,974,917	811,905	48,641,229
Central provident fund contributions	16,146	1,009,044	17,257	1,033,867
	1,007,824	62,983,961	829,162	49,675,096

25. CONTINGENT ASSETS AND LIABILITIES

Legal Proceeding

The Company is involved in lawsuits and claims against third parties in respect of the legality of the coal mine ownership of its subsidiary P.T Nava Bharat Sungai Cuka (Note 4), and for the money paid, and compensation for the conspiracy on the rights of the coal mine. The Company is claiming for an amount of approximately USD 44.83 million for compensation of future continuing loss of profits as against the amount spent of approximately USD 6.3 million paid for the rights of the coal mine and legal expenses. As at the date of this report, the above lawsuits are still on going.

During the year, the legal claims recoverable for the for the rights of the coal mine were written off (note 6)

Continuing financial support

As at 31st March, 2015, the Company had given undertakings to certain subsidiaries to provide financial support to enable them to operate as going concerns and to meet their obligations for at least 12 months from the respective dates of their directors' report.

26. RELATED PARTY DISCLOSURES

In addition to those related party information disclosed elsewhere in the financial statements, the following significant transactions between the Company and related parties that took place at terms agreed between the parties during the financial year:



Notes

to the Financial Statements 31st March, 2015

(i) Significant related party transactions

	2015	2015	2014	2014
	US\$	INR	US\$	INR
Ultimate holding company				
- Purchases	44,580,192	2,786,039,099	38,035,218	2,278,689,910
- Loan	6,000,000	374,970,000	-	-
- Interest on loan	56,667	3,541,404	-	-
- Guarantee commission	574,272	35,889,129	539,253	32,306,647
Subsidiaries				
- Expenses paid on behalf	1,357,078	84,810,590	1,021,406	61,192,433
- Loans	45,000,000	2,812,275,000	76,000,000	4,553,160,000
- Loan interest	4,589,646	286,829,927	6,300,942	377,489,435

(ii) Compensation of Key Management Personnel

Key management personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling the activities, directly or indirectly, of the Company. The directors of the Company and the general management of the Company are considered as key management personnel of the Company.

	2015	2015	2014	2014
	US\$	INR	US\$	INR
Director's fees	-	-	703,200	42,128,712
Director's remuneration	882,974	55,181,460	-	-
Short term employee benefits	16,145	1,008,982	-	-

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, foreign currency risk, market risk credit risk and liquidity risk. The Company's risk management policies focus on the unpredictability of financial markets and seek to, where appropriate, minimise potential adverse effects on the financial performance of the Company. The Company does not have any written financial risk management policies and guidelines and there has been no change to the company's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for the management of these risks.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company and the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from their loans and borrowings, interest-bearing loans given to subsidiaries and from ultimate holding company, investments in debt securities and cash and cash equivalent.

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to the Financial Statements 31st March, 2015

The Company's policy is to manage its interest cost using a mix of fixed and variable rate debts as well as by rolling over its borrowings on a short-term basis.

Sensitivity analysis for interest rate risk

Movements in interest rates will have an impact on the Company's loans and borrowings. A change of 50 basis points (bp) in interest rates at the reporting date would change equity and profit before tax by USD 295,586 (2014: USD 221,942) and USD 356,128 (2014: USD 267,400) respectively. This analysis assumes that all other variables remain constant.

(ii) Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Company has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the functional currency. The foreign currencies in which these transactions are denominated are mainly Singapore Dollars (SGD). The Company's trade receivable and trade payable balances at the end of the reporting period have similar exposures. The Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes.

The Company does not use any financial derivatives such as foreign currency forward contracts, foreign currency options or swaps for hedging purposes.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Company's profit before tax to a reasonably possible change in the Singapore Dollars (SGD) with all other variables held constant.

	Profit before tax			
	2015	2015	2014	2014
	US\$	INR	US\$	INR
SGD				
- Strengthened 9% (2014: 2%)	19,940	1,246,150	(1,059)	(63,445)
- Weakened 9% (2014: 2%)	(19,940)	(1,246,150)	1,059	63,445

(iii) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities, cash and short-term deposit), the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Company trades only with recognised and creditworthy third parties. It is the Company's

policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

● Exposure to credit risk

At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. No other financial assets carry a significant exposure to credit risk.



Notes

to the Financial Statements 31st March, 2015

- **Credit risk concentration profile**

At the end of the reporting period, there were no significant concentrations of credit risk. The maximum exposures to credit risk in relation to each class of recognised financial assets is represented by the carrying amount of each financial asset as indicated in the statement of financial position.

- **Financial assets that are neither past due nor impaired**

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Company. Cash and short term deposits, investment securities that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

- **Financial assets that are either past due or impaired**

There were no financial assets that are past due or impaired at the end of the reporting period.

- (iv) **Market risk**

Market price risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Company is exposed to equity price risk arising from its investment in quoted equity instruments. These instruments are quoted in the SGX-ST in Singapore and are classified as held-for-trading.

- Sensitivity analysis for equity price risk**

The sensitivity analysis below is based on the assumption that a change of market prices by 10% (2014:10%) in the underlying quoted equities at the reporting date would increase/decrease profit before tax by the following amounts. This analysis assumes that all other variables remain constant.

Quoted investments	Profit before tax			
	1000 bp increase	1000 bp increase	1000 bp decrease	1000 bp decrease
	US\$	INR	US\$	INR
2015	788,841	49,298,618	(788,841)	(47,259,464)
2014	1,757,335	109,824,651	(1,757,335)	(105,281,940)

- (v) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from possible mismatches of the maturities of financial assets and liabilities. The Company's approach to manage liquidity is to ensure that, as far as possible, it will always have

sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The company ensures that it has sufficient cash on demand to meet expected operational demands, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted.

Notes

to the Financial Statements 31st March, 2015

Analysis of financial instruments by remaining contractual maturities

The table below analyses the maturity profile of the Company's financial assets and financial liabilities at the end of reporting period, based on contractual undiscounted repayment obligations.

	Total		Total		Within one year		Within 2 to 5 years	
	US\$	INR	US\$	INR	US\$	INR	US\$	INR
2015								
Financial assets:								
Trade receivables	440,118	27,505,175	440,118	27,505,175	-	-	-	-
Other receivables	1,092,665	68,286,099	1,092,665	68,286,099	-	-	-	-
Investment securities	7,888,411	492,986,246	7,888,411	492,986,246	-	-	-	-
Cash and cash equivalents	3,867,532	241,701,412	3,867,532	241,701,412	-	-	-	-
Total undiscounted financial assets	13,288,726	830,478,932	13,288,726	830,478,932	-	-	-	-

	Total		Total		Within one year		Within 2 to 5 years	
	US\$	INR	US\$	INR	US\$	INR	US\$	INR
2015								
Financial liabilities:								
Interest bearing loans	72,928,825	4,557,686,918	71,257,388	4,453,230,463	1,671,437	104,456,455	-	-
Other payables	180,303	11,268,036	-	-	-	-	-	-
Amount due to holding company	24,806,916	1,550,308,216	-	-	-	-	-	-
Amount due to subsidiaries	267,437	16,713,475	-	-	-	-	-	-
Total undiscounted financial liabilities	98,183,481	6,135,976,645	71,257,388	4,453,230,463	1,671,437	104,456,455	-	-
Total net undiscounted financial liabilities	(84,894,755)	(5,305,497,713)	(57,968,662)	(3,622,751,531)	(1,671,437)	(104,456,455)	-	-



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to the Financial Statements 31st March, 2015

	Total	Total	Within one year		Within 2 to 5 years	
	US\$	INR	US\$	INR	US\$	INR
2014						
Financial assets:						
Trade receivables	1,964,110	117,669,830	1,964,110	117,669,830	-	-
Other receivables	7,262,361	435,088,048	7,262,361	435,088,048	-	-
Investment securities	17,573,351	1,052,819,459	17,573,351	1,052,819,459	-	-
Amount due from subsidiaries	2,146,449	128,593,760	2,146,449	128,593,760	-	-
Amount due from a related party	5,480	328,307	5,480	328,307	-	-
Cash and cash equivalents	2,432,908	145,755,518	2,432,908	145,755,518	-	-
Total undiscounted financial assets	31,384,659	1,880,254,922	31,384,659	1,880,254,922	-	-

	Total	Total	Within one year		Within 2 to 5 years	
	US\$	INR	US\$	INR	US\$	INR
2014						
Financial liabilities:						
Interest bearing loans	54,477,333	3,263,737,020	54,477,333	3,263,737,020	-	-
Other payables	22,386	1,341,145	22,386	1,341,145	-	-
Amount due to holding company	16,780,059	1,005,293,334	16,780,059	1,005,293,334	-	-
Amount due to subsidiaries	269,436	16,141,911	269,436	16,141,911	-	-
Total undiscounted financial liabilities	71,549,214	4,286,513,410	71,549,214	4,286,513,410	-	-
Total net undiscounted financial liabilities	(40,164,555)	(2,406,258,488)	(40,164,555)	(2,406,258,488)	-	-

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to the Financial Statements 31st March, 2015

28. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting period by FRS 39 categories.

	2015	2015	2014	2014
	US\$	INR	US\$	INR
Fair value through profit and loss				
Investment securities	7,888,411	492,986,246	17,573,351	1,052,819,459
Loans and receivables				
Trade receivables	440,118	27,505,175	1,964,110	117,669,830
Other receivables	1,211,059	75,685,132	6,530,250	391,227,278
Amount due from subsidiaries	-	-	2,146,449	128,593,760
Amount due from a related party	-	-	5,480	328,307
Cash and cash equivalents	3,867,532	241,701,412	2,432,908	145,755,518
	5,518,709	344,891,719	13,079,197	783,574,693
Financial liabilities at amortised cost				
Other payables	180,303	11,268,036	122,386	7,332,145
Amount due to holding company	24,806,916	1,550,308,216	16,780,059	1,005,293,334
Amount due to subsidiaries	267,437	16,713,475	269,436	16,141,911
Interest bearing loans and borrowings	71,225,605	4,451,244,184	53,480,000	3,203,986,800
	96,480,261	6,029,533,911	70,651,881	4,232,754,190

29. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Fair value hierarchy

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Company can access at the measurement date,

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.



Notes

to the Financial Statements 31st March, 2015

(i) Fair value of financial instruments that are carried at fair value

The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy:

	Quoted prices in active markets for identical instruments (Level 1)			
	2015	2015	2014	2014
	US\$	INR	US\$	INR
Financial assets:				
Held for trading investments (Note 10)				
- Investment securities at fair value	7,888,411	492,986,246	17,573,351	1,052,819,459

(ii) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Current trade and other receivables and other payables, amount due from/(to) subsidiaries, amount due from a related party and amount due from a director at fixed rate, Current interest bearing loans.

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

Capital includes debt and equity items as disclosed in the table below.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31st March, 2015 and 31st March, 2014. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company is not subjected to externally imposed capital requirements

The Company will continue to be guided by prudent financial policies of which gearing is an important aspect.

30. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong

	2015	2015	2014	2014
	US\$	INR	US\$	INR
Interest bearing loans and borrowings	71,225,605	4,451,244,184	53,480,000	3,203,986,800
Other payables	180,303	11,268,036	409,756	7,332,145
Amount due to holding company	24,806,916	1,550,308,216	16,780,059	1,005,293,334
Amount due to subsidiaries	267,437	16,713,475	269,436	16,141,911
Less: Cash and cash equivalents	(3,867,532)	(241,701,412)	(2,432,908)	(145,755,518)
Net debt	92,612,729	5,787,832,499	68,506,343	4,086,998,672
Equity attributable to the equity holder of the Company	149,622,375	9,350,650,326	141,521,523	8,478,554,443
Total capital	149,622,375	9,350,650,326	141,521,523	8,478,554,443
Capital and net debt	242,235,104	15,138,482,825	210,027,866	12,565,553,115
Gearing ratio	38%	38%	33%	33%

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to the Financial Statements 31st March, 2015

31. RECLASSIFICATIONS AND COMPARATIVE FIGURES

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with current year's financial statements. As a result, certain line items have been amended on the face of statement of financial position and the related notes to the financial statements. Comparative figures have been adjusted to conform with current year's presentation.

The items reclassified were as follows:

	Previously reported		Reclassification		After reclassification	
	US\$	INR	US\$	INR	US\$	INR
Statement of financial position						
Current assets						
Amount due from subsidiaries	152,238,053	9,120,581,755	(150,091,604)	(8,991,987,996)	2,146,449	128,593,760
Other receivables	7,291,667	436,843,770	(761,417)	(45,616,492)	6,530,250	391,227,278
Non-current assets						
Investment in subsidiaries	30,885,505	1,850,350,605	150,091,604	8,991,987,996	180,977,109	10,842,338,600
Other receivables	-	-	761,417	45,616,492	761,417	45,616,492
	190,415,225	11,407,776,130	-	-	190,415,225	11,407,776,130

32. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31st March, 2015 were authorised for issue in accordance with a resolution of the directors on 6th May, 2015.

Note: Indian Rupee equivalent figures have been arrived at by applying the year end interbank rate US\$ 1 = ₹ 62.495 (31.03.2014 - US\$ 1 = ₹ 59.91 and 31.03.2013 - US\$1 = ₹ 54.365) do not form part of the report of Nava Bharat (Singapore) Pte. Limited as made out in accordance with laws of the Country of incorporation.



General information

Maamba Collieries Limited

Country of incorporation and domicile	Zambia
Company registration number	6364
Taxpayer identification number	1001594184
Nature of business and principal activities	Coal mining and power generation
Directors	Ashok Devineni Ashwin Devineni G R K Prasad E S S Nebwe R Mushinge D Simukoko
Registered office	P.O.Box 99 Maamba
Business address	Maamba Mine Maamba
Bankers	Standard Chartered Bank Zambia Plc Barclays Bank Zambia Plc Zambia National Commercial Bank Plc Industrial and Commercial Bank of China
Auditors	BDO
Advocates	Kalakoni and Co Wilson and Cornhill Theotis Mataka and Sampa
Secretary	P K F Consulting Zambia Limited
Holding company	Nava Bharat (Singapore) Pte Ltd incorporated in Singapore (64.49%), ZCCM Investment Holdings Plc (35%)
Ultimate holding company	Nava Bharat Ventures Limited incorporated in India
Investment licence	ZDA 639/01/2010

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Independent Auditor's Report

To the members of
Maamba Collieries Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Maamba Collieries Limited which comprise the statement of financial position as at 31 March 2015, the statement of comprehensive income, statement of changes in equity, the statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes as set out on pages 7 to 42.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of Zambia and such internal controls as directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements

in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion, the financial statements present fairly, in all material respects, the financial position of Maamba Collieries Limited as at 31 March 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of Zambia.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Companies Act of Zambia requires that in carrying out an audit, we consider whether or not a company has kept the accounting records and registers as required by this Act. We confirm that in our opinion the accounting records, other records and registers required by the Companies Act of Zambia have been properly kept by the company, so far as it appears from our examination of those records.

BDO
Chartered Accountants

W P Saunders
Partner
M/PC 0000560

Date : 5th May, 2015

Note: Page Nos.7 to 42 in the above statement may be referred as 46 to 85 in this Annual Report.

Directors' Responsibilities and Approval

The directors are required by the Companies Act of Zambia to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates. The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying,

assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 30 April 2016 and, in the light of this review and the current financial position, they are satisfied that the company has adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on page 3. The financial statements set out on pages 5 to 42, which have been prepared on the going concern basis, were approved by the board of directors on 5th May, 2015 and were signed on its behalf by:

Ashwin Devineni
Director

R Mushinge
Director

Note: Page Nos.5 to 42 in the above statement may be referred as 46 to 85 in this Annual Report.
Page no.3 may be referred to as page 42 in this Annual Report.



Directors' Report

The directors submit their report for the year ended 31st March, 2015.

1 REVIEW OF ACTIVITIES

The company's core activities are coal mining and power generation.

The operating results and state of affairs of the company are fully set out in the attached financial statements and do not in our opinion require any further comment.

The company's turnover for the year was USD 14,596,385 - INR 912,201,081 (2014 : USD 13,874,837 - INR 831,241,485) and profit after tax was USD 68,844 - INR 4,302,406 (2014: loss USD 4,287,235 - INR 256,848,249).

2 GOING CONCERN

As described under the basis of preparation of the financial statements in note 1.1, the company is dependent on the shareholders, related parties, suppliers and the company's bankers to meet its financial obligations for the foreseeable future. In the opinion of the directors, there is no significant risk that the financial support will not continue. These financial statements do not include any adjustments that would result from the failure to obtain such support. The company has also put in place other measures to ensure the company continues as a going concern as detailed in note 1.1.

3 PROPERTY, PLANT AND EQUIPMENT

During the year, the company acquired property, plant and equipment amounting to USD 161,496,406 - INR 10092,717,893 (2014 - USD 142,473,542 - INR 8535,589,901) and disposed of property, plant and equipment with an original cost of USD 90,530 - INR 5,657,672 (2014 - USD 158,590 - INR 9,501,127).

4 AUTHORISED AND ISSUED SHARE CAPITAL

On 28th August, 2014, following a resolution passed on 18th July, 2014, the company allotted 1,041,709,906 shares at a face value of ZMW 1 each. These were allotted in the ratio 65:35 respectively between Nava Bharat (Singapore) and ZCCM IH.

5 POST BALANCE SHEET EVENTS

The directors are not aware of any material matter or circumstance arising since the end of the financial year and to the date of approval of this report that require disclosure or adjustment to these financial statements.

6 HEALTH AND SAFETY

The company is committed to ensuring the health, safety and welfare at work of its employees and for protecting other persons against risks to health or safety arising out of, or in connection with the activities at work of those employees.

7 STAFF

The average number of employees during the year was 227 (2014:215) and the total remuneration paid was USD 3,148,729 - INR 196,779,819 (2014 : USD 2,904,454 - INR 174,005,839).

8 DIRECTORS

The directors of the company during the year and to the date of this report were as follows:

Name	Nationality
Ashok Devineni	Indian
Ashwin Devineni	Singaporean
G R K Prasad	Indian
E S S Nebwe	Zambian
R Mushingge	Zambian
D Simukoko	Zambian

The directors' remuneration for the year was nil (2014 : nil).

9 HOLDING COMPANY

The company's immediate holding company is Nava Bharat (Singapore) Pte Ltd incorporated in Singapore which has a 64.49% equity interest in the company. Its ultimate holding company is Nava Bharat Ventures Limited incorporated in India. ZCCM Investment Holdings Plc, has a 35 % equity interest in the company.

10 SECRETARY

The secretary of the company is P K F Consulting Zambia Limited.

11 EXPORTS

USD 150,312 - INR 9,393,748 (2014 : USD 307,048 - INR 18,395,748) worth of coal were exported by the company from Zambia during the year.

12 AUDITORS

Having indicated their willingness to continue in office, a resolution proposing the re-appointment of BDO as auditors will be put to the Annual General Meeting.

By order of the board
PKF Consulting Zambia Limited
P O Box 70998, Ndola, Zambia
SECRETARY

Date: 5th May, 2015



Statement of Financial Position

for the year ended 31st March, 2015

	Note	2015		2014 (Restated)		1st April, 2013 (Restated)	
		USD	INR	USD	INR	USD	INR
ASSETS							
Non-current assets							
Property, plant and equipment	3	390,940,661	24,431,836,609	232,291,756	13,916,599,102	92,752,458	5,042,487,379
Intangible assets	4	16,409	1,025,480	35,925	2,152,267	55,441	3,014,050
Deferred revenue expenditure	5	2,099,099	131,183,192	4,343,205	260,201,412	6,867,989	373,378,222
Inventories	6	25,956,028	1,622,121,970	28,766,840	1,723,421,384	24,370,308	1,324,891,794
		419,012,197	26,186,167,251	265,437,726	15,902,374,165	124,046,196	6,743,771,445
Current assets							
Inventories	6	2,300,114	143,745,625	2,433,363	145,782,778	2,563,808	139,381,422
Trade and other receivables	7	3,424,268	213,999,628	8,449,758	506,225,003	3,871,771	210,488,830
Prepayment for thermal power plant	7	12,567,957	785,434,473	16,599,236	994,460,229	24,609,110	1,337,874,265
Cash and cash equivalents	15	3,695,641	230,959,085	2,992,446	179,277,439	5,731,152	311,574,078
		21,987,980	1,374,138,811	30,474,803	1,825,745,449	36,775,841	1,999,318,595
TOTAL ASSETS		441,000,177	27,560,306,062	295,912,529	17,728,119,614	160,822,037	8,743,090,040
EQUITY AND LIABILITIES							
Equity							
Share capital and subscriptions	8	193,537,350	12,095,116,688	229,192,267	13,730,908,716	146,485,750	7,963,697,798
Translation reserve		5,323,022	332,662,260	5,476,533	328,099,092	14,250,243	774,714,461
Accumulated loss		(95,192,194)	(5,949,036,164)	(95,261,038)	(5,707,088,787)	(90,973,803)	(4,945,790,800)
		103,668,178	6,478,742,784	139,407,762	8,351,919,021	69,762,190	3,792,621,459
Non-current liabilities							
Amounts due to related parties	10	91,219,158	5,700,741,279	-	-	-	-
Long term payables	11	1,154,662	72,160,602	1,812,084	108,561,953	3,195,318	173,713,463
Environmental rehabilitation provisions	14	754,984	47,182,725	3,133,126	187,705,580	3,538,907	192,392,679
		93,128,804	5,820,084,606	4,945,210	296,267,533	6,734,225	366,106,142
Current liabilities							
Trade and other payables	9	112,161,792	7,009,551,191	84,777,096	5,078,995,822	3,109,659	169,056,611
Amounts due to related parties	10	37,401,561	2,337,410,555	15,161,525	908,326,962	4,103,650	223,094,932
Long term payables	11	782,169	48,881,652	829,721	49,708,585	-	-
Borrowings	12	93,850,249	5,865,171,311	50,769,845	3,041,621,414	77,048,123	4,188,721,207
Current tax payable	16	7,424	463,963	21,370	1,280,277	64,190	3,489,689
		244,203,195	15,261,478,672	151,559,557	9,079,933,060	84,325,622	4,584,362,439
TOTAL LIABILITIES		337,331,999	21,081,563,278	156,504,767	9,376,200,593	91,059,847	4,950,468,581
TOTAL EQUITY AND LIABILITIES		441,000,177	27,560,306,062	295,912,529	17,728,119,614	160,822,037	8,743,090,040

The responsibility of the company's directors with regard to the preparation of the financial statements is set out on page 5.

The financial statements on pages 5 to 42 were approved by the board of directors on 5th May 2015 and were signed on its behalf by:

Ashwin Devineni
Director

R Mushingge
Director

Note: Page Nos. 5 and 5 to 42 in the above statement may be referred as 46 and 46 to 85 in this Annual Report respectively.

Statement of Comprehensive Income

for the year ended 31st March, 2015

	Note	2015		2014 (Restated)	
		USD	INR	USD	INR
Revenue	19	14,596,385	912,201,081	13,874,837	831,241,485
Cost of sales	20	(7,109,451)	(444,305,141)	(4,836,803)	(289,772,868)
Gross profit		7,486,934	467,895,940	9,038,034	541,468,617
Other trading income		226,795	14,173,554	109,518	6,561,223
Operating expenses		(4,588,820)	(286,778,306)	(6,956,190)	(416,745,343)
Operating profit		3,124,909	195,291,188	2,191,362	131,284,497
Fair value adjustments of non interest bearing long term liabilities	11	(558,447)	(34,900,145)	(710,022)	(42,537,418)
Finance charges	22	(2,489,772)	(155,598,301)	(5,747,205)	(344,315,052)
Profit / (loss) before taxation	21	76,690	4,792,742	(4,265,865)	(255,567,973)
Taxation	17	(7,846)	(490,336)	(21,370)	(1,280,277)
Profit / (loss) after tax		68,844	4,302,406	(4,287,235)	(256,848,250)
Other comprehensive income					
Translation differences		(153,511)	(9,593,670)	(8,773,710)	(525,632,966)
TOTAL COMPREHENSIVE (LOSS) FOR THE YEAR		(84,667)	(5,291,264)	(13,060,945)	(782,481,216)



Statement of Changes in Equity - restated

for the year ended 31st March, 2015

	Share capital	Subscriptions	Translation reserve	Accumulated loss	Total	Total
	USD	USD	USD	USD	USD	INR
Balance at 1st April, 2013	40,677,412	105,808,338	14,250,243	(90,973,803)	69,762,190	4,359,788,064
Balance at 1st April, 2013 - restated	40,677,412	-	14,250,243	(90,973,803)	(36,046,148)	(2,252,704,019)
Balance at 1st April, 2013 - restated	40,677,412	105,808,338	14,250,243	(90,973,803)	69,762,190	4,359,788,064
Total comprehensive (loss) for the year	-	-	-	(4,287,235)	(4,287,235)	(267,930,751)
Translation reserve	-	-	(8,773,710)	-	(8,773,710)	(548,313,006)
Subscriptions awaiting allotment	-	82,706,517	-	-	82,706,517	5,168,743,780
TOTAL CHANGES	-	82,706,517	(8,773,710)	(4,287,235)	69,645,572	4,352,500,023
Balance at 31st March, 2014 - restated	40,677,412	188,514,855	5,476,533	(95,261,038)	139,407,762	8,712,288,086
Balance at 1st April, 2014 - restated	40,677,412	188,514,855	5,476,533	(95,261,038)	139,407,762	8,712,288,086
Total comprehensive profit for the year	-	-	-	68,844	68,844	4,302,406
Translation reserve	-	-	(153,511)	-	(153,511)	(9,593,670)
Shares allotted during the year	152,859,938	(152,859,938)	-	-	-	-
Surplus subscriptions transferred to shareholders' loans	-	(35,654,917)	-	-	(35,654,917)	(2,228,254,038)
TOTAL CHANGES	152,859,938	(188,514,855)	(153,511)	68,844	(35,739,584)	(2,233,545,302)
BALANCE AT 31ST MARCH, 2015	193,537,350	-	5,323,022	(95,192,194)	103,668,178	6,478,742,784
Note	8	8				

Statement of Cash Flows

for the year ended 31st March, 2015

	Note	2015		2014 (Restated)	
		USD	INR	USD	INR
Cash flows from operating activities					
Cash generated from operations	23	46,955,021	2,934,454,038	87,728,040	5,255,786,876
Translation reserve		(153,511)	(9,593,670)	(8,773,710)	(525,632,966)
Taxation paid	16	(21,792)	(1,361,891)	(64,190)	(3,845,623)
Net cash from operating activities		46,779,718	2,923,498,477	78,890,140	4,726,308,287
Cash flows from investing activities					
Purchase of property, plant and equipment	3	(161,496,406)	(10,092,717,893)	(142,473,542)	(8,535,589,901)
Proceeds from disposal of property, plant and equipment		108,091	6,755,147	65,080	3,898,943
Net movement in amounts due to/from related parties	10	113,459,193	7,090,632,267	11,057,876	662,477,351
Net cash (used by) investing activities		(47,929,122)	(2,995,330,479)	(131,350,586)	(7,869,213,607)
Cash flows from financing activities					
Surplus subscriptions to shareholders' loans		(35,654,917)	(2,228,254,038)	-	-
Subscriptions awaiting allotment	8	-	-	82,706,517	4,954,947,433
Movement in borrowings	12	43,080,404	2,692,309,847	(27,237,572)	(1,631,802,938)
Movement in long term payables	11	(704,974)	(44,057,350)	-	-
Movement in environmental rehabilitation provisions	14	(2,378,142)	(148,621,984)	-	-
Finance costs	22	(2,489,772)	(155,598,301)	(5,747,205)	(344,315,052)
Net cash from financing activities		1,852,599	115,778,174	49,721,740	2,978,829,443
Total cash movement for the year		703,195	43,946,172	(2,738,706)	(164,075,877)
Cash at the beginning of the year		2,992,446	187,012,913	5,731,152	343,353,316
TOTAL CASH AT END OF THE YEAR	15	3,695,641	230,959,085	2,992,446	179,277,439



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to the Financial Statements for the year ended 31st March, 2015

ACCOUNTING POLICIES

1 PRESENTATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with International Financial Reporting Standards, and the Companies Act of Zambia. The financial statements have been prepared on the historical cost basis in Zambian Kwacha and incorporate the principal accounting policies set out below. The company's functional currency is Zambian Kwacha. These accounting policies are consistent with the previous period. Where necessary, the comparative figures have been adjusted to conform with changes in presentation in the current year.

The financial statements are prepared in United States Dollars based on Zambian Kwacha audited financial statements under historical cost convention.

Basis of preparation

1.1 Going concern

The company meets its financial requirements through financial support from the shareholders, related parties, suppliers and the company's bankers. On the basis of the business plan, the directors have formed a judgment that shareholders' support will continue for the foreseeable future. The directors are satisfied that at the time of approval of these financial statements, there was no significant concern that the shareholders will not continue providing financial support. On this basis the directors consider it appropriate to prepare these statements on a going concern basis. The shareholders have also pledged continued support into foreseeable future by granting a letter of support. The financial support removes uncertainty regarding the ability to continue as a going concern.

The company's current liabilities exceeded its current assets by USD 222,215,215 - INR 13,887,339,861 at 31st March, 2015 (2014: USD 121,084,754 - INR 7,254,187,612). The company has accumulated losses amounting

to USD 95,192,194 (2014: USD 95,261,038). During the year the company reported a profit after tax of USD 68,844 - INR 4,302,406 (2014: loss USD 4,287,235 - INR 256,848,249).

The company has put in place measures to ensure that the business remains a going concern.

Power plant division

In 2012 the company signed an agreement with the Zambia Electricity Supply Corporation (ZESCO) for the construction of a power plant. The project is expected to produce 300MW. The project cost has been estimated at a total cost of USD 830 million. The project has been financed by a combination of debt as well as contributions from shareholders. The first phase of the project is expected to be commissioned in May 2015.

The company now intends to maintain divisional accounts for the mining and power plant separately.

The power generation project is expected to generate revenues of up to USD 20 million each month from sales to ZESCO. ZESCO will in turn sell the power to its consumer base. This project is expected to improve the profitability position of the company.

Mining division

The mining division going forward will provide the power plant with thermal grade coal required for the operation of the power plant. This power plant will consume a significant amount of coal produced from the mining division. To date over one million tonnes of coal have been accumulated by the company in anticipation for the commencement of this power generation project. This will result in the mining division increasing its production output which will be sold to the power division. This will improve the profitability of the operations of the mining division.

Accordingly, the financial statements are prepared on the basis of accounting applicable to a going concern. This basis presumes that funds will be

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available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

1.2 Significant judgements

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgment is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements.

The more significant areas requiring the use of management estimates and assumptions relate to ore reserve that are the basis of future cash flow estimates and unit-of-production depreciation, depletion and amortisation calculations; environmental, reclamation and closure obligations; estimates of recoverable coal and other materials in heap leach pads; asset impairments/reversals; write-downs of inventory to net realisable value; post-employment, post-retirement and other employee benefit liabilities and the fair value of financial instruments. Significant judgements include:

Trade receivables

The company assesses its trade receivables for impairment at each balance sheet date. In determining whether an impairment loss should be recorded in the income statement, the company makes judgments as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Allowance for slow moving, damaged and obsolete inventory

An allowance for inventory to write inventory down to the lower of cost or net realisable value is made by management based on the made estimates of the selling price and direct cost to

sell the slow moving/damaged inventory. The write down is included in the operating results.

Provision for environmental rehabilitation obligations

The company has long-term remediation obligations comprising decommissioning and restoration liabilities relating to its past operations which are based on the group's environmental management plans, in compliance with current environmental and regulatory requirements. Provisions for non-recurring remediation costs are made when there is a present obligation, it is probable that expenditure on remediation work will be required and the cost can be estimated within a reasonable range of possible outcomes. The costs are based on currently available facts, technology expected to be available at the time of the clean up, laws and regulations presently or virtually certain to be enacted and prior experience in remediation of contaminated sites.

The company has recognised a provision for environmental restoration costs based on an independent environmental impact assessment report by an independent consultant. The value recognised is the present value of the estimated future restoration costs attributable to the current period.

Coal reserves estimates

An ore reserve estimate is an estimate of the amount of product that can be economically and legally extracted from the company's properties. In order to calculate coal reserve, estimates and assumptions are required about a range of geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, commodity prices and exchange rates. Estimating the quantity and/or grade of ore reserve requires the size, shape and depth of orebodies to be determined by analysing geological data such as the logging



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and assaying of drill samples. This process may require complex and difficult geological judgments and calculations to interpret the data.

Taxation

Judgemental is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The company recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the company to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the company to realise the net deferred tax assets recorded at the balance sheet date could be impacted.

Carrying value of tangible assets

All mining assets are amortised using the units-of-production method where the mine operating plan calls for production from well-defined ore reserve over proven and probable reserves.

For mobile and other equipment, the straight-line method is applied over the estimated useful life of the asset which does not exceed the estimated mine life based on proved and probable ore reserve as the useful lives of these assets are considered to be limited to the life of the relevant

mine. The calculation of the units-of-production rate of amortisation could be impacted to the extent that actual production in the future is different from current forecast production based on proved and probable ore reserve. This would generally arise when there are significant changes in any of the factors or assumptions used in estimating ore reserve. These factors could include:

- changes in proved and probable ore reserve;
- the grade of ore reserve may vary significantly from time to time;
- differences between actual commodity prices and commodity price assumptions;
- unforeseen operational issues at mine sites;
- changes in capital, operating, mining, processing and reclamation costs, discount rates and foreign exchange rates; and
- changes in ore reserves could similarly impact the useful lives of assets depreciated on a straight-line basis, where those lives are limited to the life of the mine.

The recoverable amounts of cash generating units and individual assets have been determined based on the higher of value in use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the coal price assumption may change which may then impact the estimated life of the mine and may then require a material adjustment to the carrying value of tangible assets.

The company defers stripping costs incurred during the production stage of its open-pit operations, for those operations, where this is the most appropriate basis for matching the costs against the related economic benefits. This is generally the case where there are fluctuations in stripping costs over the life of the mining area. In the production stage of the open-pit operations,

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to the Financial Statements for the year ended 31st March, 2015

further development of the mine requires a phase of unusually high overburden removal activity that is similar in nature to preproduction mine development. The costs of such unusually high overburden removal activity are deferred and charged in subsequent periods.

Deferred stripping costs during the development phase of the mine are included in 'Mine development costs', within tangible assets. These form part of the total investment in the relevant cash-generating unit, which is reviewed for impairment if events or a change in circumstances indicate that the carrying value may not be recoverable. Amortisation of deferred stripping costs is included in operating results.

Significant Accounting policies

1.3 Current versus non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. An asset as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

1.4 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the company; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of



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the replaced part is derecognised. Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Item	Average useful life
Leasehold land and buildings	3.33%
Machinery	20%
Motor vehicles	25%
Office equipment, furniture and fixtures	20%
Computer software	20%
Plant	5%
Mine developments	Life of mining areas
Aircraft	10%

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate. The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.5 Financial instruments

Classification

The company classifies financial assets and financial liabilities into the following categories:

Classification depends on the purpose for which the financial instruments were obtained/incurred and takes place at initial recognition. For financial instruments which are not at fair value through profit or loss, classification is re-assessed on an annual basis.

Loans to/(from) group companies

These include loans to and from holding companies and fellow subsidiaries are recognised initially at fair value plus direct transaction costs.

Loans to group companies are classified as loans and receivables.

Loans from group companies are classified as financial liabilities measured at amortised cost.

Loans to shareholders, directors, managers and employees.

These financial assets are classified as loans and receivables.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and considered indicators that the trade receivable is impaired.

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The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in the income statement. Trade and other receivables are classified as loans and receivables.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

Bank overdraft and borrowings

Bank overdrafts and borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the company's accounting policy for borrowing costs.

1.6 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a

liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset. Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises: at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that:

- at the time of the transaction, affects neither accounting profit nor taxable profit/(tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses and unused to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.



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Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, directly in equity, or
- a business combination.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly to equity.

1.7 Inventories

Thermal grade coal inventories are measured at the lower of cost and net realisable value.

Inventories include processed coal, ore stockpiles, coal in process and supplies and spares and are measured at the lower of cost or net realisable value.

Thermal grade coal inventories are transferred to non current assets as it will only be consumed by the thermal power plant currently under construction and expected to be commissioned in the year 2016.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs. The

cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.8 Coal reserve estimates

An ore reserve estimate is an estimate of the amount of product that can be economically and legally extracted from the company's properties. In order to calculate coal reserve, estimates and assumptions are required about a range of geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, commodity prices and exchange rates. Estimating the quantity and/or grade of ore reserve requires the size, shape and depth of orebodies to be determined by analysing geological data such as the logging and assaying of drill samples. This process may require complex and difficult geological judgments and calculations to interpret the data.

1.9 Environmental expenditure

The company has long-term remediation obligations comprising decommissioning and restoration liabilities relating to its past operations which are based on the group's environmental management plans, in

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compliance with current environmental and regulatory requirements. Provisions for non-recurring remediation costs are made when there is a present obligation, it is probable that expenditure on remediation work will be required and the cost can be estimated within a reasonable range of possible outcomes. The costs are based on currently available facts, technology expected to be available at the time of the clean up, laws and regulations presently or virtually certain to be enacted and prior experience in remediation of contaminated sites.

1.10 Decommissioning costs

The provision for decommissioning represents the cost that will arise from rectifying damage caused before production commences. Accordingly, a provision is recognised and a decommissioning asset is recognised and included within mine infrastructure.

Decommissioning costs are provided at the present value of the expenditures expected to settle the obligation, using estimated cash flows based on current prices. The unwinding of the decommissioning obligation is included in the income statement. Estimated future costs of decommissioning obligations are reviewed regularly and adjusted as appropriate for new circumstances or changes in law or technology. Changes in estimates are capitalised or reversed against the relevant asset.

Estimates are discounted at a pre-tax rate that reflects current market assessments of the time value of money. Gains or losses from the expected disposal of assets are not taken into account when determining the provision.

1.11 Restoration costs

The provision for restoration represents the

cost of restoring site damage after the start of production. Changes in the provision are recorded in the income statement as a cost of production.

Restoration costs are estimated at the present value of the expenditures expected to settle the obligation, using estimated cash flows based on current prices and adjusted for risks specific to the liability. The estimates are discounted at a pre-tax rate that reflects current market assessments of the time value of money.

1.12 Deferred revenue expenditure

Deferred costs include expenditure incurred to develop new orebodies, to define further mineralisation in existing ore bodies and to expand the capacity of a mine. These costs are amortised from the date on which commercial production begins. Deferred stripping costs are accounted for as a non-current asset and are expensed based on the life of mining areas.

1.13 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities.

1.14 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted. The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.



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Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the company's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

The company contributes to National Pensions Scheme Authority (NAPSA) for its eligible employees as provided for by law. Membership is compulsory and monthly contributions by both employer and employees are made. The company also contributes to Workers Compensation Fund Control Board in accordance with the requirement of Act No. 10 of 1999 of the laws of Zambia. Membership is compulsory and contributions are made by the employer.

1.15 Provisions and contingencies

Provisions are recognised when:

- the company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation. Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a

separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If the entity has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when the entity:

- has a detailed formal plan for the restructuring, identifying at least:
 - the business or part of a business concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for terminating their services;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented;
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

After their initial recognition contingent liabilities are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

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Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 25.

1.16 Turnover

Turnover comprises sales to customers. Turnover is stated at the invoice amount exclusive of value added taxation. Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, mineral royalties and value added tax. The sale of mining products is recognised when the significant risks and rewards of ownership of the products are transferred to the buyer. Interest is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the company.

1.17 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Zambian Kwacha, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. At each balance sheet date:

- foreign currency monetary items are translated using the closing rate; year end exchange rate: USD 1 = ZMW7.5767 (2014 : ZMW 6.1031).
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and

- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise. When a gain or loss on a non-monetary item is recognised directly in equity, any exchange component of that gain or loss is recognised directly in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

1.18 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.



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The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred, and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards and interpretations

The Company applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1st January, 2014. The nature and the impact of each new standard and amendment is described below:

Offsetting Financial Assets and Financial Liabilities - Amendments to IAS 32

These amendments clarify the meaning of 'currently has a legally enforceable right to set-off' and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting and is applied retrospectively. These amendments have no impact on the Company, since none of the entities in the Company has any offsetting arrangements.

Annual Improvements 2010-2012 Cycle

In the 2010-2012 annual improvements cycle, the IASB issued seven amendments to six standards, which included an amendment to IFRS 13 Fair Value

Measurement. The amendment to IFRS 13 is effective immediately and, thus, for periods beginning at 1st January, 2014, and it clarifies in the Basis for Conclusions that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial. This amendment to IFRS 13 has no impact on the Company.

Annual Improvements 2011-2014 Cycle

In the 2011-2014 annual improvements cycle, the IASB issued four amendments to four standards, which included an amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment to IFRS 1 is effective immediately and, thus, for periods beginning at 1st January, 2014, and clarifies in the Basis for Conclusions that an entity may choose to apply either a current standard or a new standard that is not yet mandatory, but permits early application, provided either standard is applied consistently throughout the periods presented in the entity's first IFRS financial statements. This amendment to IFRS 1 has no impact on the Company, since the Company is an existing IFRS preparer. Aside from the above change in accounting policies, the Company has not elected to change the method of accounting for land and buildings classified as property, plant and equipment on 1st January, 2014.

2.1 Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

2.2 IAS 32 - Financial Instruments (Amendments to standards)

Amendment to IAS 32 are effective for annual periods on or after 1st January, 2014 and are applied retrospectively. The amendments do not change the current offsetting model in IAS 32, which requires an entity to offset a financial asset and financial liability in the statement of financial position only when the entity currently has a

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legally enforceable right of set-off and intends either to settle the asset and liability on a net basis or to realise the asset and settle the liability simultaneously. The amendments clarify that;

- the right of set-off must be available today - that is, it is not contingent on a future event. It also must be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy.
- gross settlement mechanisms (such as through a clearing house) with features that both (i) eliminate credit and liquidity risk and (ii) process receivables and payables in a single settlement process, are effectively equivalent to net settlement and they would therefore satisfy the IAS 32 criterion in these instances. Masters netting agreements where the legal right of offset is only enforceable on the occurrence of some future event, such as default of the counterparty, continue not to meet settings requirements.

IFRS 2 Share-based Payment

This improvement is applied prospectively and clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions, including:

- A performance condition must contain a service condition
- A performance target must be met while the counterparty is rendering service
- A performance target may relate to the operations or activities of an entity, or to those of another entity in the same company
- A performance condition may be a market or non-market condition

If the counterparty, regardless of the reason, ceases to provide service during the vesting period, the service condition is not satisfied.

IFRS 3 Business Combinations

The amendment is applied prospectively and clarifies that all contingent consideration arrangements classified as liabilities (or assets) arising from a business combination should be subsequently measured at fair value through profit or loss whether or not they fall within the scope of IFRS 9 (or IAS 39, as applicable).

IFRS 8 Operating Segments

The amendments are applied retrospectively and clarifies that:

- An entity must disclose the judgements made by management in applying the aggregation criteria in paragraph 12 of IFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics (e.g., sales and gross margins) used to assess whether the segments are 'similar'.
- The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities.

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets

The amendment is applied retrospectively and clarifies in IAS 16 and IAS 38 that the asset may be revalued by reference to observable data on either the gross or the net carrying amount. In addition, the accumulated depreciation or amortisation is the difference between the gross and carrying amounts of the asset.



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IAS 24 Related Party Disclosures

The amendment is applied retrospectively and clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services.

Annual improvements 2011-2014 Cycle

These improvements are effective from 1st July, 2014 and are not expected to have a material impact on the Company. They include:

IFRS 3 Business Combinations

The amendment is applied prospectively and clarifies for the scope exceptions within IFRS 3 that:

- Joint arrangements, not just joint ventures, are outside the scope of IFRS 3
- This scope exception applies only to the accounting in the financial statements of the joint arrangement itself

IFRS 13 Fair Value Measurement

The amendment is applied prospectively and clarifies that the portfolio exception in IFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of IFRS 9 (or IAS 39, as applicable).

IAS 40 Investment Property

The description of ancillary services in IAS 40 differentiates between investment property and owner-occupied property (i.e., property, plant and equipment). The amendment is applied prospectively and clarifies that IFRS 3, and not the description of ancillary services in IAS 40, is used to determine if the transaction is the purchase of an asset or business combination.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1st January, 2017 with early adoption permitted. The Company is currently assessing the impact of IFRS 15 and plans to adopt the new standard on the required effective date.

Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments clarify the principle in IAS 16 and IAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are effective prospectively for annual periods beginning on or after 1st January, 2016, with early adoption permitted. These amendments are not expected to have any impact to the Company given that the Company has not used a revenue-based method to depreciate its non-current assets.

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2 SEGMENT INFORMATION

For management purposes, the Company is organised into business units based on its products and services and has two reportable segments, as follows:

- The Mine Division segment, which mines coal related products.
- The Power segment, which has been set up to produce power from the coal produced by the Mine division.

No operating segments have been aggregated to form the above reportable operating segments.

The Executive Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the company financial statements. Also, the Company's financing (including finance costs and finance income) and income taxes are managed on a Company basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.



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3 PROPERTY, PLANT AND EQUIPMENT

	2015				2014			
	Cost/ Valuation	Accumulated depreciation	Translation difference	Carrying value	Cost/ Valuation	Accumulated depreciation	Carrying value	
	USD	USD	USD	USD	USD	USD	USD	
Leasehold land and buildings	5,408,188	(339,030)	-	5,069,158	4,120,690	(212,712)	3,907,978	
Plant and machinery	38,458,190	(7,603,689)	-	30,854,501	34,764,740	(5,393,851)	29,370,889	
Motor vehicles	1,559,106	(1,061,941)	-	497,165	1,480,272	(888,624)	591,648	
Aircraft	2,925,819	(634,045)	-	2,291,774	2,925,819	(397,824)	2,527,995	
Capital work in progress	352,239,340	-	(11,277)	352,228,063	195,893,246	-	195,893,246	
TOTAL USD	400,590,643	(9,638,705)	(11,277)	390,940,661	239,184,767	(6,893,011)	232,291,756	
TOTAL INR	25,034,912,234	(602,370,869)	(704,756)	24,431,836,609	14,329,559,391	(412,960,289)	13,916,599,102	

Reconciliation of property, plant and equipment - 2015

	Opening Balance	Additions	WIP transfer	Disposals	Translation difference	Depreciation write back on disposal	Depreciation and amortisation	Total
	USD	USD	USD	USD	USD	USD	USD	USD
Leasehold land and buildings	3,907,978	-	1,287,498	-	-	-	(126,318)	5,069,158
Plant and machinery	29,370,889	3,776,257	-	(82,807)	-	5,803	(2,215,641)	30,854,501
Motor vehicles	591,648	86,557	-	(7,723)	-	4,151	(177,468)	497,165
Aircraft	2,527,995	-	-	-	-	-	(236,221)	2,291,774
Capital work in progress	195,893,246	157,633,592	(1,287,498)	-	(11,277)	-	-	352,228,063
TOTAL USD	232,291,756	161,496,406	-	(90,530)	(11,277)	9,954	(2,755,648)	390,940,661
TOTAL INR	14,517,073,291	10,092,717,893	-	(5,657,672)	(704,756)	622,075	(172,214,222)	24,431,836,609

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Reconciliation of property, plant and equipment - 2014 - restated

	Opening Balance		Additions		Disposals		Translation difference		Depreciation write back on disposal		Depreciation and amortisation		Total	
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Leasehold land and buildings	1,862,737	2,152,457	-	-	-	-	-	-	-	(107,216)	-	(107,216)	3,907,978	
Plant and machinery	31,113,594	536,792	-	-	-	-	-	-	-	(2,279,497)	-	(2,279,497)	29,370,889	
Motor vehicles	699,074	163,229	(158,590)	-	-	-	-	100,512	-	(212,577)	-	(212,577)	591,648	
Aircraft	2,804,871	-	-	-	-	-	-	-	-	(276,876)	-	(276,876)	2,527,995	
Capital work in progress	56,272,182	139,621,064	-	-	-	-	-	-	-	-	-	-	195,893,246	
Translation adjustment	-	-	-	-	-	-	(19,516)	-	-	-	19,516	-	-	
TOTAL USD	92,752,458	142,473,542	(158,590)	(158,590)	(9,501,127)	(9,501,127)	(19,516)	100,512	6,021,674	(2,856,650)	(2,856,650)	(2,856,650)	232,291,756	
TOTAL INR	5,556,799,759	8,535,589,901	(9,501,127)	(9,501,127)	(1,169,204)	(1,169,204)	(1,169,204)	6,021,674	(171,141,902)	(171,141,902)	(171,141,902)	(171,141,902)	13,916,599,102	

Borrowing costs capitalised

The company started the construction of a 300MW power in April 2012. This project is expected to be completed in May 2016. The carrying amount of the 300MW power station at 31st March, 2015 was USD 351,507,380 - INR 21,967,453,713 (2014: USD 194,650,389 - INR 11,661,504,804). The 300MW power station is financed by the shareholders and long term loans and borrowings. The amount of borrowing costs capitalised during the year ended 31st March, 2015 was USD 10,493,085 - INR 655,765,347 (2014: USD 7,532,338 - INR 451,262,370). The rate used to determine the amount of borrowing costs eligible for capitalisation was 6%, which is the effective interest rate of the specific borrowing.

Restatement of property, plant and equipment

The company has been capitalising prepayments made to SEPCO the contractor. This treatment is inconsistent with the requirements of IAS 23 - Borrowing Costs. The financial statements have been restated as a result of the non-compliance with IAS 23. The effects of the misstatement are shown below:

Impact on the statement of financial position	Nature of error	2015		2014		2014		1st April, 2013		1st April, 2013	
		USD	INR	USD	INR	USD	INR	USD	INR		
Property, plant and equipment - capital work-in-progress	Capitalisation of Prepayments	-	-	(16,599,237)	(994,460,289)	(16,599,237)	(994,460,289)	(24,609,110)	(1,337,874,265)	(24,609,110)	(1,337,874,265)
Prepayment for thermal power plant	Capitalisation of Prepayments	-	-	16,599,237	994,460,289	16,599,237	994,460,289	24,609,110	1,337,874,265	24,609,110	1,337,874,265
NET IMPACT		-	-	-	-	-	-	-	-	-	-



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4 INTANGIBLE ASSETS

	2015		2014					
	Cost / Valuation	Accumulated amortisation	Translation difference	Carrying value	Cost / Valuation	Accumulated amortisation	Translation difference	Carrying value
	USD	USD	USD	USD	USD	USD	USD	USD
Computer software	69,301	(44,652)	(8,240)	16,409	69,301	(33,376)	35,925	
TOTAL USD	69,301	(44,652)	(8,240)	16,409	69,301	(33,376)	35,925	
TOTAL INR	4,330,966	(2,790,527)	(514,959)	1,025,480	4,151,823	(1,999,556)	2,152,267	

Reconciliation of intangible assets - 2015

	Opening Balance	Amortisation	Translation difference	Total
	USD	USD	USD	USD
Computer software	35,925	(11,276)	(8,240)	16,409
TOTAL USD	35,925	(11,276)	(8,240)	16,409
TOTAL INR	2,245,133	(704,694)	(514,959)	1,025,480

Reconciliation of intangible assets - 2014 - restated

	Opening Balance	Amortisation	Translation difference	Total
	USD	USD	USD	USD
Computer software	55,441	(13,231)	(6,285)	35,925
TOTAL USD	55,441	(13,231)	(6,285)	35,925
TOTAL INR	3,321,470	(792,669)	(376,534)	2,152,267

Notes

to the Financial Statements for the year ended 31st March, 2015

5 DEFERRED REVENUE EXPENDITURE

	2015			
	Cost / Valuation	Accumulated amortisation	Translation difference	Carrying value
	USD	USD	USD	USD
Deferred revenue expenditure	4,343,205	(1,637,718)	(606,388)	2,099,099
TOTAL USD	4,343,205	(1,637,718)	(606,388)	2,099,099
TOTAL INR	271,428,596	(102,349,186)	(37,896,218)	131,183,192

	2014			
	Cost / Valuation	Accumulated amortisation	Translation difference	Carrying value
	USD	USD	USD	USD
Deferred revenue expenditure	6,867,989	(1,919,578)	(605,206)	4,343,205
TOTAL USD	6,867,989	(1,919,578)	(605,206)	4,343,205
TOTAL INR	411,461,221	(115,001,918)	(36,257,891)	260,201,412

Reconciliation of deferred revenue expenditure - 2015

	Opening Balance	Amortisation	Translation difference	Total
	USD	USD	USD	USD
Deferred revenue expenditure	4,343,205	(1,637,718)	(606,388)	2,099,099
TOTAL USD	4,343,205	(1,637,718)	(606,388)	2,099,099
TOTAL INR	271,428,596	(102,349,186)	(37,896,218)	131,183,192

Reconciliation of deferred revenue expenditure - 2014 - restated

	Opening Balance	Amortisation	Translation difference	Total
	USD	USD	USD	USD
Deferred revenue expenditure	6,867,989	(1,919,578)	(605,206)	4,343,205
TOTAL USD	6,867,989	(1,919,578)	(605,206)	4,343,205
TOTAL INR	411,461,221	(115,001,918)	(36,257,891)	260,201,412

Deferred revenue expenditure represents mining overburden stripping costs which are expensed based on the life of mining area.



Notes

to the Financial Statements for the year ended 31st March, 2015

6 INVENTORIES

	2015		2014		1st April, 2013	
	USD	INR	Restated	Restated	Restated	Restated
Opening balance	31,200,203	1,949,856,687	26,934,116	1,613,622,890	7,493,735	407,396,903
Production	3,422,047	213,860,827	4,266,087	255,581,272	19,440,381	1,056,876,313
Translation differences	(6,366,108)	(397,849,919)	-	-	-	-
TOTAL CLOSING INVENTORY	28,256,142	1,765,867,595	31,200,203	1,869,204,162	26,934,116	1,464,273,216
Inventory represented by:						
Processed coal	27,030,975	1,689,300,783	29,927,545	1,792,959,221	25,785,986	1,401,855,129
Spare parts and consumables	1,165,084	72,811,925	1,207,001	72,311,430	981,887	53,380,287
Goods in transit	60,083	3,754,887	65,657	3,933,511	166,243	9,037,800
THERMAL GRADE COAL - NON CURRENT	28,256,142	1,765,867,595	31,200,203	1,869,204,162	26,934,116	1,464,273,216
	(25,956,028)	(1,622,121,970)	(28,766,840)	(1,723,421,384)	(24,370,308)	(1,324,891,794)
	2,300,114	143,745,625	2,433,363	145,782,778	2,563,808	139,381,422

All inventory and high grade coal stockpiles are stated at the lower of cost and net realisable value and are expected to be realised within the next twelve months. The cost of spares recognised as an expense in respect of write downs to net realisable value, was nil (2014 : nil). Thermal grade coal stockpile will be consumed by the thermal plant on its commissioning in May 2016.

7 TRADE AND OTHER RECEIVABLES

	2015		2014		1st April, 2013	
	USD	INR	Restated	Restated	Restated	Restated
Opening balance	8,449,758	528,067,626	3,871,771	231,957,801	13,761,728	748,156,343
Movement	(3,958,089)	(247,360,772)	5,548,905	332,434,899	(9,559,777)	(519,717,277)
Translation differences	(1,067,401)	(66,707,226)	(970,918)	(58,167,697)	(330,180)	(17,950,236)
TOTAL RECEIVABLES	3,424,268	213,999,628	8,449,758	506,225,003	3,871,771	210,488,830
Trade and other receivables represented by:						
Trade receivables	1,944,113	121,497,342	1,649,761	98,837,182	1,278,032	69,480,210
VAT receivable	876,980	54,806,865	4,042,737	242,200,374	2,119,863	115,246,352
Maamba Development Trust	-	-	-	-	47,656	2,590,818
Prepayments	603,175	37,695,421	2,757,260	165,187,447	426,220	23,171,450
	3,424,268	213,999,628	8,449,758	506,225,003	3,871,771	210,488,830
Prepayments for thermal plant	12,567,957	785,434,473	16,599,236	994,460,229	24,609,110	1,337,874,265
	15,992,225	999,434,101	25,048,994	1,500,685,232	28,480,881	1,548,363,095

Prepayments for thermal plant relates to advance payments to its main contractor, SEPCO, for the construction of the thermal power plant. The advance payments are an integral part of the terms of the contract with SEPCO.

The average credit period on sales is 30 days. No interest is charged on overdue receivables. The company reserves the right to charge interest on overdue amounts. Before accepting any new credit customers, management undertakes a credit evaluation of the new customers. As at year end, there were no past due but unimpaired trade receivables.

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	2015	2015	2014	2014	1st April, 2013	1st April, 2013
	USD	INR	Restated	Restated	Restated	Restated
Ageing of trade receivables						
0 - 30 days	1,183,428	73,958,333	1,103,736	66,124,824	766,862	41,690,453
31 - 60 days	51,058	3,190,870	348,867	20,900,622	383,431	20,845,226
Over 60 days	709,627	44,348,139	197,158	11,811,736	127,739	6,944,531
	1,944,113	121,497,342	1,649,761	98,837,182	1,278,032	69,480,210

8 SHARE CAPITAL AND SUBSCRIPTIONS

	2015	2015	2014	2014	1st April, 2013	1st April, 2013
	USD	INR	Restated	Restated	Restated	Restated
Authorised						
5,000,000,000 ordinary shares of ZMW1 each						
Unissued ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting.						
Issued, subscribed and fully paid,	193,537,350	12,095,116,688	40,677,412	2,436,983,753	40,677,412	2,211,427,503
1,256,201,904 shares of ZMW 1 each (2014 - 214,491,998 shares)						
Subscriptions awaiting allotment	-	-	188,514,855	11,293,924,963	105,808,338	5,752,270,295
	193,537,350	12,095,116,688	229,192,267	13,730,908,716	146,485,750	7,963,697,798

9 TRADE AND OTHER PAYABLES

	2015	2015	2014	2014	1st April, 2013	1st April, 2013
	USD	INR	Restated	Restated	Restated	Restated
Opening balance	84,777,096	5,298,144,615	3,109,659	186,299,671	4,526,604	246,088,826
Movement	28,163,897	1,760,102,742	82,434,418	4,938,645,983	(1,310,269)	(71,232,774)
Translation differences	(779,201)	(48,696,166)	(766,981)	(45,949,832)	(106,676)	(5,799,441)
TOTAL PAYABLES	112,161,792	7,009,551,191	84,777,096	5,078,995,822	3,109,659	169,056,611
Trade and other payables represented by:						
Trade payables	107,632,627	6,726,501,024	78,793,076	4,720,493,183	971,102	52,793,960
Other payables	4,434,351	277,124,766	5,964,692	357,344,698	2,138,557	116,262,651
Maamba Development Trust	94,814	5,925,401	19,328	1,157,941	-	-
	112,161,792	7,009,551,191	84,777,096	5,078,995,822	3,109,659	169,056,611

Trade and other payables are non-interest bearing and are normally settled within 90 days. Included in trade payables is the amount related to capital creditors USD 109,819,275 - INR 6,863,155,591 (2014 : USD 78,112,768 - INR 4,679,735,931).



Notes

to the Financial Statements for the year ended 31st March, 2015

10 AMOUNTS DUE (TO)/FROM RELATED COMPANIES

	2015	2015	2014	2014	1st April, 2013	1st April, 2013
	USD	INR	Restated	Restated	Restated	Restated
Nava Bharat (Singapore) Pte Limited	(412,623)	(25,786,874)	-	-	-	-
The immediate holding company of Maamba Collieries Limited.						
Nava Bharat Ventures Limited	(2,589,795)	(161,849,239)	(2,925,430)	(175,262,511)	(819,001)	(44,524,989)
The ultimate holding company of Maamba Collieries Limited						
Nava Bharat Projects Limited	(1,130,472)	(70,648,848)	(1,042,503)	(62,456,355)	(815,203)	(44,318,511)
Related company of Maamba Collieries Limited through common shareholding						
ZCCM Investments Holdings Plc	(26,261,335)	(1,641,202,131)	(3,769,119)	(225,807,919)	(1,459,229)	(79,330,985)
35% shareholder						
Nava Bharat (Singapore) Pte Limited	(64,957,823)	(4,059,539,148)	(7,424,473)	(444,800,177)	(1,010,217)	(54,920,447)
The immediate holding company of Maamba Collieries Limited. (64.49% shareholder).						
Bridge Finance from Nava Bharat Singapore Pte. Limited	(33,268,671)	(2,079,125,594)	-	-	-	-
	(128,620,719)	(8,038,151,834)	(15,161,525)	(908,326,962)	(4,103,650)	(223,094,932)
Current portion	(37,401,561)	(2,337,410,555)	(15,161,525)	(908,326,962)	(4,103,650)	(223,094,932)
Long term portion	(91,219,158)	(5,700,741,279)	-	-	-	-
Non-current liabilities	(91,219,158)	(5,700,741,279)	-	-	-	-
Current liabilities - due to related parties	(37,401,561)	(2,337,410,555)	(15,161,525)	(908,326,963)	(4,103,650)	(223,094,932)
	(128,620,719)	(8,038,151,834)	(15,161,525)	(908,326,963)	(4,103,650)	(223,094,932)
Other related party transactions						
Directors' fees	41,859	2,615,978	33,491	2,006,446	28,493	1,549,022
Nava Bharat (Singapore) Pte Limited (transaction fees)	470,142	29,381,553	-	-	73,208	3,979,953
Nava Bharat Ventures Limited (project finance and travelling costs)	3,217,978	201,107,535	3,705,157	221,975,956	1,270,634	69,078,017
Nava Bharat Project Limited (Project finance, travelling costs and supplies)	1,225,326	76,576,748	1,276,978	76,503,752	815,203	44,318,511
Interest charged on related party loans NBS	7,128,158	445,474,234	7,632,312	457,251,812	3,841,060	208,819,227
Interest charged on related party loans ZCCM	2,195,285	137,194,336	2,734,947	163,850,675	1,605,411	87,278,169
	14,278,748	892,350,384	15,382,885	921,588,641	7,634,009	415,022,899

Interest on shareholders' loans amounting to USD 7,338,593 - INR 458,625,370 (2014: USD 7,562,774 - INR 453,085,790) has been capitalised into capital work in progress. The costs are directly attributable to the construction of the power generation plant which commenced on 26th April, 2012 and is expected to be commissioned in May 2016.

Notes

to the Financial Statements for the year ended 31st March, 2015

11 LONG TERM PAYABLES

These statutory liabilities are ZMW fixed payables over a period of seven and ten years beginning May 2012. The fair values of the long term payables have been stated as the present value of all future cash payments discounted using the prevailing market rate of interest for similar instruments. The difference between the fair value of the long term payables and their settlement amounts has been recognised in the income statement.

	2015		2014		1st April, 2013	
	USD	INR	Restated USD	Restated INR	Restated USD	Restated INR
National Pension Scheme Authority	1,889,115	118,060,242	2,568,409	153,873,383	3,112,416	169,206,496
Workmen's Compensation Fund	47,716	2,982,012	73,396	4,397,155	82,902	4,506,967
	1,936,831	121,042,254	2,641,805	158,270,538	3,195,318	173,713,463
Long term payables - current portion	(782,169)	(48,881,652)	(829,721)	(49,708,585)	-	-
Long term portion	1,154,662	72,160,602	1,812,084	108,561,953	3,195,318	173,713,463
National Pension Scheme Authority						
At start of the year	2,997,228	187,311,764	3,112,416	186,464,843	3,859,875	209,842,104
Fair value (loss) adjustment to income statement	544,470	34,026,653	691,789	41,445,079	280,049	15,224,864
Paid during the year	(760,729)	(47,541,759)	(806,977)	(48,345,992)	(1,027,508)	(55,860,472)
	2,780,969	173,796,658	2,997,228	179,563,930	3,112,416	169,206,496
Short term portion	(760,729)	(47,541,759)	(806,977)	(48,345,992)	-	-
Translation differences	(878,541)	(54,904,420)	(451,563)	(27,053,139)	-	-
Long term portion	1,141,699	71,350,479	1,738,688	104,164,799	3,112,416	169,206,496
Workmen's Compensation Fund						
At start of the year	78,392	4,899,108	82,902	4,966,659	107,416	5,839,671
Fair value (loss) adjustment to income statement	13,977	873,493	18,233	1,092,339	3,894	211,697
Paid during the year	(21,440)	(1,339,893)	(22,743)	(1,362,533)	(28,408)	(1,544,401)
	70,929	4,432,708	78,392	4,696,465	82,902	4,506,967
Short term portion	(21,440)	(1,339,893)	(22,743)	(1,362,533)	-	-
Translation differences	(36,526)	(2,282,692)	17,747	1,063,223	-	-
Long term portion	12,963	810,123	73,396	4,397,155	82,902	4,506,967



Notes

to the Financial Statements for the year ended 31st March, 2015

12 BORROWINGS

	2015	2015	2014	2014	1st April, 2013	1st April, 2013
	USD	INR	Restated	Restated	Restated	Restated
	USD	INR	USD	INR	USD	INR
Unsecured loans						
Zambia Development Agency (Zambia Privatisation Agency) - ZMW	22,701	1,418,699	28,182	1,688,384	31,832	1,730,547
The funds were obtained from the Zambia Privatisation Agency for the purpose of liquidating the liabilities arising from retirement benefits and group insurance. This loan is unsecured, interest free with no fixed repayment terms. The movement in the year is due to the rate applied at the end of the period ZMW 7.5767 (2014 : ZMW 6.1031)						
International Development Agency - USD	1,600,000	99,992,000	1,600,000	95,856,000	1,600,000	86,984,000
This loan was granted to the company through ZCCM - Investment Holdings Plc. The loan amount of USD 1.6 million was advanced to the company in 1993. It is unsecured, interest free with no fixed repayment terms.						
Government of Republic of Zambia - MOF 2 - USD	4,300,000	268,728,500	4,300,000	257,613,000	4,300,000	233,769,500
The money was advanced to the company by the Government through ZCCM - Investment Holdings Plc. The amount advanced was USD 4.3 million. It is unsecured, interest free with no fixed repayment terms.						
Government of the Republic of Zambia - MOF 1 - ZMW	112,099	7,005,627	139,165	8,337,375	157,189	8,545,580
This represents loans obtained from the African Development Bank and the African Development Fund through ZCCM Investment Holdings Plc for capitalization. The amount is unsecured, interest free with no fixed repayment terms. The movement in the year is due to the rate applied at the end of the period ZMW 7.5767 (2014 : ZMW 6.1031).						
Scheme of arrangement - MOF - ZMW	7,815,449	488,426,485	9,702,498	581,276,655	10,959,102	595,791,580
The loan was received from the Ministry of Finance for funding the creditors' scheme of arrangement. The loan is unsecured, interest free with no fixed repayment terms. The movement in the year is due to the rate applied at the end of the period ZMW 7.5767 (2014 : ZMW 6.1031)						
	13,850,249	865,571,311	15,769,845	944,771,414	17,048,123	926,821,207

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to the Financial Statements for the year ended 31st March, 2015

12 BORROWINGS (Contd.)

	2015	2015	2014	2014	1st April, 2013	1st April, 2013
	USD	INR	Restated	Restated	Restated	Restated
	USD	INR	USD	INR	USD	INR
Secured loans						
Standard Chartered Bank Zambia Plc - loan 1 - USD	-	-	35,000,000	2,096,850,000	35,000,000	1,902,775,000
The loan was acquired in USD to finance the acquisition of the coal preparation plant and coal handling plant equipment, heavy earth moving machinery and related equipment to restore mining operations of the company. The loan is secured by a charge on the equipment acquired and by corporate guarantee of Nava Bharat Ventures Limited. The loan attracts interest at 5.15% above the LIBOR rate. The loan was due to be fully repayable by February 2014, the company has renegotiated the terms and it is now due to be fully paid by 31st August, 2014. At 31st March, 2014 the USD indebtedness was USD 35,000,000 (2013:USD 35,000,000). The loan was fully paid by 31st March, 2015						
Standard Chartered Bank Zambia Plc - USD	-	-	-	-	25,000,000	1,359,125,000
The loan was acquired in USD to finance for operating expenditure on the coal mine. The loan was secured by charge on the equipment acquired and by deed of debenture to secure USD40 million plus interest covering all assets and deed of valuation varying security assets attached by the deed of debenture. The loan attracts interest at 4% above the libor rate. The loan was fully repaid in the year.						
Bridge Finance ICBC (Macau and London) Plc - USD	80,000,000	4,999,600,000	-	-	-	-
The loan is secured by a floating charge on the power plant assets and is due to be fully paid by 13th October, 2015.						
	80,000,000	4,999,600,000	35,000,000	2,096,850,000	60,000,000	3,261,900,000
	93,850,249	5,865,171,311	50,769,845	3,041,621,414	77,048,123	4,188,721,207
Current liabilities						
Unsecured loans	13,850,249	865,571,311	15,769,845	944,771,414	17,048,123	926,821,207
Secured loan	80,000,000	4,999,600,000	35,000,000	2,096,850,000	60,000,000	3,261,900,000
	93,850,249	5,865,171,311	50,769,845	3,041,621,414	77,048,123	4,188,721,207
ZDA - ZMW						
Opening balance - 1st April	-	-	31,832	1,907,055	47,411	2,577,499
Translation differences	(5,481)	(342,535)	(31,832)	(1,907,055)	(15,579)	(846,952)
Closing balance - 31st March	(5,481)	(342,535)	-	-	31,832	1,730,547
MOF 1 - ZMW						
Opening balance - 1st April	139,165	8,697,117	157,189	9,417,193	161,073	8,756,734
Translation differences	(27,066)	(1,691,490)	(18,024)	(1,079,818)	(3,884)	(211,154)
Closing balance - 31st March	112,099	7,005,627	139,165	8,337,375	157,189	8,545,580



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to the Financial Statements for the year ended 31st March, 2015

12 BORROWINGS (Contd.)

	2015	2015	2014	2014	1st April, 2013	1st April, 2013
	USD	INR	Restated	Restated	Restated	Restated
MOF 2 - ZMW						
Opening balance - 1st April	9,702,498	606,357,613	10,959,102	656,559,801	11,229,910	610,514,057
Translation differences	(1,887,049)	(117,931,127)	(1,256,604)	(75,283,146)	(270,808)	(14,722,477)
Closing balance - 31st March	7,815,449	488,426,486	9,702,498	581,276,655	10,959,102	595,791,580

13 PROVISION FOR POST RETIREMENT BENEFITS

The amount represents the past service cost that were paid in 2011 as part of the company restructuring. All staff are now on three year contracts with the company. Statutory retirement obligations are restricted to the contributions made to the National Pension Scheme Authority (NAPSA).

14 ENVIRONMENTAL REHABILITATION PROVISIONS

The Company is required by the Zambia Mines and Minerals Act of 2008 to rehabilitate environmental damage caused by its mining operations. The restoration, rehabilitation and environmental provision represent the best estimate of the expenditure required to settle the obligation at date of inspection.

A new assessment was conducted by Zambia Environmental Management Agency during the year, however the report has not yet been issued. In the opinion of the directors, the provisions as reported in these financial statements are reasonable.

	2015	2015	2014	2014	1st April, 2013	1st April, 2013
	USD	INR	Restated	Restated	Restated	Restated
At start of the year	3,133,126	195,804,710	3,538,907	212,015,919	4,606,075	250,409,267
Payments/incurred during the year	(21,884)	(1,367,641)	-	-	(1,067,168)	(58,016,588)
Reduction in provisions	(2,356,258)	(147,254,344)	(405,781)	(24,310,339)	-	-
	754,984	47,182,725	3,133,126	187,705,580	3,538,907	192,392,679

The provision relates to the environmental restoration obligations in accordance with the company's environmental policy. The directors reviewed the environmental decommissioning and restoration provision which was estimated at USD 1,221,607 - INR 76,344,329 by the Technical Committee of the Mines Safety Department (MSD) during the year. After considering the mining operations result of the mines environmental performance being approved by the MSD as category 1. The mine is required to pay 5% of the obligation in 5 equal annual instalments.

The present value of the obligation has been determined at USD 754,984 - INR 47,182,725 (2014: USD 3,133,126 - INR 187,705,579) using a discount rate of 9.75%.

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to the Financial Statements for the year ended 31st March, 2015

15 CASH AND CASH EQUIVALENTS

	2015	2015	2014	2014	1st April, 2013	1st April, 2013
	USD	INR	Restated	Restated	Restated	Restated
Opening balance	2,992,446	187,012,913	5,731,152	343,353,316	4,526,604	246,088,826
Movement	1,127,610	70,469,987	(2,738,706)	(164,075,877)	1,204,548	65,485,252
Translation differences	(424,415)	(26,523,815)	-	-	-	-
TOTAL CASH AND CASH EQUIVALENTS	3,695,641	230,959,085	2,992,446	179,277,439	5,731,152	311,574,078
Cash and cash equivalents consist of:						
Cash on hand	9,949	621,763	7,395	443,034	11,705	636,342
Bank balances	3,685,692	230,337,322	2,985,051	178,834,405	5,719,447	310,937,736
	3,695,641	230,959,085	2,992,446	179,277,439	5,731,152	311,574,078

16 CURRENT TAX PAYABLE

	2015	2015	2014	2014	1st April, 2013	1st April, 2013
	USD	INR	Restated	Restated	Restated	Restated
At 1st April	21,370	1,335,518	64,190	3,845,623	49,713	2,702,647
Charge for the year	7,846	490,336	21,370	1,280,277	73,153	3,976,963
Paid during the year	(21,370)	(1,335,518)	(64,190)	(3,845,623)	(58,676)	(3,189,921)
Withholding tax deducted at source	(422)	(26,373)	-	-	-	-
At 31st March	7,424	463,963	21,370	1,280,277	64,190	3,489,689

There is no liability to taxation on the company's ordinary activities for the year as it has incurred a loss for taxation purposes. The estimated tax loss available for set off against future taxable income is USD 39,837,070 - (2014: USD 42,144,602).

17 TAXATION

	2015	2015	2014	2014	1st April, 2013	1st April, 2013
	USD	INR	Restated	Restated	Restated	Restated
Major components of the tax (credit)/charge comprise:						
Current						
Current tax	7,848	490,336	21,370	1,280,277	73,153	3,976,963
Reconciliation of the tax expense						
Reconciliation between accounting profit and tax expense.						
Accounting profit/(loss)	76,690	4,792,742	(4,265,865)	(255,567,972)	(10,556,146)	(573,884,877)
Tax at the applicable tax rate of 35% (2014: 35%)	26,842	1,677,491	(1,493,053)	(89,448,805)	(3,694,651)	(200,859,702)
Tax effect of adjustments on taxable income						
Disallowable expenses	86,523	5,407,255	97,657	5,850,631	114,544	6,227,185
Changes arising from temporary differences	(105,519)	(6,594,410)	1,416,766	84,878,451	3,653,260	198,609,480
	(18,996)	(1,187,155)	21,370	1,280,277	73,153	3,976,963



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The company has been granted incentives under the Zambia Development Agency Act (Licence No. ZDA 639/01/2010) for the new investment. In the Zambia Revenue Authority correspondence dated 22nd August, 2012, the company's income tax for the first five years commencing from the first charge year's profits are returned shall be taxed at zero percent. The income earned from the sixth year to the eighth year after profits are returned shall be taxed at the rate of fifty percent of the applicable rate.

18 DEFERRED TAXATION

	2015	2015	2014	2014	1st April, 2015	1st April, 2015
	USD	INR	Restated	Restated	Restated	Restated
Reconciliation of deferred tax asset (liability)						
Deferred tax (liability)/assets - for disclosure only						
Property, plant and equipment	(6,639,573)	(414,940,115)	(17,504,567)	(1,048,698,609)	(15,660,154)	(851,364,272)
Unrealised forex exchange difference	27,218,410	1,701,014,533	(1,490,755)	(89,311,132)	(1,136,448)	(61,782,996)
Tax losses	16,422,792	1,026,342,386	33,494,257	2,006,640,937	29,855,158	1,623,075,665
	37,001,629	2,312,416,804	14,498,935	868,631,196	13,058,556	709,928,397

The potential net deferred tax asset on tax losses has not been recognised in the financial statements as, in the opinion of the directors, recovery of tax losses is not assured beyond reasonable doubt because of the practice of Zambia Revenue Authority to lapse tax losses and because of the tax incentives granted to the company.

19 REVENUE

	2015	2015	2014	2014
	USD	INR	Restated	Restated
Coal sold	16,491,101	1,030,611,357	14,870,038	890,863,977
Mineral royalty tax	(1,779,266)	(111,195,228)	(891,225)	(53,393,290)
ERB fee	(115,450)	(7,215,048)	(103,976)	(6,229,202)
	14,596,385	912,201,081	13,874,837	831,241,485

Revenue for the company comprises the invoiced value of coal sold net of Value Added Tax (VAT), mineral royalty tax and ERB fee are recorded at the date when the goods are supplied.

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20 COST OF SALES

	2015		2014	
	USD	INR	Restated USD	Restated INR
Opening inventories	31,200,203	1,949,856,686	26,934,116	1,613,622,890
Electricity consumption charges	251,625	15,725,305	338,319	20,268,691
Laboratory expenses	38,253	2,390,621	28,261	1,693,117
Mining expenses	5,794,831	362,147,963	8,378,579	501,960,668
Safety expenses	42,149	2,634,102	46,808	2,804,267
Translation difference	(6,366,110)	(397,850,044)	(4,484,823)	(268,685,746)
Closing inventories	(28,256,142)	(1,765,867,594)	(31,200,203)	(1,869,204,162)
	2,704,809	169,037,039	41,057	2,459,725
Depreciation	2,766,924	172,918,915	2,876,166	172,311,105
Amortisation of deferred revenue expenditure	1,637,718	102,349,187	1,919,580	115,002,038
	4,404,642	275,268,102	4,795,746	287,313,143
	7,109,451	444,305,141	4,836,803	289,772,868

21 PROFIT/(LOSS) BEFORE TAX IS STATED AFTER CHARGING

	2015		2014	
	USD	INR	Restated USD	Restated INR
Depreciation	2,766,924	172,918,915	2,876,166	172,311,105
Employee costs	3,148,729	196,779,819	2,904,454	174,005,839
Amortisation of deferred revenue expenditure	1,637,718	102,349,186	1,919,580	115,002,038
Finance charges	2,489,772	155,598,301	5,747,205	344,315,052
and after crediting:				
Profit on sale of property, plant and equipment	27,515	1,719,550	7,002	419,490

22 FINANCE CHARGES

	2015		2014	
	USD	INR	Restated USD	Restated INR
Interest on loans	1,946,733	121,661,079	5,734,694	343,565,518
Bank charges	543,039	33,937,222	12,511	749,534
	2,489,772	155,598,301	5,747,205	344,315,052



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23 CASH GENERATED FROM OPERATIONS

	2015	2015	2014	2014
	USD	INR	Restated	Restated
Profit / (loss) before taxation	76,690	4,792,742	(4,265,865)	(255,567,973)
Adjustments for:				
Profit on sale of assets	(27,515)	(1,719,550)	(7,002)	(419,490)
Depreciation	2,766,924	172,918,915	2,876,166	172,311,105
Amortisation of deferred revenue expenditure	1,637,718	102,349,186	2,524,784	151,259,809
Translation difference	614,630	38,411,302	-	-
Intangible assets	11,276	704,694	19,516	1,169,204
Finance charges	2,489,772	155,598,301	5,747,205	344,315,052
Changes in working capital:				
Inventories	2,944,061	183,989,092	(4,266,087)	(255,581,272)
Trade and other receivables	5,025,490	314,067,998	(4,577,987)	(274,267,201)
Prepayment for thermal power plant	4,031,279	251,934,781	8,009,873	479,871,491
Trade and other payables	27,384,696	1,711,406,577	81,667,437	4,892,696,151
	46,955,021	2,934,454,038	87,728,040	5,255,786,876

24 CONTINGENT LIABILITIES

The company has several pending legal proceedings at 31st March, 2015. The company's lawyers and management consider the likelihood of the claims against the company being successful is unlikely.

25 RISK MANAGEMENT

Financial risk management objectives

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk, capital risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by an audit committee that advises on financial risks and the appropriate financial risk governance framework

for the Company. The audit committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below;

Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns to the shareholder and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital. The capital structure of the company consists of debt, which includes borrowings (excluding derivative financial liabilities) disclosed in Note 10, cash and cash equivalents disclosed in note 15, and equity as disclosed in the statement of financial position.

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	2015	2015	2014	2014	1st April, 2013	1st April, 2013
	USD	INR	Restated	Restated	Restated	Restated
The gearing ratio at 31st March, 2015 was as follows:						
(i) Includes long term and short term debts (excluding related parties).						
(ii) Equity includes share capital and reserves						
Debts (i)	208,711,280	13,043,411,444	141,321,872	8,466,593,352	86,892,007	4,723,883,961
Cash and bank	3,695,641	230,959,084	2,992,446	179,277,440	5,731,152	311,574,078
Net debt	205,015,639	12,812,452,360	138,329,426	8,287,315,912	81,160,855	4,412,309,883
Equity (ii)	103,668,178	6,478,742,784	139,407,763	8,351,919,081	69,762,190	3,792,621,459
	308,683,817	19,291,195,144	277,737,189	16,639,234,993	150,923,045	8,204,931,342
The gearing ratio at 2015, 2014 and 2013 respectively were as follows:						
Gearing ratio	198%		99%		116%	

	2015	2015	2014	2014	1st April, 2013	1st April, 2013
	USD	INR	Restated	Restated	Restated	Restated
Financial assets						
Trade and other receivables	3,424,268	213,999,629	8,449,758	506,225,002	3,871,771	210,488,830
Prepayments for thermal power plant	12,567,957	785,434,473	16,657,032	997,922,787	24,609,110	1,337,874,265
Cash and cash equivalents	3,695,641	230,959,084	2,992,446	179,277,440	5,731,152	311,574,078
	19,687,866	1,230,393,186	28,099,236	1,683,425,229	34,212,033	1,859,937,173
Financial liabilities						
Trade and other payables	112,161,792	7,009,551,191	84,777,096	5,078,995,821	3,109,659	169,056,612
Amount due to related parties	128,620,719	8,038,151,834	15,161,525	908,326,963	4,103,650	223,094,932
Borrowings	93,850,249	5,865,171,311	50,769,845	3,041,621,414	77,048,123	4,188,721,207
	334,632,760	20,912,874,336	150,708,466	9,028,944,198	84,261,432	4,580,872,751

Liquidity risk

The company's risk to liquidity is a result of the funds available to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments and credit facilities.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and shareholders' loans. The Company's policy is that not more than 25% of borrowings should mature in the next 12-month period. Approximately 72% of the Company's debt will mature in less than one year at 31st March, 2015 (2014: 97%) based on the carrying value of borrowings reflected in the financial statements. The Company assessed the concentration of risk with

respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Company's policies and



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procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Company to manage risk concentrations at both the relationship and industry levels.

At 31st March, 2015	Less than 1 year		Between 1 and 2 years		Between 2 and 5 years		Over 5 years	
	USD	INR	USD	INR	USD	INR	USD	INR
Borrowings	-	-	-	-	-	-	-	-
Amounts due to related parties	37,401,561	2,337,410,555	-	-	-	-	91,219,158	5,700,741,279
Trade and other payables	112,161,792	7,009,551,191	-	-	-	-	-	-
Long term payables	782,169	48,881,652	-	-	-	-	1,154,662	72,160,602
Environment rehabilitation provisions	12,216	763,443	12,216	763,443	24,432	1,526,887	706,120	44,128,952

At 31st March, 2014 - restated	Less than 1 year		Between 1 and 2 years		Between 2 and 5 years		Over 5 years	
	USD	INR	USD	INR	USD	INR	USD	INR
Borrowings	50,769,845	3,041,621,414	-	-	-	-	-	-
Amounts due to related parties	15,161,525	908,326,963	-	-	-	-	-	-
Trade and other payables	84,777,096	5,078,995,821	-	-	-	-	-	-
Long term payables	829,721	49,708,585	-	-	-	-	1,812,084	108,561,952
Environment rehabilitation provisions	-	-	-	-	-	-	3,133,126	187,705,579

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Company's policy is to keep between 40% and 60% of its borrowings at fixed rates of interest, excluding borrowings that relate to discontinued operations. The company analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into

consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the company calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows: The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

	Increase/ decrease basis points	Effect of profit before tax
2015		
US Dollar		USD
US Dollar	1	INR
US Dollar	(1)	USD
		INR

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CREDIT RISK

Credit risk is managed on a group basis.

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party. Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance. At 31st March, 2015, the Company had 4 customers (2014: 2 customers) that owed the Company USD 1,740,608 (INR 108,779,297) and accounted for approximately 89% (2014: 87%) of all the receivables outstanding.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The company does not hold collateral as security. The company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in

The company's exposure to foreign currency risk based on reported amounts is as follows:

Year end	Change in ZMW rate	Effect of loss before tax	Effect of pre-tax equity
2015	2%	(159,005)	(159,005)
	-2%	159,005	159,005
2014	2%	(197,397)	(197,397)
	-2%	197,397	197,397

Market risk

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

several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the company's finance department in accordance with the company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Credit limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in Zambian Kwacha exchange rate, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

deposits. The sensitivity analyses in the following sections relate to the position as at 31st March, 2015 and 2014.

The analyses exclude the impact of movements in market variables on: the carrying values of pension and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The following assumptions have been made in calculating the sensitivity analyses:



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The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March, 2015 and 2014.

26 POST BALANCE SHEET EVENTS

There has not arisen since the end of the financial year any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the company, to affect substantially the operations of the company, results of those operations or the state of affairs of the company in subsequent financial years.

27 CAPITAL COMMITMENTS

As at year end, the company had an approved and contracted capital commitment of USD 193 million in respect of the construction of the power generation plant which commenced on 26th April, 2012 and is expected to commission in May 2016.

28 SEGMENT INFORMATION

For management purposes, the Company is organised into business units based on its products and services

and has two reportable segments, as follows:

- The Mine Division segment, which mines coal related products.
- The Power segment, which has been set up to produce power from the coal produced by the Mine division.

No operating segments have been aggregated to form the above reportable operating.

The Executive Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the company financial statements. Also, the Company's financing (including finance costs and finance income) and income taxes are managed on a Company basis and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

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29 SEGMENT INFORMATION	2015									
	Year end 31st March, 2015		Power Division		Mine Division		Adjustments and eliminations		Consolidated	
	USD	INR	USD	INR	USD	INR	USD	INR	USD	INR
Segment profit and loss										
Sales	-	-	16,491,101	1,030,611,357	-	-	16,491,101	1,030,611,357	-	-
Less : mineral royalty	-	-	(1,779,266)	(111,195,229)	-	-	(1,779,266)	(111,195,229)	-	-
Less : ERB fee	-	-	(115,450)	(7,215,048)	-	-	(115,450)	(7,215,048)	-	-
Net Sales	-	-	14,596,385	912,201,080	-	-	14,596,385	912,201,080	-	-
Other trading income	-	-	226,795	14,173,554	-	-	226,795	14,173,554	-	-
Total revenue	-	-	14,823,180	926,374,634	-	-	14,823,180	926,374,634	-	-
Expenditure	-	-	(11,979,566)	(748,662,977)	-	-	(11,979,566)	(748,662,977)	-	-
Depreciation	-	-	(2,766,924)	(172,918,915)	-	-	(2,766,924)	(172,918,915)	-	-
Segment profit	-	-	76,690	4,792,742	-	-	76,690	4,792,742	-	-
TOTAL ASSETS	367,378,029	22,959,289,923	73,622,148	4,601,016,139	-	-	441,000,177	27,560,306,062	-	-
TOTAL LIABILITIES	367,378,029	22,959,289,923	73,622,148	4,601,016,139	-	-	441,000,177	27,560,306,062	-	-
Capital expenditure	157,633,592	9,851,311,332	3,862,814	241,406,561	-	-	161,496,406	10,092,717,893	-	-
Segment balance sheet										
Non-current assets										
Property, plant and equipment	1,699,593	106,216,065	37,469,708	2,341,669,401	-	-	39,169,301	2,447,885,466	-	-
Capital work in progress	351,507,380	21,967,453,713	280,389	17,522,911	-	-	351,787,769	21,984,976,624	-	-
Deferred revenue expenditure	-	-	2,099,099	131,183,192	-	-	2,099,099	131,183,192	-	-
Inventories	13,399	837,371	25,942,629	1,621,284,599	-	-	25,956,028	1,622,121,970	-	-
Current assets										
Inventories	-	-	2,300,114	143,745,624	-	-	2,300,114	143,745,624	-	-
Trade and other receivables	13,447,374	840,393,638	2,544,851	159,040,463	-	-	15,992,225	999,434,101	-	-
Cash and cash equivalents	710,283	44,389,136	2,985,358	186,569,948	-	-	3,695,641	230,959,084	-	-
Total assets	367,378,029	22,959,289,923	73,622,148	4,601,016,138	-	-	441,000,177	27,560,306,061	-	-
Equity										
Share capital and subscriptions	52,533,549	3,283,084,145	141,003,801	8,812,032,543	-	-	193,537,350	12,095,116,688	-	-
Translation reserve	(7,451,301)	(465,669,056)	12,774,323	798,331,316	-	-	5,323,022	332,662,260	-	-
Accumulated loss	-	-	(95,192,194)	(5,949,036,164)	-	-	(95,192,194)	(5,949,036,164)	-	-
Non-current liabilities										
Amounts due to related parties	128,499,718	8,030,589,876	121,001	7,561,957	-	-	128,620,719	8,038,151,833	-	-
Inter divisional account	6,015,583	375,943,860	(6,015,583)	(375,943,860)	-	-	-	-	-	-
Long term payables	-	-	1,154,662	72,160,602	-	-	1,154,662	72,160,602	-	-
Environmental rehabilitation provisions	-	-	754,984	47,182,725	-	-	754,984	47,182,725	-	-
Current liabilities										
Current liabilities	187,780,480	11,735,341,098	19,021,154	1,188,727,019	-	-	206,801,634	12,924,068,117	-	-
TOTAL	367,378,029	22,959,289,923	73,622,148	4,601,016,138	-	-	441,000,177	27,560,306,061	-	-



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Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column. All other adjustments and eliminations are part of detailed reconciliations presented further below.

Adjustments and eliminations

- a) Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a company basis.
- b) Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a company basis.
- c) Capital expenditure consists of additions of property, plant and equipment, intangible assets and work in progress.
- d) Inter-segment revenues are eliminated on consolidation. There were no intersegment sales during the period under review.

Reconciliation of profit - 31st March, 2015

	Power segment		Mining segment	
	USD	INR	USD	INR
Segment profit	-	-	76,690	4,792,742
Profit before tax	-	-	76,690	4,792,742
Reconciliation of operating assets				
Segment operating assets - current	367,378,029	22,959,289,922	73,622,148	4,601,016,139
Reconciliation of operating liabilities				
Segment operating liabilities - current	367,378,029	22,959,289,922	73,622,148	4,601,016,139

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Detailed statement of comprehensive income

	Note	2015		2014	
		USD	INR	USD	INR
Revenue					
Coal sales		16,491,101	1,030,611,357	14,870,038	890,863,977
Mineral royalty tax		(1,779,266)	(111,195,228)	(891,225)	(53,393,290)
ERB fee		(115,450)	(7,215,048)	(103,976)	(6,229,202)
	19	14,596,385	912,201,081	13,874,837	831,241,485
Cost of sales					
Opening stock		(31,200,203)	(1,949,856,686)	(26,934,116)	(1,613,622,890)
Purchases		(6,126,858)	(382,897,991)	(8,791,967)	(526,726,743)
Depreciation and amortisation		(4,404,642)	(275,268,102)	(4,795,746)	(287,313,143)
Translation reserve		6,366,110	397,850,044	4,484,823	268,685,746
Closing stock		28,256,142	1,765,867,594	31,200,203	1,869,204,162
	20	(7,109,451)	(444,305,141)	(4,836,803)	(289,772,868)
		7,486,934	467,895,940	9,038,034	541,468,617
Gross profit					
Other income					
Interest received		-	-	121	7,249
Other trading income		199,280	12,454,004	102,395	6,134,484
Profit on disposal of property, plant and equipment		27,515	1,719,550	7,002	419,490
		226,795	14,173,554	109,518	6,561,223
Expenses (refer to page 42)		(4,588,820)	(286,778,306)	(6,956,190)	(416,745,343)
Operating profit					
Finance charges	22	(2,489,772)	(155,598,301)	(5,747,205)	(344,315,052)
Fair value adjustments of non interest bearing long term liabilities	10	(558,447)	(34,900,145)	(710,022)	(42,537,418)
		(3,048,219)	(190,498,446)	(6,457,227)	(386,852,470)
Profit/(Loss) before taxation					
Taxation	17	76,690	4,792,742	(4,265,865)	(255,567,973)
		7,846	490,336	21,370	1,280,277
Profit/(Loss) for the year					
		68,844	4,302,406	(4,287,235)	(256,848,250)

Note: Page No.42 in the above statement may be referred as page 85 in this Annual Report.

Detailed statement of comprehensive income

	2015		2014	
	USD	INR	USD	INR
Operating expenses				
Administrative expenses	1,858,177	116,126,772	2,375,601	142,322,256
CSR Activity obligation	409,448	25,588,453	477,067	28,581,084
Excess provision written back	(2,201,700)	(137,595,242)	-	-
Repairs and maintenance	1,374,166	85,878,504	1,199,068	71,836,164
Staff costs	3,148,729	196,779,819	2,904,454	174,005,839
	4,588,820	286,778,306	6,956,190	416,745,343

Note: Indian Rupee equivalent figures have been arrived at by applying the year end interbank rate US\$ 1 = ₹ 62.495 (Previous year US\$ 1 = ₹ 59.91 and 1st April, 2013 US\$ 1 = ₹ 54.365) do not form part of the report of Maamba Collieries Limited as made out in accordance with laws of the Country of incorporation.



NAVA BHARAT

General Information

Nava Energy Pte. Ltd.

DIRECTORS

Ashwin Devineni

(Appointed on 27th January, 2014)

Ramesh Srigrisetty

(Appointed on 27th January, 2014)

SECRETARY

Ana Criselda Pangilinan Fresnido

@ Pangilinan Ana Criselda Punzal

INDEPENDENT AUDITOR

Sashi Kala Devi Associates

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Directors' Report

The directors are pleased to present their report to the member together with the audited financial statements of Nava Energy Pte. Ltd. ("the Company") for the financial period from 27th January, 2014 (date of incorporation) to 31st March, 2015.

1. DIRECTORS

The directors of the Company in office at the date of this report are:

Ashwin Devineni
Ramesh Srigrisetty

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the

financial period was the Company a party to any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisitions of shares or debentures of the Company or any other body corporate.

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The following directors who held office at the end of the financial period, had, accordingly to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Chapter 50, an interests in shares of the Company and of related corporations, as stated below:

Name of director	Ordinary shares Held in the name of the directors	
	At the date of appointment	At end of financial period
ULTIMATE HOLDING COMPANY:		
Nava Bharat Ventures Limited		
- Ashwin Devineni	1,590,718	16,19,469
- Ramesh Srigrisetty	150	150

Except as disclosed in the financial statements, no director who held office at the end of the financial period had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial period or end of the financial period.

4. DIRECTORS' CONTRACTUAL BENEFITS

Except as disclosed in the financial statements, since the date of incorporation, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a Company in which the director has a substantial financial interest.

5. OPTIONS TO TAKE UP UNISSUED SHARES

During the financial period, no option to take up unissued shares of the Company was granted.

6. OPTIONS EXERCISED

During the financial period, there were no shares of the Company issued by virtue of the exercise of options to take up unissued shares.

7. UNISSUED SHARES UNDER OPTION

At the end of the financial period, there were no unissued shares of the Company under option.

8. INDEPENDENT AUDITOR

The independent auditor, Sashi Kala Devi Associates has expressed its willingness to accept re-appointment as auditor.

Ashwin Devineni
Director

Ramesh Srigrisetty
Director

Date : 6th May, 2015



Statement by Directors

We, Ashwin Devineni and Ramesh Srigirisetty, being the directors of Nava Energy Pte. Ltd., do hereby state that, in the opinion of the directors,

(a) the accompanying balance sheet, statement of comprehensive income, statement of changes in equity and cash flow statement together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and the results of the business, changes in equity and cash flows of the Company for the period ended on that date, and

(b) at the date of this statement, there are reasonable ground to believe that the Company will be able to pay its debts as and when they fall due depends on the continual financial support of the holding company.

Ashwin Devineni
Director

Ramesh Srigirisetty
Director

Date : 6th May, 2015

Independent Auditor's Report

to the member of

Nava Energy Pte. Ltd.

(Co. Reg. No. 201402621N)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Nava Energy Pte. Ltd., ("the Company") which comprise the balance sheet as at 31 March 2015, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an

opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 March 2015 and of the results, changes in equity and cash flows of the Company for the period ended on that date.

EMPHASIS OF MATTERS

Without qualifying our opinion, we draw attention to note 2 in the financial statements. The Company incurred a net loss of US\$ 2,171 during the financial period ended 31 March 2015 and as at that date, the Company's total and current liabilities exceeded the total and current assets by US\$ 1,171. The validity of the going concern assumption on which the financial statements are prepared depends on the continual financial support of the holding company. In the event that there is no such financial support, the going concern basis would be invalid and provision would have to be made for any loss on realisation of the Company's assets and further costs which might arise.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Sashi Kala Devi Associates
Public Accountants and
Chartered Accountants

Singapore
Date : 6th May, 2015



Balance Sheet

as at 31st March, 2015

	Note	2015	2015
		US\$	INR
CURRENT ASSET			
Cash in hand		29	1,812
		29	1,812
CURRENT LIABILITY			
Other payable	4	1,200	74,994
		1,200	74,994
NET CURRENT LIABILITY			
Net liability		(1,171)	(73,182)
EQUITY ATTRIBUTABLE TO OWNER OF THE COMPANY			
Share capital	5	1,000	62,495
Accumulated loss		(2,171)	(135,677)
EQUITY DEFICIT		(1,171)	(73,182)

Statement of Comprehensive Income

for the financial period from 27th January, 2014 (date of incorporation) to 31st March, 2015

	Note	27.01.2014	27.01.2014
		to 31.03.2015	to 31.03.2015
		US\$	INR
REVENUE			
Administrative expenses		(2,171)	(135,677)
Loss before tax		(2,171)	(135,677)
Income tax expense	6	-	-
Loss for the period		(2,171)	(135,677)
Other comprehensive income		-	-
Total comprehensive income for the period		(2,171)	(135,677)

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

Statement of Changes in Equity

For the financial period from 27th January, 2014 (date of incorporation) to 31st March, 2015

	Share capital	Accumulated loss	Total	
	US\$	US\$	US\$	INR
On incorporation of the Company	1,000	-	1,000	62,495
Total comprehensive loss for the period	-	(2,171)	(2,171)	(135,677)
Balance at 31st March, 2015	1,000	(2,171)	(1,171)	(73,182)

Cash Flow Statement

for the financial period from 27th January, 2014 (date of incorporation) to 31st March, 2015

	27.01.2014 to 31.03.2015	27.01.2014 to 31.03.2015
	US\$	INR
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(2,171)	(135,677)
Operating loss before working capital changes	(2,171)	(135,677)
Increase in other payable	1,200	74,994
Net cash flows used in operating activity	(971)	(60,683)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares	1,000	62,495
Net cash flows from financing activities	1,000	62,495
Net increase in cash and cash equivalents	29	1,812
Cash and cash equivalents at beginning of period	-	-
Cash and cash equivalents at end of period	29	1,812

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



Notes

to the Financial Statements 31st March, 2015

These notes are an integral part of and should be read in conjunction with the accompanying financial statements.

1. CORPORATE INFORMATION

The Company is a private Company limited by shares incorporated and domiciled in Singapore. Its immediate holding Company is Nava Bharat (Singapore) Pte. Limited, a Company incorporated in Singapore and its ultimate holding Company is Nava Bharat Ventures Limited, a Company incorporated in India.

The registered office and principal place of business of the Company is located at 120 Lower Delta Road #05-14 Cendex Centre Singapore 169208.

The principal activities of the Company are those of project maintenance activities of MCL power project.

2. FUNDAMENTAL ACCOUNTING CONCEPT

The Company incurred a net loss of USD 2,171 - INR 135,677 during the financial period ended 31st March, 2015 and as at that date, the Company's current and total liabilities exceeded its current and total assets by USD 1,171 - INR 73,182. The financial statements of the Company have been prepared under the going concern concept as the management believes that the holding company will undertake to provide continuing financial support to enable to meet its obligation as and when the need arises. In the event that there is no such financial support, the going concern basis would be invalid and provision would have to be made for any loss on realisation of the Company's assets and further assets which might arise.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS).

The financial statements have been prepared on the historical cost basis except where otherwise described in the accounting policies below.

The financial statements are presented in United States Dollar (USD or US\$) which is the Company's functional currency and all values are rounded to the nearest one-dollar unless otherwise stated.

The accounting policies have been consistently applied by the Company since the date of incorporation. The Company has adopted all applicable new and revised FRS that are relevant to its operations and effective for the current financial period. The adoption of these new and revised FRS did not result in any changes to the Company's accounting policies and had no material effect on the amounts reported for the current financial period.

Standards issued but not yet effective

The Company has not adopted the following new and revised standards which are potentially relevant to the Company that have been issued but not yet effective:

	Effective date (Annual periods beginning on or after)
Improvements to FRSs	
– Amendment to FRS 24 Related Party Disclosures	1st July, 2014
– Amendment to FRS 113 Fair Value Measurement	1st July, 2014

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

Notes

to the Financial Statements 31st March, 2015

(b) Significant accounting estimates judgements

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, and the disclosure of contingent liabilities at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

- Key sources of estimation uncertainty

There were no material key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

- Judgement made in applying accounting policies

The management is of the opinion that There were no material judgments made by management in the process of applying the Company's accounting policies that have made significant effect on the amounts recognised in the financial statements.

(c) Functional and foreign currency

The management has determined the currency of the primary economic environment in which the Company operates i.e. functional currency, to be USD.

Foreign currency transactions

Transactions in foreign currencies are measured in USD and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are re-translated the functional currency at the rate of exchange ruling at the end of the reporting period. Non-

monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

(d) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When a financial asset is recognised initially, an entity shall measure it at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of financial asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loan and receivables comprise cash in hand.



Notes

to the Financial Statements 31st March, 2015

De-recognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchase and sale of a financial asset

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place concerned.

(e) Impairment of financial assets

The Company assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired.

(i) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a company of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference

between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the receivable and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(ii) Financial assets carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

Notes

to the Financial Statements 31st March, 2015

(f) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

When a financial liability is recognised initially, an entity shall measure it at its fair value plus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of financial liability.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

The Company has not designated any financial liabilities upon initial recognition at fair value through profit or loss.

(ii) Financial liabilities at amortised cost

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is derecognised when the

obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss.

(g) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is presented in the balance sheet, when and only when, there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

(h) Share capital and share issue expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

(l) Taxes

(i) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period.

Current income taxes are recognised in profit or loss except to the extent that tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



Notes

to the Financial Statements 31st March, 2015

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the date of reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences.

Deferred income tax assets are recognised for all temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(j) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability, when discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

(k) Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Company if that person:
 - (i) Has control or joint control over the Company;
 - (ii) Has significant influence over the Company; or
 - (iii) Is a member of the key management personnel of the Company or of a parent of the Company.
- (b) An entity is related to the Company if any of the following conditions applies:
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

Notes

to the Financial Statements 31st March, 2015

- (iii) Both entities are joint ventures of the same third party;
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

	2015	2015
	US\$	INR
4. OTHER PAYABLE		
Accrued liability	1,200	74,994

		2015	2015
	Number of shares	US\$	INR
5. SHARE CAPITAL			
Issued and fully paid: At date of Incorporation/ end of period	1,000	1,000	62,495

During the period, 1,000 ordinary shares were issued for cash of USD 1,000 - INR 62,495 to the subscribers to the memorandum of association.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value, and carry one vote per share without restrictions.

6. INCOME TAX EXPENSE

(i) Major components of income tax expense

The major components of income tax expense for the financial periods ended 31st March, 2015 is:

	2015	2015
	US\$	INR
Statement of comprehensive income:		
Current income tax	-	-
Total tax expense	-	-



Notes

to the Financial Statements 31st March, 2015

(ii) Relationship between tax expense and accounting loss

The reconciliation between the tax expense and the product of accounting loss multiplied by the applicable tax rate for the financial period ended 31st March, 2015 is as follows:

	2015	2015
	US\$	INR
Loss before tax	(2,171)	135,677
Tax benefit on loss before tax at 17%	(369)	(23,061)
Adjustment:		
Non-deductible expenses	369	23,061
	-	-

7. RELATED PARTY DISCLOSURES

In addition to those related party information disclosed elsewhere in the financial statements, the following significant transactions between the Company and related parties that took place at terms agreed between the parties during the financial period:

	2015	2015
	US\$	INR
Significant related party transactions		
Holding company		
Expense paid on behalf of	971	60,683

8. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is dormant during the financial period and its primary liabilities are accrued expenses. There are no significant risks associated with these items, which are stated at fair values, and the management is of the opinion that the maximum exposures are as stated in the financial statements. No extraordinary risk expected.

9. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

The following table summaries the carrying amount of financial assets recorded at the end of the reporting period by FRS 39 categories:

	2015	2015
	US\$	INR
Loans and receivables		
Cash and cash equivalents	29	1,812
Financial liabilities at amortised cost		
Other payable	1,200	74,994

Notes

to the Financial Statements 31st March, 2015

10. FAIR VALUE OF ASSETS AND LIABILITIES

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying amount of financial assets and liabilities are reasonable approximation of fair values due to their short term nature.

The Company does not anticipate that the carrying amounts recorded at the end of the reporting date would be significant from the values that would eventually be received or settled.

At the end of reporting period, the Company does not have any other financial instruments carried at fair value.

11. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure by means of funding and

financial support from holding company, in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may require further funding from holding company or issue new shares. No changes were made in the objectives, policies or processes during the period ended 31st March, 2015. The Company is not subjected to externally imposed capital requirements.

12. COMPARATIVE FIGURES

The financial statements for 2015 cover the financial period from 27th January, 2014 to 31st March, 2015. These being the first set of financial statements, there are no comparative figures.

13. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the period ended 31st March, 2015 were authorised for issue in accordance with a resolution of the directors on 7th May, 2015.

The accompanying Supplementary Income Statement has been prepared for management purposes only and does not form part of the audited financial statements.

	Schedule	27.01.2014	27.01.2014
		to 31.03.2015	to 31.03.2015
		US\$	INR
Revenue		-	-
Administrative expenses	A	(2,171)	(135,677)
Loss before tax		(2,171)	(135,677)
Administrative expenses	A		
Auditor's remuneration		1,200	74,994
Office expenses		238	14,874
Secretarial fees		733	45,809
		2,171	135,677



NAVA BHARAT

General Information

Nava Bharat Lao Energy Pte. Ltd.

DIRECTORS

Ashwin Devineni

(Appointment on 24th January, 2014)

Jagannadha Venkateswara Sarma Palepu

(Appointment on 24th January, 2014)

SECRETARY

Ana Criselda Pangilinan Fresnido

@ Pangilinan Ana Criselda Punzal

INDEPENDENT AUDITOR

Sashi Kala Devi Associates

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Directors' Report

The directors are pleased to present their report to the members together with the audited financial statements of Nava Bharat Lao Energy Pte. Ltd. (the "Company") for the financial period from 24th January, 2014 (date of incorporation) to 31st March, 2015.

1. DIRECTORS

The directors of the Company in office at the date of this report are:

Ashwin Devineni

Jagannadha Venkateswara Sarma Palepu

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the

financial period was the Company a party to any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The following director, who held office at the end of the financial reporting year, had, according to the register of director's shareholdings required to be kept under section 164 of the Singapore Companies Act, Chapter 50, an interest in shares of the immediate and ultimate holding company as stated below:

Name of director	Ordinary shares Held in the name of the directors	
	At date of incorporation	At end of period
ULTIMATE HOLDING COMPANY		
Nava Bharat Ventures Limited		
Ashwin Devineni	1,590,718	1,619,469

Except as disclosed in the financial statements, since the date of incorporation, no director who held office at the end of the financial period had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the date of incorporation or end of the financial period.

4. DIRECTORS' CONTRACTUAL BENEFITS

Except as disclosed in the financial statements, since the date of incorporation, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a Company in which the director has a substantial financial interest.

5. OPTIONS TO TAKE UP UNISSUED SHARES

During the financial period, no option to take up unissued shares of the Company was granted.

6. OPTIONS EXERCISED

During the financial period, there were no shares of the Company issued by virtue of the exercise of options to take up unissued shares.

7. UNISSUED SHARES UNDER OPTION

At the end of the financial period, there were no unissued shares of the Company under option.

8. INDEPENDENT AUDITOR

The independent auditor, Sashi Kala Devi Associates has expressed its willingness to accept reappointment as auditor.

Ashwin Devineni
Managing Director

Jagannadha Venkateswara Sarma Palepu
Director

Date : 6th May, 2015



Statement by Directors

We, Ashwin Devineni and Jagannadha Venkateswara Sarma Palepu, being the directors of Nava Bharat Lao Energy Pte. Ltd., do hereby state that, in the opinion of the directors,

(a) the accompanying balance sheet, statement of comprehensive income, statement of changes in equity and cash flow statement together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and the results of the business, changes in equity and cash flow of the Company for the period ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Ashwin Devineni
Managing Director

Jagannadha Venkateswara Sarma Palepu
Director

Date : 6th May, 2015

Independent Auditor's Report

to the member of

Nava Bharat Lao Energy Pte. Limited

(Co. Reg. No. 201402516C)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Nava Bharat Lao Energy Pte. Ltd. (the "Company") which comprise the balance sheet as at 31 March 2015, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50. (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation

of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 March 2015 and the results, changes in equity and cash flows of the Company for the period ended on that date.

EMPHASIS OF MATTERS

Without qualifying our opinion, we draw our attention to the following

1. Financial support from holding company for working capital and loans

The Company is dependent on its holding company to give financial support for its ongoing investments. In addition, the subsidiary were in their preliminary stages of hydropower project. Therefore, the validity of the going concern assumption on which the financial statements are prepared depends on the successful generation of income from these hydropower project and continuous availability of the financial support from the immediate holding company. The holding company undertakes to give continuous financial support to meet its obligations as and when required. In the event that there is no such financial support, the going concern basis would be invalid and provision would have to be made for any loss on realisation of the company's assets and further costs which might arise.



NAVA BHARAT

Independent Auditor's Report

to the member of

Nava Bharat Lao Energy Pte. Limited

(Co. Reg. No. 201402516C)

2. Loan to a subsidiary

As mentioned above, the subsidiary is in its initial stages of the project. The loan to the subsidiary as disclosed in note 4 to the financial statements are dependent on the outcome of its project and the directors are of the view that the project of this subsidiary will be successful. In the event that the project are not favourable, allowances for impairment for this loan to a subsidiary need to be made during subsequent years.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Sashi Kala Devi Associates
Public Accountants and
Chartered Accountants

Jagannadha Venkateswara Sarma Palepu
Director

Singapore

Date : 6th May, 2015

Balance Sheet

as at 31st March, 2015

	Note	2015	2015
		US\$	INR
NON-CURRENT ASSET			
Investment in a subsidiary	4	4,588,209	286,740,122
CURRENT ASSET			
Cash and cash equivalents		586	36,622
CURRENT LIABILITY			
Accrued liability		2,400	149,988
NET CURRENT LIABILITIES			
		(1,814)	(113,366)
NON-CURRENT LIABILITY			
Loan from immediate holding company	5	4,219,941	263,725,213
Net assets		366,454	22,901,543
901,543 EQUITY ATTRIBUTABLE TO OWNER OF THE COMPANY			
Share capital	6	370,000	23,123,150
Accumulated loss		(3,546)	(221,607)
TOTAL EQUITY		366,454	22,901,543

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



Statement of Comprehensive Income

for the financial period from 24th January, 2014 (date of incorporation) to 31st March, 2015

	Note	24.01.2014	24.01.2014
		to 31.03.2015	to 31.03.2015
		US\$	INR
REVENUE		-	-
Administrative expenses		(3,546)	(221,607)
Loss before tax		(3,546)	(221,607)
Income tax expense	7	-	-
Loss for the period		(3,546)	(221,607)
Other comprehensive income		-	-
Total comprehensive loss for the period		(3,546)	(221,607)

Statement of Changes in Equity

For the financial period from 24th January, 2014 (date of incorporation) to 31st March, 2015

	Share capital	Accumulated loss	Total	
	US\$	US\$	US\$	INR
On incorporation of the Company	370,000	-	370,000	23,123,150
Total comprehensive loss for the period	-	(3,546)	(3,546)	(221,607)
Balance at 31st March, 2015	370,000	(3,546)	366,454	22,901,543

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

Cash Flow Statement

for the financial period from 24th January, 2014 (date of incorporation) to 31st March, 2015

	24.01.2014 to 31.03.2015	24.01.2014 to 31.03.2015
	US\$	INR
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(3,546)	(221,607)
Operating loss before working capital changes	(3,546)	(221,607)
Increase in accrued liability	2,400	149,988
Net cash flows used in operating activity	(1,146)	(71,619)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares	370,000	23,123,150
Increase in investment in a subsidiary	(4,588,209)	(286,740,122)
Increase in loan from a holding company	4,219,941	263,725,213
Net cash flows from financing activities	1,732	108,241
Net increase in cash and cash equivalents	586	36,622
Cash and cash equivalents at beginning of period	-	-
Cash and cash equivalents at end of period	586	36,622

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



Notes

to the Financial Statements 31st March, 2015

These notes are an integral part of and should be read in conjunction with the accompanying financial statements.

1. FUNDAMENTAL ACCOUNTING CONCEPT

As at 31st March, 2015, the Company has net current liabilities and net cash flow used in operating activities of USD 1,814 - INR 113,366 and USD 1,146 - INR 71,619 respectively, and incurred net loss of USD 3,546 – INR 221,607 for the financial period ended 31st March, 2015. The financial statements of the Company have been prepared under the going concern concept as the management believes that the holding company will undertake to provide continuing financial support to enable to meet its obligation as and when the need arises. In the event that there is no such financial support, the going concern basis would be invalid and provision would have to be made for any loss on realisation of the Company’s assets and further assets which might arise.

2. CORPORATE INFORMATION

The Company is a private company limited by shares, incorporated and domiciled in the Singapore.

Its immediate and ultimate holding company is Nava Bharat (Singapore) Pte, Ltd, incorporated in Singapore and Nava Bharat Ventures Limited, incorporated in India respectively.

The registered office of the Company is located at 120, Lower Delta Road, #05-14, Cendex Centre, Singapore 169208.

The principal activities of the Company are those of investment holding.

The principal activities of the subsidiary are disclosed in Note 4 to the financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in

accordance with Singapore Financial Reporting Standards (FRS).

The financial statements have been prepared on a historical cost basis except where otherwise described in the accounting policies below.

The financial statements are presented in United States Dollar (USD or US\$) and all values are rounded to the nearest one-dollar unless otherwise stated.

The accounting policies have been consistently applied by the Company since the date of incorporation.

Standards issued but not yet effective

The Company has not adopted the following standards and interpretations which are potentially relevant to the Company that has been issued but not yet effective:

	Effective date (Annual periods beginning on or after)
Improvements to FRSS (January 2014)	
– Amendment to FRS 24 Related Party Disclosures	1st July, 2014
Improvements to FRSS (February 2014)	
– Amendment to FRS 113 Fair Value Measurement	1st July, 2014
FRS 109 Financial Instruments	1st January, 2018

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application.

Notes

to the Financial Statements 31st March, 2015

Consolidated Financial Statements (Non-consolidated)

The financial statements of the subsidiaries have not been consolidated with the Company's financial statements as the Company itself is a wholly owned subsidiary of Nava Bharat Ventures Limited, incorporated in India, which prepares consolidated financial statements on a worldwide basis. Such financial statements are publicly available.

The registered address of Nava Bharat Ventures Limited is Nava Bharat Chambers, 6-3-1109/1, Raj Bhavan Road, Hyderabad – 500 082.

Investments in subsidiary in the financial statements of the Company are stated at cost, less any impairment in recoverable value.

(b) Significant accounting estimates and judgements

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities, and the disclosure of contingent liabilities at the end of each reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

- Key sources of estimation uncertainty

There were no material key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

- Judgement made in applying accounting policies

There were no material judgements made by management in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(c) Functional and foreign currency

The management has determined the currency of the primary economic environment in which the Company operates i.e. functional currency, to be USD.

Foreign currency transactions

Transactions in foreign currencies are measured in USD and are recorded on initial recognition at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are re-translated to the functional currency at the rate of exchange ruling at the end of the reporting period. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of initial recognition. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss

(d) Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect these returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.



Notes

to the Financial Statements 31st March, 2015

(e) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When a financial asset is recognised initially, an entity shall measure it at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of financial asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables comprise cash and cash equivalents, amounts due from a subsidiary and holding company.

De-recognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchase and sale of a financial asset

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

(f) Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

(i) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company first assesses whether objective evidence of impairment exists individually for financial asset that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The

Notes

to the Financial Statements 31st March, 2015

carrying amount of the asset is reduced through the use of an allowance account. The loss is recognised in the profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amount charged to the allowance account is written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(ii) Financial assets carried at cost

If there is objective evidence that an impairment loss on a financial asset carried at cost has been incurred (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) the impairment loss is recognised and the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(iii) Available-for-sale financial assets

In the case of equity investments classified as available-for-sale, objective evidence of impairment include (i) significant financial difficulty of the issuer or obligor, (ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and (iii) a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is to be evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

If an available-for-sale financial assets is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from other comprehensive income and recognised in profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

(g) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

When a financial liability is recognised initially, an entity shall measure it at its fair value plus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of financial liability.



Notes

to the Financial Statements 31st March, 2015

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

The Company has not designated any financial liabilities upon initial recognition at fair value through profit or loss.

(ii) Financial liabilities at amortised cost

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss.

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

(i) Other payable

Other payable are non-interest bearing and have an average term of six months.

(j) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(k) Share capital and share issue expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

(l) Taxes

(i) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period.

Notes

to the Financial Statements 31st March, 2015

Current income taxes are recognised in the profit or loss except to the extent that tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured using the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have

been enacted or substantively enacted at the end of the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(m) Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Company if that person:
 - (i) Has control or joint control over the Company;
 - (ii) Has significant influence over the Company; or
 - (iii) Is a member of the key management personnel of the Company or of a parent of the Company.
- (b) An entity is related to the Company if any of the following conditions applies:
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) Both entities are joint ventures of the same third party;



Notes

to the Financial Statements 31st March, 2015

- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

	2015	2015
	US\$	INR
4. INVESTMENT IN A SUBSIDIARY		
Unquoted shares, at cost	168,000	10,499,160
Loan to a subsidiary	4,420,209	276,240,962
	4,588,209	286,740,122

During the financial period, the Company has incorporated a subsidiary Namphak Project Company Limited with 70% equity interest for initial paid up share capital of USD 168,000 - INR 10,499,160. The subsidiary is incorporated in Laos and has not commenced business operation at the end of reporting period.

Details of the subsidiary at 31st March, 2015 are as follows:-

Name and principal activities	Country of incorporation	Cost of investments 2015		Effective equity interest held by Company 2015
		US\$	INR	%
*Namphak Project Company Limited (Hydropower project)	Laos	168,000	10,449,160	70

* Unaudited financial statements

The loan to a subsidiary is unsecured, interest-free, convertible into investments at future date and interest-free except for an amount of USD 200,000 – INR 12,499,000 which is charged at interest rate of 6% per annum.

The directors are of the view that these amounts are recoverable although the subsidiary is in preliminary stages of operation as they are of the opinion that the subsidiary will successfully generate income in future.

5. LOAN FROM IMMEDIATE HOLDING COMPANY

The loan is non-trade, unsecured, interest-free, no fixed term of repayment and to be settled in cash.

Notes

to the Financial Statements 31st March, 2015

	Number of shares	2015	2015
		US\$	INR
6. SHARE CAPITAL			
Issued and fully paid ordinary shares:			
At date of incorporation	1,000	1,000	62,495
Issued during the period	369,000	369,000	23,060,655
At end of period	370,000	370,000	23,123,150

During the period,

- (i) 1,000 ordinary shares were issued for cash to the subscribers to the memorandum of association.
- (ii) 369,000 ordinary shares were issued for total cash consideration of USD 370,000 – INR 23,123,150. The proceeds were used for working capital purposes;

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value carry one vote per share without restrictions.

7. INCOME TAX EXPENSE

(i) Major components of income tax expense

The major components of income tax expense for the financial period ended 31st March, 2015 is:

	24.01.2014 to 31.03.2015	24.01.2014 to 31.03.2015
	US\$	INR
Statement of comprehensive income:		
Current income tax	-	-

(ii) Relationship between tax expense and accounting loss

The reconciliation between the tax expense and the product of accounting loss multiplied by the applicable tax rate for the financial period ended 31st March, 2015 is as follows:

	24.01.2014 to 31.03.2015	24.01.2014 to 31.03.2015
	US\$	INR
Loss before tax	(3,546)	(221,607)
Tax benefit on loss before tax at 17%	(602)	(37,622)
Adjustment:		
Non-deductible expenses	602	37,622
	-	-



Notes

to the Financial Statements 31st March, 2015

8. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to safeguard the Company's ability to continue as a going concern and to maintain the Company at a net current asset position by means of funding and financial support from immediate holding company in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may acquire further funding from immediate holding company, obtain new borrowing or issue new shares. No changes were made in the

objectives, policies or processes during the period ended 31st March, 2015.

The Company maintain its cash flow and overall liquidity position on a continuous basis.

The Company is not subjected to any externally imposed capital requirement.

9. RELATED PARTY DISCLOSURES

In addition to those related party information disclosed elsewhere in the financial statements, the following significant transactions between the Company and related parties that took place at terms agreed between the parties during the financial year:

Significant related party transactions

	2015	2015
	US\$	INR
Immediate holding company		
- Expenses paid on behalf	732	45,746
- Loan from	4,219,941	263,725,213
Subsidiary		
- Investment		
	4,588,209	286,740,122

10. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks is liquidity risk. The Company's risk management policies focus on the unpredictability of financial markets and seek to, where appropriate, minimise potential adverse effects on the financial performance of the Company. The Company does not have any written financial risk management policies and guidelines and there has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from possible mismatches of the maturities of financial assets and liabilities.

The Company manage liquidity risk by ensuring the availability of funding and financial support from its immediate holding company.

Analysis of financial instruments by remaining contractual maturities

The maturity profile of the Company's financial liabilities at the end of the reporting period, based on contractual undiscounted payments is within one year.

Notes

to the Financial Statements 31st March, 2015

11. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting period by FRS 39 categories.

	2015	2015
	US\$	INR
Loans and receivables		
Cash and cash equivalents	586	
Financial liabilities at amortised cost		
Accrued liability	2,400	149,988
Loan from immediate holding company	4,219,941	263,725,213
	4,222,341	263,875,201

12. FAIR VALUE OF ASSETS AND LIABILITIES

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying amount of financial assets and liabilities are reasonable approximation of fair value due to their short term nature.

The company does not anticipate that the carrying amounts recorded at the end of the reporting period would be significantly different from the values that would eventually be received or settled.

13. COMPARATIVE FIGURES

The financial statements for 2015 cover the financial period from 24th January, 2014 to 31st March, 2015. These being the first set of financial statements, there are no comparative figures.

14. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the period ended 31st March, 2015 were authorised for issue in accordance with a resolution of the directors on 6th May, 2015.

The accompanying Supplementary Income Statement has been prepared for management purposes only and does not form part of the audited financial statements.

	Schedule	24.01.2014 to 31.03.2015	24.01.2014 to 31.03.2015
		US\$	INR
Revenue		-	-
Administrative expenses	A	(3,546)	(221,607)
Loss before tax		(3,546)	(221,607)
Administrative expenses			
Auditor's remuneration		2,400	149,988
Bank charges		414	25,873
Secretarial fees		732	45,746
		3,546	221,607

Not part of the audited financial statements



Statement of the Board of Directors'

Responsibility in Respect of The Financial Statements

The Board of Directors of Namphak power company Limited ("the company") is responsible for the preparation of financial statements for each financial year which have been prepared, in all material respects, in accordance with the accounting policies set out in Note 2 to the financial statements. In preparing financial statements, the Board of Directors is required to.

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Board of Directors is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and for ensuring that the financial statements comply with an appropriate accounting frame work. It is also responsible for safeguarding the assets of the Company and thus for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Directors confirm that the Company has complied with the above requirements in preparing the financial statements.

APPROVAL OF THE FINANCIAL STATEMENTS

We hereby approve the accompanying financial statements and certify that they have been prepared, in all material respects, in accordance with the accounting policies set out in Note 2 to the financial statements.

On behalf of the Management:

Prepared by

Phouveo Phommala

Date: 24th March, 2015

Auditors' Report

to The Shareholders of Namphak Power Company Limited

INTRODUCTION

We have audited the accompanying balance sheet of Namphak power Company Limited ("the Company") as of 31 March 2015, and the related statements of income, cash flows and changes in shareholders' equity for the year then ended on pages 120 to 131.

RESPECTIVE RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE AUDITORS

These financial statements are the responsibility of the Company's Board of Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

This report, including the opinion, has been prepared for and only for the shareholders of the Company and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, except where expressly agreed by our prior consent in writing.

BASIS OF OPINION

We conducted our audit in accordance with General Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

The Company's policy is to prepare the financial statements in accordance with the accounting policies set out in Note 2 to the financial statements.

We wish to draw attention to the following matters:

Our audit scope in this period is limited because we were unable to obtain sufficient and appropriate audit evidence and do not satisfy ourselves by performing alternative procedures for the following items

The Company's opening balance from Balance sheet of KOBE GREEN POWER CO. LTD. as at 30th November 2014 were not audited. The comparative figures are presented solely for information purposes only. Further we were unable to satisfy ourselves in respect of the opening balances as at 30th November 2014.

OPINION

In our opinion, except as described in the above paragraph of emphases of mater, the financial statements have been prepared and present fairly, in all material respects, the financial position of Namphak Power Company Limited as at March 31, 2015 and, result of its operations for the year then ended in accordance with the accounting Note 2 to the financial statements.

Lomphet Phongsavanh

Director

LAAC Company Limited

Date: 5th May, 2015



Income Statement

for the year ended 31st March, 2015

Particulars	Notes	Mar-15	Mar-15
		USD	INR
Revenues from sales of products			
Other income (Carbon credit)		-	-
Total income		-	-
Changes in inventories and work in progress		(440,932)	(27,556,045)
Raw materials and consumables used	9	2,410	150,613
Other Purchase and Services	10	239,377	14,959,928
Employee benefits	11	189,023	11,812,992
Depreciation and amortization expenses	3	8,779	548,644
Tax and other fee	12	2,414	150,863
Operating profit		1,072	66,995
Financial expenses	13	(1,072)	(66,995)
Profit before income tax		-	-
Income tax expense		-	-
Loss for the period		-	-

Date: 24th March, 2015

On behalf of the Management
Bob Mohana Sundram Paranjothy

Prepared by
Phouveo Phommala

The accompanying notes on pages 8 to 18 form part of these financial statements. Auditors' report - pages 2 & 3.

Note: Page Nos. 8 to 18 stated in the above report may be statement as 124 to 131 in this Annual Report.

Statement of Changes in Equity

for the year ended 31st March, 2015

	Share capital	Accumulated profit	Total	Total
	USD	USD	USD	INR
Balance at 1st March, 2014	-	-	-	-
Initial capital paid in	240,000	-	240,000	14,998,800
Net loss	-	-	-	-
Balance at 31st March, 2015	240,000	-	240,000	14,998,800

Date: 24th March, 2015

On behalf of the Management
Bob Mohana Sundram Paranjothy

Prepared by
Phouveo Phommala

The accompanying notes on pages 8 to 18 form part of these financial statements. Auditors' report - pages 2 & 3.

Note: Page Nos. 8 to 18 stated in the above report may be statement as 124 to 131 in this Annual Report.



Balance Sheet

as at 31st March, 2015

Particulars	Notes	Mar-15	Mar-15
		USD	INR
ASSETS			
Current assets			
Cash and Banks	4	13,671	854,370
Trade and other receivables	5	31,326	1,957,718
Shareholder receivables	5.1	960,000	59,995,200
Inventories		-	-
Total current assets		1,004,997	62,807,288
Non-current assets			
Property, plant and equipment	3	5,806,893	362,901,778
Total non-current assets		5,806,893	362,901,778
Total Assets		6,811,890	425,709,066
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Trade and other payables	6	5,409,365	338,058,266
Total current liabilities		5,409,365	338,058,266
Non-current liabilities			
Long term Loan		202,525	12,656,800
Total non-current liabilities		202,525	12,656,800
Total Liabilities		5,611,890	350,715,066
SHAREHOLDERS' EQUITY			
Contributed legal capital		-	-
Initial Paid in Capital	7	240,000	14,998,800
Registered Capital uncalled to be paid	8	960,000	59,995,200
Accumulated profit		-	-
Total shareholders' equity		1,200,000	74,994,000
Total Liabilities And Shareholders' Equity		6,811,890	425,709,066

Date: 24th March, 2015

On behalf of the Management
Bob Mohana Sundram Paranjothy

Prepared by
Phouveo Phommala

The accompanying notes on pages 8 to 18 form part of these financial statements. Auditors' report - pages 2 & 3.

Note: Page Nos. 8 to 18 stated in the above report may be statement as 124 to 131 in this Annual Report.

Cash Flow Statement

for the year ended 31st March, 2015

	Notes	Mar-15 USD	Mar-15 INR
OPERATING ACTIVITIES			
Profit before income tax		-	-
Adjustments for:			
Depreciation of property, plant and equipment	3	8,779	548,644
Operating income before working capital changes		8,779	548,644
Trade and other receivables		(991,326)	(61,952,918)
Increase/(decrease) in inventories		-	-
Decrease/(increase) in trade and other payables		6,811,890	425,709,066
Net cash flows from operating activities		5,829,343	364,304,792
INVESTING ACTIVITY			
Payments to acquire property, plant and equipment	3	(5,815,672)	(363,450,422)
Net cash flow used in investing activity		(5,815,672)	(363,450,422)
FINANCING ACTIVITY			
Proceeds from borrowings		-	-
Net cash flow used in financing activity		-	-
Net (decrease)/increase in cash		13,671	854,370
Other Adjustment		-	-
Cash at the beginning of the year	4	-	-
Cash at the end of year and ended 31st December, 2013		13,671	854,370

Date: 24th March, 2015

On behalf of the Management
Bob Mohana Sundram Paranjothy

Prepared by
Phouveo Phommala

The accompanying notes on pages 8 to 18 form part of these financial statements. Auditors' report - pages 2 & 3.

Note: Page Nos. 8 to 18 stated in the above report may be statement as 124 to 131 in this Annual Report.



Notes

to the Financial Statements for the year ended 31st March, 2015

1. GENERAL

Namphak Hydropower Project (the “**Project**”) was conceived in May 2007 by entering into a Memorandum of Understanding between the Government of Laos (“**GOL**”) and Kobe Green Power Co., Limited (“**KGP**”) for undertaking pre-feasibility study.

Upon completion of PRE-FEASIBILITY Study in November 2009, KGP entered into a Project Development Agreement (“**PDA**”) with the GOL for undertaking final feasibility study (FS) and other development activities.

In early 2010 KGP sought a strategic and financial partner for smooth development, implementation and operation of the Project. Accordingly, Nava Bharat (Singapore) Pte. Ltd. (“**NBS**”) and KGP entered into Joint Venture Agreement in early 2010 with **NBS** as the **Project Leader** holding majority interest in Namphak Hydropower Project.

KGP obtained the FS Technical Certificate of Approval for Option 7D – 150MW from GOL in Nov 2012.

KGP obtained the EIA, SIA, IEE Access Road and IEE Transmission Line Certificates of Approvals for Namphak Project from GOL in August 2013.

Namphak Power Company Ltd.(NPCL), a special project company is established in Laos in 2014 to undertake the development of Namphak Hydropower Project a 150MW (3x50MW) Hydro Power Plant on BOOT basis.

Nava Bharat Lao Energy Pte. Ltd. is a company incorporated in Singapore, is subsidiary of NBS which holds NBS’s stake in Namphak Project.

The total project cost is estimated to be approximately USD 250 million, and will be funded via Debt to Equity ratio of 70:30.

The Parties have decided that the Original shareholders, being themselves or, as the case may be, their Affiliates, would establish the Company for the purpose of owning and implanting the Project.

The General information about the project

Project name :	Namphak Hydropower Project
Location :	Namphak river in Paksong District, Champasak Province
Project category:	Construction period :2.5 years, concession period: 27 years, BOT
Installed capacity :	150MW
Average Annual Gross Energy :	533.33 GWh

Construction cost or equity of the company requested is USD 245,000,000 - INR 15,311,275,000.

Initial Registered capital amounted USD 1,200,000 - INR 74,994,000 paid in 2014 20% of initial capital amounted USD 240,000 - INR 14,998,800.

- > EDL (ELECTRICITE DU LAOS) behalf of GOL holds 15%
- > NAVA BHARAT LAO ENERGY PTE. LTD. holds 70%
- > KOBE GREEN POWER CO., LTD. holds 10.15%

- MOU signed on May 2007 (GOL and KGP)
- PDA signed on November 2009 (KGP with GOL)
- Joint Venture Agreement in early 2010 with NBS as the Project Leader holding majority interest in Namphak Hydropower Project
- PPA (Purchase Power Agreement is expected to be completed in mid of 2015
- CA (Concession Agreement signed on 2nd October, 2014

Namphak Power Company Limited was established in 18th September, 2014, and registered by ministry of planning and investment promotion, accordance to investment license No. 047-14 dated 18th September, 2014.

The registered address of the company is Phonthan village, Xaysettha District Vientiane Capital Lao PDR.

Project located in Paksong District, Champasak Province

The principal business operations of the Company are as below:

- Hydro power dam’s construction and produced electricity to EDL

Notes

to the Financial Statements for the year ended 31st March, 2015

These financial statements have been approved for issue by the director on 31st March, 2015.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements of the Company have been prepared using the historical cost convention.

The financial statements are expressed in local currency Lao Kip ("LAK") as it is the currency in which majority of the Company's transactions are denominated and settled however for the audit reports purpose require to present in the USD.

Functional and foreign currency

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are retranslated at exchange rates ruling at the balance sheet date. All exchange differences arising on settlement or restatement are recognised in the income statement.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Where an item of property comprises major components having different useful lives, the components are accounted for as separate items of equipment.

Depreciation of an asset begins when it is available for use and is computed on a straight-line basis over the estimated useful life of the asset as follows:

	Useful lives
Building	20 years
Operating equipment	2 – 10 years
Office equipment, furniture and fittings	2 – 10 years
Motor vehicles	4 - 5 years

The residual value, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected

pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on such derecognition is included in the statement of income in the year the item of property, plant and equipment is derecognized.

Fully depreciated property, plant and equipment are retained in the financial statement until disposed or written off.

Cash

Cash comprises cash on hand and in banks.

Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows for both the current and previous year:

Raw materials	- purchase cost on a average basis;
Spare parts and consumables	- purchase cost on a average basis;
Finished goods	- budget cost on a average basis;
Work-in-progress	- to be translated to equivalent finished goods base on the percentage of the finished good

Net realisable value represents the estimated selling price less anticipated costs to complete, estimated marketing and selling expenses and after making provision if any.

Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Trade and other payables

Trade and other payables are stated at cost.



Notes

to the Financial Statements for the year ended 31st March, 2015

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised

Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and the amount of revenue can be measured reliably.

Related parties

Parties are considered to be related if they have the ability to control or exercise significant influence over each other in making financial and operation decisions or are subject to common control or common significant influence.

Provisions

Provisions are recognised when the Company has a present obligation where, as a result of a past event, it is probable

that an outflow of economic resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

Operating lease

Payments made under operating leases are recognised in the statement of income on a straight-line basis over the term of the lease.

Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the balance sheet date.

Notes

to the Financial Statements for the year ended 31st March, 2015

3. PROPERTY, PLANT AND EQUIPMENT

	Machinery, Vehicle Tools & Equipment		Furniture and Fixture		Office & Computer Equipment		Project development expenses (Open balance)		Other receivable - Deposit		Total	
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	INR
Cost												
As at 31st March, 2014	-	-	-	-	-	-	-	-	-	-	-	-
Additions	70,569	24,130	5,339	5,586	5,686,565	23,123	5,815,312	363,427,923				
Adjustment	-	-	360	-	-	-	360	22,499				
Disposal	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March, 2015	70,569	24,130	5,699	5,586	5,686,565	23,123	5,815,672	363,450,422				
Accumulated depreciation												
As at 31st March, 2014	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	5,839	1,996	481	463	-	-	8,779	548,644				
Disposal	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March, 2015	5,839	1,996	481	463	-	-	8,779	548,644				
Net book value												
As at 31st March, 2014	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March, 2015	64,730	22,134	5,218	5,123	5,686,565	23,123	5,806,893	362,901,778				



Notes

to the Financial Statements for the year ended 31st March, 2015

Particulars	Mar-15 USD	Mar-15 INR
04. CASH		
Bank-ANZ-LAK1200021051	2,296	143,489
Bank-ANZ-USD1201021052	11,344	708,943
Petty cash LAK	31	1,938
	13,671	854,370

Particulars	Mar-15 USD	Mar-15 INR
05. TRADE AND OTHER RECEIVABLE		
Other receivable – KGP	9,033	564,517
Prepaid expenses - Others	-	-
Prepaid expenses - Rental	22,293	1,393,201
	31,326	1,957,718

Particulars	Mar-15 USD	Mar-15 INR
5.1 SHAREHOLDER RECEIVABLES		
Share Capital - Nava Bharat	672,002	41,996,764
Share Capital - KGP	143,999	8,999,218
Share Capital - EDL	143,999	8,999,218
	960,000	59,995,200

Particulars	Mar-15 USD	Mar-15 INR
06. TRADE AND OTHER PAYABLE		
Accrued Expense -Miscellaneous	-	-
Payroll Liability	18,925	1,182,718
Social insurance payable	141	8,812
Personal Income Tax	6,848	427,966
Withholding tax payable	-	-
Payable to Mr. Maruyama	1,122,622	70,158,262
Payable to Nava Bharat (Singapore) Pte. Limited	4,260,829	266,280,508
Loan KGP	-	-
Payable to KGP	-	-
	5,409,365	338,058,266

Notes

to the Financial Statements for the year ended 31st March, 2015

Particulars	Mar-15 USD	Mar-15 INR
07. INITIAL REGISTERED CAPITAL PAID IN		
Share Capital – Nava Bharat (Singapore) Pte. Limited	167,998	10,499,036
Share Capital – KGP	36,001	2,249,882
Share Capital – EDL	36,001	2,249,882
	239,999	14,998,800

Particulars	Mar-15 USD	Mar-15 INR
08. INITIAL REGISTERED CAPITAL PAID IN		
Registered Capital uncalled to be paid Nava Bharat (Singapore) Pte. Limited	672,002	41,996,764
Registered Capital uncalled to be paid – KGP	143,999	8,999,218
Registered Capital uncalled to be paid – EDL	143,999	8,999,218
	960,001	59,995,200

Particulars	Mar-15 USD	Mar-15 INR
09. RAW AND CONSUMABLE MATERIALS USED		
Stationeries	470	29,373
Gasoline expenses	1,050	65,620
Printer/Photocopier	115	7,187
Miscellaneous expenses	775	48,433
	2,410	150,613

Notes

to the Financial Statements for the year ended 31st March, 2015

Particulars	Mar-15 USD	Mar-15 INR
12. TAX AND OTHER FEE		
Staff work permit & Visa	1,889	118,053
Duty Stamp	525	32,810
	2,414	150,863

Particulars	Mar-15 USD	Mar-15 INR
13. FINANCIAL EXPENSES		
Un realize Gain/Loss on Exchange	(2,565)	(160,300)
Disposal Fixed Asset	1,493	93,305
	(1,072)	(66,995)

Note: Indian Rupee equivalent figures have been arrived at by applying the year end interbank rate US\$ 1 = ₹ 62.495 (Previous year US\$ 1 = ₹ 59.91) do not form part of the report of Namphak Power Company Limited as made out in accordance with laws of the Country of incorporation.



Notice to Shareholders

Notice is hereby given that the Ninth Annual General Meeting of the Company will be held on Monday, the 24th August, 2015 at 10:00 a.m. at 6-3-1109/1, Nava Bharat Chambers, Raj Bhavan Road, Hyderabad – 500 082 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited Financial Statements of the Company for the year ended on 31.03.2015 viz., Balance Sheet as at 31st March, 2015 and the statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Sri G. R. K. Prasad, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in the place of Sri P. J. V. Sarma, who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify appointment of Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration and to pass the following resolution as an Ordinary Resolution.

“RESOLVED THAT, pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 and the Rules made thereunder, recommendations of the audit committee and the Board of Directors, and also Pursuant to the resolution passed by the members at the Annual General Meeting (AGM) held on 30.07.2014, the appointment of M/s.Brahmayya & Co., Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the next AGM (to be held in 2016) be and is hereby ratified, and that the Board of Directors be and is hereby authorized to fix such remuneration as may be determined by the audit committee in consultation with the auditors.”

SPECIAL BUSINESS:

5. Re-appointment of Sri S. Ramesh, as Managing Director of the Company:

To consider and, if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203, and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including amendments thereof, the consent and approval of members of the Company be and is hereby accorded to the re-appointment of Sri. S. Ramesh, as Managing Director of the Company, for a period of 2 years with effect from 01.06.2015 on the remuneration, perquisites and other allowances detailed hereunder, subject to the overall limits prescribed in Schedule V to the Act.”

A Salary:

Basic Salary ₹ 3,63,600/- per month

B Allowances:

1. HRA 35% of salary per month.
2. Special Allowance ₹76,800/- per month
3. Conveyance reimbursement ₹12,000/- per month.
4. Reimbursement of business/entertainment expenses ₹10,000/- per month
5. Medical Expenses one month salary per annum.
6. LTA one month salary per annum.

“RESOLVED FURTHER THAT the remuneration aforesaid including the perquisites and other allowances shall be paid and allowed to Sri. S. Ramesh, Managing Director, as minimum remuneration during the currency of his tenure, in the event of loss or inadequacy of profits in any financial year for a period of 2 years.”

Notice to Shareholders

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution."

By Order of the Board
Nava Bharat Projects Limited

Place : Hyderabad
Date : 28th May, 2015

P. Viswanath
Company Secretary

Notes :

1. The Statement in respect of Special Business in the Notice, pursuant to Section 102 of the Companies Act, 2013, is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. The proxy form duly signed must be deposited at the Registered Office of the Company not later than 48 hours before the time of holding the meeting.
3. The Register of Directors and KMPs and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
4. The Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

Statement pursuant to Section 102 of the Companies Act 2013:

Item No. 5

Re-appointment of Sri S. Ramesh, as Managing Director of the Company:

Sri S. Ramesh was appointed as Managing Director of Nava Bharat Projects Limited by the Board of Directors

on 20.05.2013 and General Body on 08.08.2013 for a period of 2 years, effective from 01.06.2013. Pursuant to recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company on 28.05.2015, subject to approval of the members re-appointed Sri S. Ramesh, as Managing Director of the Company, for a further period of 2 years with effect from 01.06.2015 on the remuneration, perquisites and other allowances as set out at Item No. 5 of the Notice.

The remuneration proposed is as per Part II of Section II A of Schedule V of the Companies Act, 2013.

Sri S. Ramesh, is an M Tech (Power Systems) from I.I.T Madras and is looking after operations of the Company in respect of project management and maintenance services being rendered by the Company. He has over 26 years of technical expertise in relation to Power Projects including 5 years in the Company. He does not have any interest in the Capital of the Company nor related to any director or promoter in any way either in the company or its holding company. Apart from the remuneration payable, Sri S. Ramesh does not have any other pecuniary relationship with the Company.

Statement as per proviso of Schedule V to the Companies Act, 2013:

I. General Information:

- 1). Nature of industry: Commercial & Industrial, The Company was engaged in project management and maintenance services. Presently such services are being rendered to M/s. Mamba Collierles Ltd, Zambia.
- 2). Date or expected date of commencement of commercial Production: 01.09.2007
- 3). In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: NA



Notice to Shareholders

- 4). Financial performance based on given indicators:

Particulars	(Amount in Rupees)		
	2014-15	2013-14	2012-13
Turnover/Income	13,03,72,768	11,39,23,593	13,75,47,866
Net Profit / (Loss) before Tax & Appropriation	3,12,25,084	5,48,85,738	5,62,17,694

- 5). Foreign investments or collaborators, if any: None

II. Information about the appointee:

1) Background details:

Sri S. Ramesh has been working for the Company as Managing Director. He is an M Tech (Power Systems) from I.I.T Madras and has about 26 years of experience including 5 years in the Company.

2) Past remuneration:

Particulars	(Rupees in lakhs)		
	2014-15	2013-14	2012-13
Salary	36.36	34.94	26.88
Perquisites & Allowances	28.66	19.24	21.54
Performance Linked incentive	NA	NA	NA
Contribution to Provident & other funds	NA	NA	NA
TOTAL	65.02	54.18	48.42

3) Recognition or awards: None

4) Job profile and his suitability:

Sri S. Ramesh is looking after operations of the Company in respect of project management and maintenance services being rendered by the Company. He has over 26 years of technical expertise in relation to Power Projects including 5 years in the Company. In view of his post graduate qualification in Power Systems from a premier Institute of Technology (IIT Madras) and vast experience in Projects, it is desirable to continue him in the position of Managing Director of the Company.

5) Remuneration proposed:

A Salary:

Basic Salary ₹3,63,600/- per month

B Allowances:

- HRA 35% of salary per month.
- Special Allowance ₹76,800/- per month
- Conveyance reimbursement ₹12,000/- per month.
- Reimbursement of business/entertainment expenses ₹10,000/- per month
- Medical Expenses one month salary per annum.
- LTA one month salary per annum. subject to approval of the members.

Notice to Shareholders

- 6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Company, the profile of Sri S. Ramesh, responsibility shouldered by him and the industry benchmark, the remuneration proposed is commensurate with the remuneration package paid to similar, senior level appointees in other Companies.

- 7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personal, if any:

Apart from the remuneration payable, the Managing Director does not have any other pecuniary relationship with the Company or its managerial personnel.

Sri S. Ramesh, Managing Director, does not have any interest in the Capital of the Company. He is not related to any director or promoter in any way either in the company or its holding company or any relationship whatsoever.

III Other Information:

- 1) Reasons of loss or inadequate profits: The Company is in the process of strengthening its functions gradually.
- 2) Steps taken or proposed to be taken for improvement: The Company proposes to expand its services profile to cover O & M services and expects to receive incremental revenues.
- 3) Expected increase in productivity and profits in measurable terms: The Company is expanding its services profile to cover O & M services and expects to receive incremental revenues being spearheaded by Sri S. Ramesh.

The Company has never accepted deposits, nor obtained term loans from any banks or financial institutions and has not defaulted in repayment either interest or principal thereof.

The Board commends the resolution for your approval.

None of the Directors, except Sri S. Ramesh, is in any way, concerned or interested in the above resolution.

By Order of the Board
Nava Bharat Projects Limited

Place : Hyderabad
Date : 28th May, 2015

P. Viswanath
Company Secretary



Directors' Report

Dear Members,

Your Directors have pleasure in presenting their Ninth Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2015 together with the Auditors' Report thereon.

FINANCIAL SUMMARY:

During the year under review, the aggregate earnings stood at ₹13,03,72,678/- and the total outgoings stood at ₹ 6,44,85,110/-. The year resulted in a net profit of ₹ 3,12,25,084/- after taxation.

OPERATIONS:

The Company has been engaged in project management and maintenance services. These cover a wide spectrum of services such as project conceptualization, project management including financial planning, contract documentation, contract management, trading of equipment, O & M activity, technical services etc. Presently such services are being rendered to M/s. Maamba Collieries Limited, Zambia.

Investigations into the allotment of Coal Blocks to M/s. Navabharat Power Private Limited: The CBI filed charge sheet before the Special Court constituted pursuant to the directions of the Supreme Court and the same is yet to be decided on taking the cognizance. The Enforcement Directorate vide its Provisional Attachment Order dated 22.07.2014 attached to the extent of ₹ 138.59 crores in respect of the investment made by the Company in the share capital of Nava Bharat Energy India Limited and the said Provisional Attachment Order was also confirmed by the Adjudicating Authority under Prevention of Money Laundering Act, 2002 vide Order dated 20.05.2015. The Company is taking appropriate steps to approach the Appellate Tribunal constituted under PMLA against the said confirmation and also pursuing other legal remedies.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of the Act and the Articles of Association of the Company, Sri G. R. K. Prasad and Sri P. J. V. Sarma, Directors of the Company, retire by rotation

at the ensuing Annual General Meeting and being eligible offered themselves for re-appointment.

During the year under review, the members approved the appointments of Independent Directors viz., Dr. M. V. G. Rao, effective from 26.05.2014 and Sri K. Balarama Reddi, effective from 30.07.2014, for a period of 5 years and they will not retire by rotation. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013.

Performance Evaluation: The Company has devised a system for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out annual performance evaluation of its own performance, the Directors individually as well as the working of its Audit, Nomination and Remuneration Committee, Corporate Social Responsibility Committee.

The Nomination and Remuneration Committee and the Board of Directors had laid down a structured criteria covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, attendance and time spent on Board and its Committees' work, contribution to the deliberations of the meetings, with specific focus on the performance and effective functioning of the Board and Individual Directors.

A separate meeting of the Independent Directors of the company was held on 28.03.2015 to review the performance of the Non-Independent Directors, Board as a whole and the Chairperson of the company, as prescribed under Schedule IV of the Companies Act, 2013.

NUMBER OF MEETINGS OF THE BOARD:

During the year 2014-15, the Board met 7 times on following dates 18.04.2014, 26.05.2014, 07.08.2014, 10.10.2014, 31.12.2014, and 30.03.2015 and the gap between each Board Meeting is within the prescribed limit of 120 days.

Directors' Report

AUDIT COMMITTEE:

Pursuant to section 177 of the Companies Act, 2013, the Board of Directors constituted the Audit Committee. The composition of the Audit Committee and the details of meetings attended by its members are given below:

The Committees comprises three Directors as under:

Name of the Director	Category	Chairman / Member	Number of Meetings during the FY 2014-15	
			Held	Attended
Dr. M. V. G. Rao	Independent Director	Chairman	2	2
Sri K. Balarama Reddi	Independent Director	Member	2	2
Sri P. J. V. Sarma	Non-executive Director	Member	2	2

The Audit Committee met twice during the financial year 2014-15 on 26.05.2014 and 31.12.2014 and reviewed inter alia, the annual and half yearly financial statements respectively. All the recommendations of the Audit Committee have been approved by the Board.

NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to section 178 of the Companies Act, 2013, the Board of Directors constituted Nomination and Remuneration Committee. The Composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Name of the Director	Category	Chairman / Member	Number of Meetings during the FY 2014-15	
			Held	Attended
Dr. M. V. G. Rao	Independent Director	Chairman	2	2
Sri K. Balarama Reddi	Independent Director	Member	2	2
Sri P. J. V. Sarma	Non-executive Director	Member	2	1

The Committee met twice during the financial year 2014-15 on 26.05.2014 and 07.03.2015.

Policy for selection of Directors and determining Directors' Independence

The Nomination and Remuneration Committee identifies persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.

The criteria for the appointment of directors, KMPs and senior management are as follows:

A person for appointment as director, KMP or in senior management should possess adequate qualification,

expertise and experience for the position considered for appointment. The Committee decides whether qualification, expertise and experience possessed by a person are sufficient for the concerned position.

The committee shall ascertain the credentials and integrity of the person for appointment as director, KMP or senior management level and recommend to the Board his / her appointment.

The Committee, while identifying suitable persons for appointment to the Board, will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

The criteria of independence are determined as laid in the Companies Act, 2013.



Directors' Report

The Independent Directors shall abide by the Code for independent directors as specified in Schedule IV of the Companies Act, 2013.

REMUNERATION POLICY

The Company adopted a policy relating to the remuneration. This Policy covers the remuneration and other terms of employment for the Company's Executive Team. The remuneration policy for members of the Board and for Management aims at improving the performance and

The Committees comprises three Directors as under:

Name of the Director	Category	Chairman / Member	Number of Meetings during the FY 2014-15	
			Held	Attended
Sri D. Ashok	Director	Chairman	2	2
Dr. M. V. G. Rao	Independent Director	Member	2	2
Sri K. Balarama Reddi	Independent Director	Member	2	2

The Committee met twice during the financial year 2014-15 on 01.10.2014 and 30.03.2015.

CSR Policy:

- (1) The CSR Policy of the Company, inter alia, includes the following, namely:
 - (a) a list of CSR projects or programs which the Company plans to undertake falling within the purview of the Schedule VII of the Companies Act, 2013 specifying modalities of execution of such projects or programs and implementation schedules for the same; and
 - (b) monitoring process of such projects or programs:

The CSR activities do not include the activities undertaken in pursuance of normal course of business of the Company.

The Board of Directors shall ensure that activities included by the Company in its Corporate Social Responsibility Policy are related to the activities included in Schedule VII of the Act.

- (2) The CSR Policy of the Company specifies that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

enhancing the value of the Company by motivating and retaining them and to attract the right persons to the right jobs in the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

CSR Initiatives:

The management of the Company is keen to implement Corporate Social Responsibility (CSR) activities vigorously and in a planned and time bound manner.

The Projects/Programs undertaken by the Company are:

- i. Making available safe drinking water – by Construction of building, RO Plant, electrical supply and Installation charges for one RO plant
- ii. Promoting education – dual desks to students in government schools

The Company was required to spend ₹ 11.52 lakhs for 2014-15 i.e., 2% of the average net profits of last three financial years, calculated as per Section 198 of the Companies Act, 2013. During the year, the Company spent above 2% i.e., ₹ 12,03,878/- on CSR activities. The Annual Report on CSR activities is annexed herewith as **Annexure - I**.

Fixed Deposits:

The Company has not accepted nor held any deposits pursuant to Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, consequently there was no amount (on account of principle or interest on deposits) outstanding as on the date of Balance Sheet.

Directors' Report

Auditors and Auditors' Report:

M/s. Brahmayya & Co., Chartered Accountants, were appointed in the last Annual General Meeting (AGM) held on 30.07.2014 for a period of 3 consecutive AGMs i.e., upto the conclusion of the AGM to be held in 2017, subject to ratification by members at every AGM. The Auditors have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment. The Board of Directors recommended to the members to ratify their appointment as Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

The Auditors' Report does not contain any qualification, reservation or adverse remark or any disclaimer. Their Report together with the Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Secretarial Audit Report

The Secretarial Audit Report for the financial year ended 31st March, 2015 is annexed as **Annexure - II** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark and do not call for any further comments.

The Board has appointed M/s. P. S. Rao and Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2015-16.

Internal Audit:

The Board has appointed M/s. K. S. Rao & Co, Chartered Accountants, to conduct Internal Audit for the financial year 2015-16.

Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo:

The particulars required to be disclosed under Rule 8 (3) of the Companies (Accounts) Rules, 2014, pertaining to Technology Absorption or conservation of Energy are NIL and the foreign exchange earnings were ₹ 6,65,58,709/- and outgo was ₹ 45,602/-, during the year under review.

Directors' Responsibility Statement:

The Directors confirm that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Contracts and Arrangements with Related Parties

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. A statement in the prescribed format, FORM AOC 2 is attached herewith as **Annexure - III** containing the transactions covered under Section 188 of the Companies Act, 2013.

Your Directors also draw attention of the members to Note 38 (b) to the financial statement which sets out related party disclosures.



Directors' Report

Loans, Guarantees or Security and Investments under Section 186 of the Companies Act, 2013:

During the financial year 2014-15, the Company has not made any investments (or) gave any loan/s (or) provided any guarantee/security, pursuant to the provisions of Section 186 of the Companies Act, 2013.

Subsidiary Company:

Nava Bharat Energy India Limited (NBEIL), Subsidiary of the Company, operated its 150 MW Power Plant with average PLF of 86.52%, gross generation of 1136.88 MU and delivered energy of 1014.69 MU in 2014-15.

Performance and Financial position of Subsidiary under Rule 8 of the Companies (Accounts) Rules, 2014 for the financial year ended 31st March, 2015:

(₹ in crores)

Sl. No.	Name of Subsidiary Company	Share Capital	Turnover / Total Income	Profit / (Loss) after Taxation
1.	Nava Bharat Energy India Limited	200.00	552.54	102.51

Pursuant to the Companies (Accounts) Amendment Rules 2014, notified on 14.10.2014 by Ministry of Corporate Affairs, the Accounts of the Subsidiary Company (NBEIL) are not consolidated with that of the Company, however the Accounts of the Company and of its Subsidiary were consolidated with the ultimate Holding Company Nava Bharat Ventures Limited.

Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements.

Extract of Annual Return

Extract of Annual Return of the Company is annexed herewith as **Annexure - IV** to this Report.

Particulars of Employees and related disclosures

In terms of the provisions of Section 197 of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules and forming part of the Director's Report for the year ended 31st March, 2015:

Directors' Report

Sl. No.	Particulars	Details
(i)	Name and Designation of the employee	Sri S. Ramesh Managing Director
(ii)	- Salary and Perquisites (rupees in lakhs)	65.00
	- Commission (rupees in lakhs)	--
(iii)	Nature of employment, whether contractual or otherwise	Contractual
(iv)	Qualifications and Experience of the employee (years)	M. Tech (Power Systems) from IIT Madras Total experience 26 years
(v)	Date of commencement of employment	17.05.2010
(vi)	Age of such employee	51 years
(vii)	The last employment held by such employee before joining the company	M/s. Navabharat Power Pvt. Ltd.
(viii)	The percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above	NIL Does not hold any shares in the Company
(ix)	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	Not related to any director or manager or promoter of the Company (He is a professional Director)

ACKNOWLEDGEMENT:

Your Directors gratefully acknowledge the support and co-operation extended by the Regulatory Authorities, the Holding company's Board and its officials and Company's Bankers.

for and on behalf of Board of
Nava Bharat Projects Limited

P. Trivikrama Prasad
Director

Place : Hyderabad
Date : 28th May, 2015

S. Ramesh
Managing Director



Annexure – I

Annual Report on Corporate Social Responsibility (CSR) activities to be included in the Board's Report

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.	The Company has been conscious of its CSR obligations and the fulfillment of the same. The Company is committed to carry out CSR activities/ programmes more vigorously, in an integrated, planned and time bound manner.
	The Projects/Programs undertaken by the Company are:
	i. Making available safe drinking water – by Construction of building, RO Plant , electrical supply and Installation charges for one RO plant
	ii. Promoting education – dual desks to students in government schools
2. The Composition of the CSR Committee	The CSR Committee comprises three (3) Directors viz, Sri D. Ashok, Director, Dr. M. V. G. Rao, Independent Director and Sri K. Balarama Reddi, Independent Director.
3. Average net profit of the company for last three financial years	₹ 575.97 lakhs
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 11.52 lakhs
5. Details of CSR expenditure spent during the financial year (2014-15)	
(a) Total amount to be spent for the financial year	₹ 11.52 lakhs
(b) Amount unspent, if any	NIL
(c) Manner in which the amount spent during the financial year is detailed below:	

1	2	3	4	5	6	7	8
Sl. No	CSR project or activity identified.	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto the reporting period.	Amount spent: Direct or through implementing agency *
1	Construction of building, RO Plant, electrical supply and Installation.	(i) making available safe drinking water – provision of safe drinking water	Paloncha, Khammam District, Telangana State	₹ 10.50 lakhs	₹ 10,53,878	₹ 10,53,878	Direct
2	Providing Dual desks for students in Government Schools.	(i) Promoting education	Paloncha, Khammam District, Telangana State	₹ 1.50 lakhs	₹ 1,50,000	₹ 1,50,000	Direct
TOTAL				₹ 12.00		₹ 12,03,878	

* Give details of implementing agency:

- | | | |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
| 6. | In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board report. | Not applicable – since the entire budgeted amount was spent by the Company before 31.03.2015 |
| 7. | A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company | The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company. |

for Nava Bharat Projects Limited

D. Ashok
Chairman of CSR Committee

S. Ramesh
Managing Director

Place : Hyderabad
Date : 28th May, 2015



Annexure – II

Form No. MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2015

To,
The Members,
Nava Bharat Projects Limited
Hyderabad

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **Nava Bharat Projects Limited**, (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2015 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) (applicable Sections as on date) and the Rules made under that Act;
 - (ii) The Companies Act, 1956, and the Rules made under that Act;

- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
2. For the FY 2014-15, the Provisions, Regulations and Guidelines prescribed by the Securities and Exchange Board of India(SEBI) formed under SEBI Act, 1992 ('SEBI Act') were not applicable to the Company.
3. There is no major specific law is applicable to the Company as the main activity is trading of equipment and providing services.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

During the period under review

1. *the Company, has received a Provisional Attachment Order dated on 22.07.2014 issued by Enforcement Directorate (ED) to the extent of ₹ 138.59 crores in respect of the investment made by the Company in the share capital of NBEL, held by the Company and the same has been confirmed by the Adjudicating Authority in relation to an Investigation of CBI and ED alleging misrepresentations in obtaining coal blocks to one of the erstwhile group's joint venture company namely Navabharat Power Private Limited (NPPL).*

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Annexure – II

During the period under review, Dr. Malempati Venugopala Rao was co-opted as an Independent Director to the Board of the Company w.e.f 26-05-2014.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with

the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under review, Consent of the members has been sought for the Special Resolutions under Section 180(1) (a), 186 and 188 of the Companies Act, 2013 in duly convened Extra-ordinary general Meeting on 11.06.2014.

For **P.S. Rao & Associates**
Company Secretaries

D. S. Rao
Company Secretary
ACS No: 12394
C P No: 14487

Place : Hyderabad
Date : 28th May, 2015



Annexure – III

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso there to

1. Details of contracts or arrangements or transactions not at arm's length basis

(a) Name(s) of the related party and nature of relationship	NA	NA
(b) Nature of contracts/arrangements/transactions	NA	NA
(c) Duration of the contracts / arrangements/transactions	NA	NA
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	NA	NA
(e) Justification for entering into such contracts or arrangements or transactions	NA	NA
(f) date(s) of approval by the Board	NA	NA
(g) Amount paid as advances, if any	NA	NA
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NA	NA

2. Details of material contracts or arrangement or transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship	M/s.Maamba Collieries Limited, Zambia Subsidiary Company of the Holding Company	Mrs. Sruthi Riedl D/o. Sri P. Trivikrama Prasad, Director of the Company. Daughter of Sri P. Trivikrama Prasad, Director
(b) Nature of contracts / arrangements / transactions	project management support services including export of traded goods	Lease Rent Indenture
(c) Duration of the contracts / arrangements/transactions	-	Upto 30.11.2015
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	The agreement for providing project support services is at a charge of USD 80 to 50 per man hour depending upon the seniority of the employee ranging from 20 years to 10 years.	Lease rent is being paid at ₹ 30,000/- per month and ₹ 1.80 lakhs interest free advance as per the terms of indenture dated 03.12.2013
(e) Date(s) of approval by the Board, if any:	18.04.2014 and members by Special Resolution on 11.06.2014	18.04.2014 and members by Special Resolution on 11.06.2014
(f) Amount paid as advances, if any:	NIL	NIL

for Nava Bharat Projects Limited

P. Trivikrama Prasad
Director

Place : Hyderabad
Date : 28th May, 2015

S. Ramesh
Managing Director

Annexure – IV

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	:	U70102TG2007PLC052362
ii)	Registration Date	:	12.01.2007
iii)	Name of the Company	:	Nava Bharat Projects Limited
iv)	Category/Sub-Category of the Company	:	Company limited by shares/Indian non-government
v)	Address of the Registered office and contact details	:	Nava Bharat Chambers, 6-3-1109/1, Raj Bhavan Road, Hyderabad – 500 082, Telangana. Telephone: 040 23403501 Fax: 040 23403013 e-mail:- nbvl@nbv.in
vi)	Whether listed company Yes / No	:	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% of total turnover of the company
1	Sale of Traded Goods (Project Exports)	47990	50.14
2	Project Support Services	82290	49.17

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary	% of shares held	Applicable Section
1	Nava Bharat Ventures Ltd	L27101TG1972PLC001549	Holding Company	100.00	2 (46)
2	Nava Bharat Energy India Limited	U40106TG2008PLC058560	Subsidiary	74.00	2 (87)



Annexure – IV

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year		No. of Shares held at the end of the year		% Change during the year
	Demat	Physical	Demat	Physical	
	Total % of Total Shares		Total % of Total Shares		
A Promoters					
(1) Indian					
a) Individual / HUF	0	0	0	0	0
b) Central Government	0	0	0	0	0
c) State Government(s)	0	0	0	0	0
d) Bodies Corporate	0	45,40,20,000	100	45,40,20,000	100
e) Banks/FI	0	0	0	0	0
f) Any other -	0	0	0	0	0
Sub-total (A) (1):-	0	45,40,20,000	100	45,40,20,000	100
(2) Foreign					
a) NRIs - Individual	0	0	0	0	0
b) Other individuals	0	0	0	0	0
c) Bodies Corp	0	0	0	0	0
d) Banks/FI	0	0	0	0	0
e) Any other	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0
Total Shareholding of Promoters (A)=(A) (1) + (A) (2)	0	45,40,20,000	100	45,40,20,000	100
B Public Shareholding					
(1) Institutions					
a) Mutual Funds	0	0	0	0	0
b) Banks / FI	0	0	0	0	0
c) Central Govt	0	0	0	0	0
d) State Govt (s)	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0
g) FIs Foreign Venture Capital Funds	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0
i) Others (specify)	0	0	0	0	0
Sub-total (B) (1):-	0	0	0	0	0

Annexure – IV

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
	Demat	Physical	Total	Demat	Physical	Total	
(2) Non-Institutions							
a) Bodies Corporates							
i. Indian	0	0	0	0	0	0	0
ii. Overseas	0	0	0	0	0	0	0
b) Individuals							
i. Individual shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0
ii. Individual shareholders holding nominal share capital in excess of ₹1 lakh	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0
Sub-total (B) (2):-	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B) (1) + (B) (2)	0	0	0	0	0	0	0
C Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0
GRAND TOTAL (A+B+C)	0	45,40,20,000	45,40,20,000	100	0	45,40,20,000	100

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year		
		No. of shares	% of total shares of the Company	% of shares pledged or encumbered to total shares	No. of shares of the Company	% of total shares of the Company	% of shares pledged or encumbered to total shares
1	Bodies Corporate:						
	Nava Bharat Ventures Limited	45,40,20,000	100	0	45,40,20,000	100	0
	TOTAL	45,40,20,000	100	0	45,40,20,000	100	0



Annexure – IV

iii) Change in Promoters' shareholding (Pls, specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	45,40,20,000	100.00		
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			NO CHANGE	
At the End of the year	45,40,20,000	100.00		

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Share holding at the beginning of the year		Cumulative Share holding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	NIL	--	NA	NA
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			NO CHANGE	
At the End of the year (or on the date of separation, if separated during the year)	NIL	-	NA	NA

Annexure – IV

(v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors and KMP	Share holding at the beginning of the year		Cumulative Share holding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Sri P. Trivikrama Prasad	1	-	NA	NA
Sri G. R. K. Prasad	1	-	NA	NA
At the beginning of the year	2	-	NA	NA
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			NO CHANGE	
* There is no increase in Directors/KMP shareholding during the year. One share each are held only as nominees for fulfillment of minimum number of shareholders requirement as per Section 3 (1) (a) of the Companies Act, 2013				
Sri P. Trivikrama Prasad	1	-	NA	NA
Sri G. R. K. Prasad	1	-	NA	NA
At the End of the year	2	-	NA	NA

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
₹				
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
TOTAL (I+II+III)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
● Addition	NIL	NIL	NIL	NIL
● Reduction				
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
TOTAL (I+II+III)	NIL	NIL	NIL	NIL



Annexure – IV

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount ₹
		Sri S. Ramesh, Managing Director		
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	62,38,200		62,38,200
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	9,900		9,900
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0		0
2	Stock Option	0		0
3	Sweat Equity	0		0
4	Commission			
	- as % of profit	0		0
	- others, specify...	0		0
5	Others, please specify	0		0
	TOTAL (A)	62,48,100		62,48,100
	Ceiling as per the Act	84,00,000		84,00,000

B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors		Total Amount ₹
	Dr. M. V. G. Rao	Sri K. Balarama Reddi	
1. Independent Directors			
• Fee for attending board / committee meetings	0	0	0
• Commission	0	0	0
• Others, please specify	0	0	0
TOTAL (1)	0	0	0
2. Other Non-Executive Directors			
• Fee for attending board / committee meetings	0	0	0
• Commission	0	0	0
• Others, please specify	0	0	0
TOTAL (2)	0	0	0
TOTAL (B)=(1+2)	0	0	0
Total Managerial Remuneration	0	0	62,48,100
Overall Ceiling as per the Act	NA	NA	84,00,000

Annexure – IV

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Sri V. Arunodaya Babu CFO	Sri P. Viswanath Company Secretary	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	11,96,380	11,96,380
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	30,281	30,281
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of Profit	0	0	0
5	Others, please specify	0	0	0
	TOTAL	0	12,27,111	12,27,111

₹

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
		Penalty			
		Punishment			
		Compounding			
B. DIRECTORS					
		Penalty			
		Punishment			
		Compounding			
C. OTHER OFFICERS IN DEFAULT					
		Penalty			
		Punishment			
		Compounding			

NIL

for Nava Bharat Projects Limited

P. Trivikrama Prasad
Director

S. Ramesh
Managing Director

Place : Hyderabad
Date : 28th May, 2015



Independent Auditor's Report

To the members of

Nava Bharat Projects Limited,

Hyderabad.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of NAVA BHARAT PROJECTS LIMITED, ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the 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 FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

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

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

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

OPINION

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

Independent Auditor's Report

Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its Profit and its cash flows for the year ended on that date.

EMPHASIS OF MATTER

We draw attention to note no.30 in the financial statements on attachment of the investments made by the Company in the subsidiary. Our opinion is not qualified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) 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:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for **Brahmayya & Co.**,
Chartered Accountants
Firm's Registration Number: 000513S

(P. Chandramouli)

Partner

Place : Hyderabad

Date : 28th May, 2015

Membership Number: 025211



Annexure to the Auditor's Report:

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members of NAVA BHARAT PROJECTS LIMITED, HYDERABAD, for the year ended March 31, 2015.,

1. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As explained to us, the management has physically verified the fixed assets during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of the assets. No discrepancies were noticed on such verification.
2. a. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b. In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company is maintaining proper records of inventory. No discrepancies were noticed on physical verification between the physical stocks and book records.
3. a. During the year, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
 - b. However, in respect of loans given in earlier years, the receipt of Principal amount and interest are regular as per the terms of such loans.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. The Company has not accepted any deposits from the public. Hence the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed thereunder, do not apply to this Company.
6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of 148 section of the Companies Act, 2013 for the activities of the Company.
7. a. According to the records of the Company, the company regular in depositing undisputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
 - b. According to the records of the Company, no undisputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears as at

Annexure to the Auditor's Report:

March 31, 2015 for a period of more than six months from the date they became payable.

- c. According to the records of the Company and the information and explanations given to us, there were no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute.
 - d. According to the records of the Company, there were no amounts which were required to be transferred to Investor Education and Protection Fund. Therefore, the provisions of clause 3 (vii) (c) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
8. The Company has no accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the year covered by our audit and also in the immediately preceding financial year.
 9. As the Company has no borrowings, the provisions of clause 3(ix) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
 10. The Company has not given any guarantee for the loans taken by others from banks and financial institutions.
 11. During the year the Company has not obtained any term loans. Therefore, the provisions of clause 3 (xi) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
 12. Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

for **Brahmayya & Co.**,
Chartered Accountants
Firm's Registration Number: 000513S

(P. Chandramouli)

Partner

Place : Hyderabad

Date : 28th May, 2015

Membership Number: 025211



NAVA BHARAT

Balance Sheet

as at 31st March, 2015

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Particulars	Notes	31st March, 2015	31st March, 2014
EQUITY AND LIABILITIES			
Share Holders Funds			
Share Capital	04	908,040,000	908,040,000
Reserves and Surplus	05	1,485,580,089	1,454,355,005
		2,393,620,089	2,362,395,005
Non-Current Liabilities			
Long - term provisions	06	1,688,417	1,328,615
		1,688,417	1,328,615
Current Liabilities			
Trade Payables	07	555,944	4,766,788
Other Current liabilities	08	2,530,230	2,087,263
Short - term provisions	09	1,360,930	971,765
		4,447,104	7,825,816
TOTAL		2,399,755,610	2,371,549,436
ASSETS			
Non - Current Assets			
Fixed Assets			
Tangible Assets	10	1,247,703	166,383
Non - Current Investments	11	1,580,150,000	1,585,150,000
Deferred Tax Assets (Net)	12	1,261,651	1,018,818
Long-term loans and advances	13	500,540,000	500,186,000
Other non current assets	14	10,153,754	12,980,376
		2,093,353,108	2,099,501,577
Current Assets			
Current investments	15	-	152,591,617
Inventories	16	21,129	2,614,937
Trade Receivable	17	65,801,482	59,295,454
Cash and cash equivalents	18	193,981,960	49,944,990
Short-term loans and advances	19	5,990,644	7,081,898
Other current assets	20	40,607,287	518,963
		306,402,502	272,047,859
TOTAL		2,399,755,610	2,371,549,436
Notes forming Part of Financial Statements	01 -41		

per our report of even date

for **Brahmayya & Co.,**
Chartered Accountants
Firms' Registration Number: 000513S

P. Chandramouli
Partner
Membership Number: 025211

Place : Hyderabad
Date : 28th May, 2015

P. Viswanath
Company Secretary

V.Arunodaya Babu
Chief Financial Officer

for and on behalf of the Board

P. Trivikrama Prasad
Director

S. Ramesh
Managing Director

Statement of Profit and Loss

for the year ended 31st March, 2015

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Particulars	Notes	31st March, 2015	31st March, 2014
INCOME			
Operating Income	21	67,019,202	64,466,967
Other Income	22	63,353,476	49,456,626
TOTAL REVENUE		130,372,678	113,923,593
EXPENSES			
Purchase of Traded Goods(Project Equipment)		28,595,600	19,734,096
(Increase)/Decrease in Inventories	23	2,593,808	(580,695)
Employee Benefits Expense	24	18,567,417	16,864,697
Depreciation expense	25	284,231	47,241
Other Expenses	26	14,444,054	3,768,789
TOTAL EXPENSES		64,485,110	39,834,128
Profit Before Tax		65,887,568	74,089,465
Tax Expense			
Current Tax		18,700,000	19,500,000
Deferred Tax		(242,833)	(296,273)
Earlier years adjustment		16,205,317	-
		34,662,484	19,203,727
Profit for the year After Tax		31,225,084	54,885,738
Earnings per Share of face Value of ₹ 2/- each:	27		
Basic and diluted		0.07	0.12
Notes forming Part of Financial Statements	01 -41		

per our report of even date

for **Brahmayya & Co.**,
Chartered Accountants
Firms' Registration Number: 0005135

P. Chandramouli
Partner
Membership Number: 025211

Place : Hyderabad
Date : 28th May, 2015

P. Viswanath
Company Secretary

V.Arunodaya Babu
Chief Financial Officer

for and on behalf of the Board

P. Trivikrama Prasad
Director

S. Ramesh
Managing Director



Cash Flow Statement

for the year ended 31st March, 2015

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Particulars	31st March, 2015	31st March, 2014
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax	65,887,568	74,089,465
Adjustments for:		
Depreciation	284,231	47,241
Dividends from current investments	(11,301,749)	(15,019,570)
Interest on Bank deposits	(450,848)	(174,570)
Interest on Others	(45,000,000)	(29,342,466)
Interest from Non Current Investments	(75,000)	(400,479)
Loss on Assets Discarded	5,462	-
Net (Gain)/ Loss on sale of current investments	(5,463,081)	(56,841)
Operating Profit Before Working Capital Changes	3,886,583	29,142,780
Adjustments for:		
Increase/(decrease) in long term provisions	359,802	983,895
Increase/(decrease) in Trade payables	(4,114,596)	287,803
Increase/(decrease) in Other Current liabilities	346,719	(1,352,561)
Increase/(decrease) in short term provisions	389,165	80,331
(Increase)/decrease in long term loans and advances	(354,000)	(500,180,000)
(Increase)/decrease in Inventories	2,593,808	(580,695)
(Increase)/decrease in Trade receivables	(6,506,028)	(15,937,698)
(Increase)/decrease in short term loans and advances	1,091,254	(3,643,331)
(Increase)/decrease in Other Current assets	139,003	18,686,568
Direct Taxes Paid (net of refunds)	(32,078,695)	(12,850,631)
Net Cash from Operating Activities (A)	(34,246,985)	(485,363,539)

Notes

to the Financial Statements for the year ended 31st March, 2015

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Particulars	31st March, 2015	31st March, 2014
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(1,371,013)	(57,000)
Purchase of Investments	(70,000,000)	(447,500,000)
Sale of Investments	233,117,722	545,363,869
Income from current investments	11,238,725	8,082,885
Interest received	5,298,521	30,051,475
Net Cash Used in Investing Activities (B)	178,283,955	135,941,229
Net Increase in Cash and Cash Equivalents (A+B)	144,036,970	(349,422,310)
Cash and Cash equivalents as at beginning of the year	49,944,990	399,367,300
Cash and Cash equivalents as at the end of the year *	193,981,960	49,944,990
* Includes restricted cash balance	850,000	17,239,659

per our report of even date

for **Brahmayya & Co.**,
Chartered Accountants
Firms' Registration Number: 0005135

P. Chandramouli
Partner
Membership Number: 025211

Place : Hyderabad
Date : 28th May, 2015

P. Viswanath
Company Secretary

V.Arunodaya Babu
Chief Financial Officer

for and on behalf of the Board

P. Trivikrama Prasad
Director

S. Ramesh
Managing Director



Notes

to the Financial Statements for the year ended 31st March, 2015

1. NATURE OF OPERATIONS :

Nava Bharat Projects Limited (the Company) has been incorporated on 12.01.2007 as a subsidiary to Nava Bharat Ventures Limited. The entire equity share capital is held by the Holding Company viz., Nava Bharat Ventures Limited, Hyderabad. At present the Company is engaged in the business of rendering services to power plants as operation and maintenance contractors and "Investment Consultancy Services".

2. BASIS OF ACCOUNTING:

The financial statements have been prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared in accordance with the generally accepted Accounting Principles in India under the historical cost convention and on accrual basis, except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies are consistent with those used in the previous year.

3. SIGNIFICANT ACCOUNTING POLICIES:

a) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

b) Fixed Assets:

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation, amortisation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

c) Depreciation:

- i. Depreciation is provided considering the useful lives of respective assets, as provided and prescribed under schedule II of the Companies Act, 2013.
- ii. Fixed Assets costing rupees Five thousand or less are fully depreciated in the year of acquisition.
- iii. Improvements to premises taken on lease are amortised over the Primary lease period.

d) Prior period items:

All items of income/expenditure pertaining to prior period, which are material, are accounted through "prior period adjustments" and the others are shown under respective heads of account in the Profit and Loss Account.

e) 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 asset's 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 asset over its remaining useful life.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset are no longer exist or have decreased.

f) Investments:

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment

Notes

to the Financial Statements for the year ended 31st March, 2015

basis. Long-term investments are carried at cost. However, provision for diminution in value of each long term investment is made to recognize a decline other than temporary in nature.

g) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Specifically the following basis is adopted:

Income from Services: Revenue is recognized as and the Services rendered as per the terms of individual Service Contract. Income from Services is accounted inclusive of service tax.

Commission: Revenue from Investment Consultancy Services is recognised as and when services are rendered.

Dividends: Dividend is recognised as and when the payment is received.

Export Benefits: All export benefits are recognised only on realization.

h) Retirement and Other Employee Benefits:

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Short term compensated absences are provided on an estimated basis. Long term compensated absences are provided for based on actuarial valuation on project unit credit method carried by an actuary as at the end of the year. Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

i) Leases:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are

recognised as an expense in the profit and loss account on a straight-line basis over the lease term and vice versa.

j) Taxes on Income:

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognised only, if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

k) Provisions:

A provision is recognised when there is a present obligation as a result of past event 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 its present value and are determined based on 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.

l) Contingent Liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond



Notes

to the Financial Statements for the year ended 31st March, 2015

the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

m) Earnings per Share (Basic and Diluted) :

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

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

n) Cash Flow Statement:

Cash flows are reported using indirect method.

Cash and cash equivalents in the cash flow statement comprise cash at bank, cash/cheques in hand and Fixed Deposits with Banks.

o) Foreign currency transactions:

i. Initial Recognition

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

ii. Conversion

Foreign currency monetary items are reported using the closing rate.

iii. Exchange Differences

Exchange difference arising on the settlement of monetary items or on reporting monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

₹		
Particulars	31st March, 2015	31st March, 2014
04. SHARE CAPITAL:		
Authorised:		
500,000,000 Equity Shares of ₹ 2/- each	1,000,000,000	1,000,000,000
TOTAL	1,000,000,000	1,000,000,000
Issued, Subscribed and Paid - Up:		
454,020,000 Equity Shares of ₹ 2/- each Fully paid up:	908,040,000	908,040,000
TOTAL	908,040,000	908,040,000

a. Rights attached to equity shares:

The company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Notes

to the Financial Statements for the year ended 31st March, 2015

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. Shares held by holding company:

No of Shares

	31st March, 2015	31st March, 2014
Nava Bharat Ventures Limited, the holding company	454,020,000	454,020,000

c. Details of shareholders holding more than 5% shares in the company:

Particulars	31st March, 2015		31st March, 2014	
	Nos	Percentage	Nos	Percentage
Equity Shares of ₹ 2/- each fully paid				
Nava Bharat Ventures Limited	454,020,000	100	454,020,000	100

₹

Particulars	31st March, 2015	31st March, 2014
05. RESERVES AND SURPLUS:		
Surplus i.e. balance in Statement of Profit and Loss		
Opening balance	1,454,355,005	1,399,469,267
Add: Net profit transferred from Statement of Profit and Loss	31,225,084	54,885,738
Amount available for appropriation	1,485,580,089	1,454,355,005
Less: Appropriations	-	-
Closing Balance	1,485,580,089	1,454,355,005
TOTAL	1,485,580,089	1,454,355,005

₹

Particulars	31st March, 2015	31st March, 2014
06. LONG TERM PROVISIONS:		
Provisions for employee benefits:		
Provision for Leave encashment	1,688,417	1,328,615
TOTAL	1,688,417	1,328,615



Notes

to the Financial Statements for the year ended 31st March, 2015

₹		
Particulars	31st March, 2015	31st March, 2014
07. TRADE PAYABLES:		
Creditors for Supplies and Services (refer Note : 33)	421,208	4,718,661
Creditors for Accrued Wages and Salaries	134,736	48,127
TOTAL	555,944	4,766,788

₹		
Particulars	31st March, 2015	31st March, 2014
08. OTHER CURRENT LIABILITIES:		
Retention Deposits	1,100,337	1,670,251
Others:		
TDS Payable	640,637	41,827
Other statutory dues	21,489	45,942
Other Payables	767,767	329,243
TOTAL	2,530,230	2,087,263

₹		
Particulars	31st March, 2015	31st March, 2014
09. SHORT TERM PROVISIONS:		
Provisions for employee benefits:		
Provision for Gratuity	1,360,930	971,765
TOTAL	1,360,930	971,765

Notes

to the Financial Statements for the year ended 31st March, 2015

10. TANGIBLE ASSETS:

Particulars	GROSS BLOCK		DEPRECIATION		NET BLOCK				
	As at 01.04.2014	Additions Deductions	As at 31.03.2015	Up To 31.03.2014	For the year	On Deductions	Up To 31.03.2015	As at 31.03.2015	As at 31.03.2014
1. Vehicles	-	1,222,676	1,222,676	-	139,877	-	139,877	1,082,799	-
2. Office Equipment	78,000	11,700	89,700	26,126	40,590	-	66,716	22,984	51,874
3. Computers	270,972	136,637	301,109	156,463	103,764	101,038	159,189	141,920	114,509
TOTAL	348,972	1,371,013	1,613,485	182,589	284,231	101,038	365,782	1,247,703	166,383
Previous Year	291,972	57,000	348,972	135,348	47,241	-	182,589	166,383	156,624

11 NON CURRENT INVESTMENTS: (at cost net of diminution) (Un-quoted)

	31st March, 2015		31st March, 2014	
	Face Value ₹	Nos	₹	Nos
i. Government Securities:				
Investments in Rural Electrification Bonds (non trade)	10,000	-	-	500
				5,000,000
ii. Investment in Equity Shares:(fully paid up) (trade)				
Subsidiary Companies:				
Nava Bharat Energy India Limited #	2	740,000,000	1,480,000,000	740,000,000
		740,000,000	1,480,000,000	1,480,000,000
iii. Preference Shares in Other Companies: (fully paid up) (trade)				
(6 % Cumulative redeemable preference Shares)				
Rio Realty Private Limited	100	135,500	13,550,000	135,500
Juventus Infrastructure and Projects Private Limited	100	130,000	13,000,000	130,000
A9 Realty Private Limited	100	736,000	73,600,000	736,000
		1,001,500	100,150,000	1,001,500
		741,001,500	1,580,150,000	741,002,000
TOTAL				1,585,150,000
Aggregate provision for diminution in the value of investments			NIL	NIL

Previous year 260,000,000 Shares are pledged with the IDBI Trusteeship Services Limited as security for the loan facilities of ₹ 566 crores obtained by Nava Bharat Energy India Limited.



Notes

to the Financial Statements for the year ended 31st March, 2015

₹		
Particulars	31st March, 2015	31st March, 2014
12. DEFERRED TAX ASSETS (NET):		
Asset:		
Difference between book and tax depreciation	265,318	257,554
Provision for retirement benefits	989,361	746,358
Other Provisions	6,972	14,906
TOTAL	1,261,651	1,018,818

₹		
Particulars	31st March, 2015	31st March, 2014
13. LONG TERM LOANS AND ADVANCES: (Unsecured, Considered good)		
Security Deposits	6,000	186,000
Loans to employees	534,000	-
Inter Corporate deposit to subsidiary	500,000,000	500,000,000
TOTAL	500,540,000	500,186,000

₹		
Particulars	31st March, 2015	31st March, 2014
14. OTHER NON CURRENT ASSETS:		
Advance Income Tax (Net of Provision)	10,153,754	12,980,376
TOTAL	10,153,754	12,980,376

(Amount in Rupees)				
Particulars	31st March, 2015		31st March, 2014	
	Nos	Value	Nos	Value
15. CURRENT INVESTMENTS: (Non Trade, Unquoted)				
Investments In Mutual Funds: (valued at cost unless otherwise stated)				
Templeton India LD Fund	-	-	2,214,275	22,954,661
TATA Fixed Maturity Fund	-	-	5,000,000	50,000,000
IDFC Cash Fund	-	-	897,682	39,594,175
SBI Premier Liquid Fund	-	-	39,913	40,042,781
TOTAL	-	-	8,151,870	152,591,617

Notes

to the Financial Statements for the year ended 31st March, 2015

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Particulars	31st March, 2015	31st March, 2014
16. INVENTORIES:		
Stock-in trade (Project Equipment) at Cost	21,129	2,614,937
TOTAL	21,129	2,614,937

₹

Particulars	31st March, 2015	31st March, 2014
17. TRADE RECEIVABLE:		
(Unsecured, Considered good)		
Due for less than six months		
from a related Party	65,724,409	59,204,754
from others	77,073	90,700
TOTAL	65,801,482	59,295,454

₹

Particulars	31st March, 2015	31st March, 2014
18. CASH AND CASH EQUIVALENTS:		
Balances with Banks:		
on Current accounts	189,653,319	32,664,007
Cash on Hand	91,029	41,324
Other Bank balances:		
Fixed Deposits	3,387,612	-
Margin Money Deposits	850,000	17,239,659
TOTAL	193,981,960	49,944,990

₹

Particulars	31st March, 2015	31st March, 2014
19. SHORT TERM LOANS AND ADVANCES:		
(Unsecured, Considered good)		
Advances for Purchases	372,838	1,772,381
Loans and Advances to other bodies corporate	1,024,860	1,214,260
Loans to employees	384,000	52,400
Balances with Statutory authorities	773,006	791,243
Security Deposits to a related Party	180,000	-
Other loans and advance to related parties	3,255,940	3,251,614
TOTAL	5,990,644	7,081,898



Notes

to the Financial Statements for the year ended 31st March, 2015

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Particulars	31st March, 2015	31st March, 2014
20. OTHER CURRENT ASSETS:		
Due from Subsidiary	40,500,000	-
Interest Accrued	53,656	326,329
Prepaid Expenses	39,467	96,386
Others	14,164	96,248
TOTAL	40,607,287	518,963

₹

Particulars	31st March, 2015	31st March, 2014
21. OPERATING INCOME:		
Financial Services	460,493	559,777
Project Support Services	32,952,864	40,376,345
Sale of Traded Goods(Project Exports)	33,605,845	23,530,845
TOTAL	67,019,202	64,466,967

₹

Particulars	31st March, 2015	31st March, 2014
22. OTHER INCOME:		
Interest Income:		
Bank deposits	450,848	174,570
Bonds	75,000	400,479
Others	45,000,000	29,342,466
Dividends from investments	11,301,749	15,019,570
Net gain on Sale of Investments	5,463,081	56,841
Other Non Operating Income (Net of expenses)		
Exchange fluctuations	219,712	4,177,402
Sundry Credit balances written back	68,985	-
Miscellaneous Income	774,101	285,298
TOTAL	63,353,476	49,456,626

Notes

to the Financial Statements for the year ended 31st March, 2015

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Particulars	31st March, 2015	31st March, 2014
23. INCREASE IN INVENTORIES:		
Project Equipment		
Closing Stock - in - Trade	21,129	2,614,937
Less :Opening Stock - in - Trade	2,614,937	2,034,242
TOTAL	(2,593,808)	580,695

₹

Particulars	31st March, 2015	31st March, 2014
24. EMPLOYEE BENEFITS EXPENSE:		
Salaries, Wages and Bonus	17,069,046	15,679,647
Staff Welfare Expenses	1,109,206	1,100,838
Gratuity	389,165	84,212.00
TOTAL	18,567,417	16,864,697

₹

Particulars	31st March, 2015	31st March, 2014
25. DEPRECIATION AND AMORTISATION EXPENSE:		
Depreciation on tangible assets	284,231	47,241
TOTAL	284,231	47,241

₹

Particulars	31st March, 2015	31st March, 2014
26. OTHER EXPENSES		
Rent	360,000	360,000
Freight and Transportation	786,985	862,952
Insurance	44,341	49,764
Travelling and Conveyance	1,059,784	491,241
Rates and Taxes	958,850	149,369
Legal and Professional Charges	7,425,985	474,735
Payments to Auditors : as auditors	224,720	224,720
: for taxation matters	157,304	292,136
Miscellaneous expenses	1,111,396	563,872
Assets discarded	5,462	-
Donations	1,100,000	300,000
CSR expenses	1,209,227	-
TOTAL	14,444,054	3,768,789



Notes

to the Financial Statements for the year ended 31st March, 2015

₹		
Particulars	31st March, 2015	31st March, 2014
27. EARNINGS PER SHARE:		
Net Profit for the year attributable to Equity Shareholders	31,225,084	54,885,738
Weighted average number of equity Shares of ₹ 2/- each	454,020,000	454,020,000
Earnings per Share (Basic and Diluted)	0.07	0.12

₹		
Particulars	31st March, 2015	31st March, 2014
28. EXPENDITURE IN FOREIGN CURRENCY:		
Travelling	45,602	126,165
Others	-	6,694
TOTAL	45,602	132,859

₹		
Particulars	31st March, 2015	31st March, 2014
29. EARNINGS IN FOREIGN EXCHANGE:		
Professional Services rendered	32,952,864	40,376,345
Export of goods calculated on F.O.B. basis	33,605,845	23,530,845
TOTAL	66,558,709	63,907,190

30. During the year 2005-06 a joint venture (50:50) Company viz., Navabharat Power Private Limited (NPPL) was incorporated along with Malaxmi Group, to set up a 1040 MW Thermal based Power Generating station in the state of Odisha. In NPPL, Sri P Trivikrama Prasad was appointed as Non-executive Chairman representing Nava Bharat Group and Sri Y. Harish Chandra Prasad as Vice Chairman cum Managing Director representing Malaxmi Group.

During the process of Project implementation NPPL obtained various key clearances which includes Coal Linkage from Mahanadi Coalfields Limited and also got allocated a captive coal block in Rampia and Dip side of Rampia, to be shared with 5 other Power Generators.

Due to a stalemate in the management of NPPL, the investments made by Company were disposed of to a third party in two tranches during the years 2010-

11 and 2011-12 and the Company invested the proceeds in Nava Bharat Energy India Limited (NBEIL), a subsidiary of the Company.

During the year 2012-13, based on the Comptroller and Auditor General India's Report, a complaint was lodged with the Central Vigilance Commission (CVC) by certain Public Representatives and thereupon, the CVC directed the Central Bureau of Investigation (CBI) to enquire and investigate into those allegations made by the complainants against the allocation of the coal blocks. The CBI conducted Preliminary Enquiry and registered FIRs against certain companies including NPPL and its, the then, promoters-directors in the month of September, 2012. An Investigation by CBI and Enforcement Directorate (ED) was initiated during 2012-13 against the then Directors of NPPL also, alleging misrepresentations in obtaining coal block

Notes

to the Financial Statements for the year ended 31st March, 2015

and receipt of the crime proceeds by the stake sale respectively. The CBI filed charge sheet before the Special Court constituted pursuant to the directions of the Supreme Court and the same is yet to be decided on taking the cognizance. The ED vide its Provisional Attachment Order dated 22.07.2014 attached to the extent of ₹138.59 crores in respect of the investment made by the Company in the share capital of NBEIL and the said Provisional Attachment Order is also confirmed by the Adjudicating Authority under Prevention of Money Laundering Act, 2002 vide Order dated 20.05.2015.

31. In the opinion of the management, the current assets, loans and advances are expected to realise at least

the amount at which they are stated, if realised in the ordinary course of business and provision for all known liabilities have been adequately made in the accounts.

32. Disclosure of Sundry Creditors under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" and relied upon by the Auditors.

33. During the year, there were no transactions with Micro and Small Enterprises; hence the disclosures as per Micro, Small and Medium Enterprise Development Act, 2006, are not applicable for the time being.

34. Disclosure relating to the Gratuity liability (not funded) as per Accounting Standard 15 "Employee Benefits"

Particulars	31st March, 2015	31st March, 2014
		₹
a) The amounts recognised in the Balance Sheet		
Present Value of obligation	1,360,930	971,765
Amount recognized in the Balance sheet	1,360,930	971,765
b) Changes in the present value of the defined obligation		
Opening defined benefit obligation	971,765	596,919
Interest Cost	87,459	-
Current service Cost	330,950	374,846
Actuarial (gains)/Losses on obligation	(29,244)	-
Closing defined benefit obligation	1,360,930	971,765
c) The amounts recognised in the Statement of Profit and Loss		
Current service Cost	330,950	374,846
Interest Cost	87,459	-
Actuarial (gains)/Losses on obligation	(29,244)	-
Excess Provision available in the Books	-	(290,634)
Expenses recognised in the Statement of Profit and Loss	389,165	84,212
d) Principal actuarial assumptions		
Rate of escalation in Compensation	6%	6%
Discount Rate	7.77%	8%
Attrition Rate	5%	5%
Retirement Age in years	58	58

The rate of escalation in compensation considered in the above valuation is estimated taking into account inflation, seniority, promotion and other relevant factors and the above information is as certified by an actuary.



Notes

to the Financial Statements for the year ended 31st March, 2015

- 35.** The Company is primarily in the business of rendering services, hence there are no other reportable segments as per the Accounting Standard (AS 17) on Segment Reporting.
- 36.** In terms of Accounting Standard (AS 28) on "Impairment of Assets", the management has carried out the assessment of impairment of assets and no impairment loss has been recognized during the year.
- 37.** Contingent liabilities on account of Guarantees issued by the Bankers to the extent of ₹ 850,000/- (Previous Year ₹ 17,162,500) are not provided in the Financial Statements

38. The details of related party transactions in terms of Accounting Standard (AS 18) are as follows:

a. Names of related parties and relation with the company:

i. Key Management Personnel:	Sri S. Ramesh, Managing Director Sri D. Ashok, Director Sri P. Trivikrama Prasad, Director Sri G. R. K. Prasad, Director
ii. Relatives of Key Management Personnel:	Smt. S. Sarvani - wife of Sri S. Ramesh Master S. Jayanth - son of Sri S. Ramesh Smt. D. Ramaa - wife of Sri D. Ashok Sri D. Ashwin - son of Sri D. Ashok Sri D. Nikhil - son of Sri D. Ashok Dr. D. Rajasekhar - brother of Sri D. Ashok Smt. D. Bhaktapriya - mother of Sri D. Ashok Smt. A. Nilima - sister of Sri D. Ashok Smt. P. Rajashree - wife of Sri P. Trivikrama Prasad Smt .P. Sruthi – daughter of Sri P Trivikrama Prasad Smt. G.S.P. Kumari - wife of Sri G.R.K. Prasad
iii. Enterprises controlling the reporting Enterprise:	
Holding Company:	M/s. Nava Bharat Ventures Limited
Subsidiary Company:	M/s. Nava Bharat Energy India Limited
Fellow Subsidiaries:	M/s. Brahmani Infratech Private Limited M/s. Nava Bharat Realty Limited M/s. Kinnera Power Company Private Limited M/s. Nava Bharat Sugar and Bio Fuels Limited M/s. Nava Bharat (Singapore) Pte Limited M/s. PT Nava Bharat Sungai Cuka M/s. PT Nava Bharat Indonesia M/s. Maamba Collieries Limited M/s. Kobe Green Power Co. Limited M/s. Nava Bharat Africa Resources Private Limited M/s. Kariba Infrastructure Development Limited M/s. NB Rufiji Private Limited M/s. NB Tanagro Limited M/s. Nava Energy Pte. Limited M/s. Nava Bharat Lao Energy Pte. Limited M/s. Namphak Power Company Limited

Notes

to the Financial Statements for the year ended 31st March, 2015

a. Names of related parties and relation with the company:

Enterprises over which KMP/relatives of KMP exercise significant influence:	M/s. Nava Bharat Natural Resources India Limited M/s. Nav Developers Limited M/s. S.R.T. Investments Private Limited M/s. A N Investments Private Limited M/s. V9 Avenues Private Limited M/s. A9 Homes Private Limited M/s. AV Dwellings Private Limited M/s. Brahmani Skyline Constructions Private Limited M/s. Brahmani Infrastructure Projects Private Limited M/s. Brahmani Infotech Private Limited M/s. V9 Infra Ventures Private Limited Dr. Pinnamaneni Healthcare Private Limited M/s. Malaxmi Highway Private Limited Dr. Devineni Subba Rao Trust M/s. Gunnam Subbarao and Ramayamma Trust
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Particulars	31st March, 2015	31st March, 2014
b. Particulars of Transactions during the year:		
i. Transactions with relatives of key management personnel:		
Sri S. Ramesh, Managing Director		
Remuneration	6,502,200	5,418,470
ii. Transactions with relatives of key management personnel:		
Smt. P. Sruthi – Rent	360,000	360,000
iii. Transactions with Subsidiary:		
Nava Bharat Energy India Limited		
Inter Corporate Deposit given	-	500,000,000
Interest received on Inter Corporate Deposit	45,000,000	29,342,466
iv. Transactions with Associates:		
Maamba Collieries Limited		
Project Supporting Charges	32,952,864	40,376,345
Project Exports (Traded goods)	33,605,845	23,530,845
c. Balances due from / (due to) as at the yearend:		
Nava Bharat Energy India Limited	540,500,000	500,000,000
Maamba Collieries Limited	68,980,349	63,126,944



Notes

to the Financial Statements for the year ended 31st March, 2015

39. PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURE :

Particulars	Amount in US \$		Amount in INR	
	31st March, 2015	31st March, 2014	31st March, 2015	31st March, 2014
Trade Receivables	1,078,374	988,228	65,724,409	59,204,755
Other Receivables	52,099	54,275	3,255,940	3,251,614

- 40.** As required by Accounting Standard (AS 28) "Impairment of Assets", the management has carried out the assessment of impairment of assets and no impairment loss has been recognized during the year.
- 41.** Previous year figures are regrouped and reclassified where ever necessary to make them comparable with those of current year.

per our report of even date

for **Brahmayya & Co.,**
Chartered Accountants
Firms' Registration Number: 000513S

P. Chandramouli
Partner
Membership Number: 025211

Place : Hyderabad
Date : 28th May, 2015

P. Viswanath
Company Secretary

V.Arunodaya Babu
Chief Financial Officer

for and on behalf of the Board

P. Trivikrama Prasad
Director

S. Ramesh
Managing Director

FORM AOC – I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of the Subsidiaries/associate companies / joint ventures

Part A: Subsidiaries

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Name of the Subsidiary	Nava Bharat Energy India Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	-
Share capital	200,00,00,000/-
Reserves & Surplus	180,91,78,070/-
Total Assets	880,03,06,126/-
Total Liabilities	880,03,06,126/-
Investments	NIL
Turnover	552,54,47,227/-
Profit Before Taxation	104,62,59,413/-
Provision for taxation	2,11,35,290/-
Profit after taxation	102,51,24,123/-
Proposed Dividend	NIL
% of shareholding	74%

- Names of subsidiaries which are yet to commence operations: NIL
- Names of subsidiaries which have been liquidated or sold during the year : NIL

Part B: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	NIL
1 Latest audited Balance Sheet date	—
2 Shares of Associate / Joint Venture held by the Company on the year end	—
i Number	—
ii Amount of Investment in Associates/Joint Ventures	—
iii Extend of Holding (%)	—
3 Description of how there is significant influence	—
4 Reason why the associate / joint venture is not consolidated	—
5 Net worth attributable to shareholding as per latest audited Balance Sheet	—
6 Profit / (Loss) for the year	—
i Considered in Consolidation	—
ii Not considered in Consolidation	—

- Name of associate which is yet to commence operations : Nil
- Names of associates or joint ventures which have been liquidated or sold during the year : Nil

for and on behalf of the Board

P. Viswanath
Company Secretary

P. Trivikrama Prasad
Director

Place : Hyderabad
Date : 28th May, 2015

V. Arunodaya Babu
Chief Financial Officer

S. Ramesh
Managing Director



Corporate Information

Nava Bharat Energy India Limited

BOARD OF DIRECTORS

Directors

Sri Ashok Devineni, Chairman
Sri. A. Venkata Rao, Managing Director
Sri P. Trivikrama Prasad, Director
Sri G. R. K. Prasad, Director
Sri J. Ramesh, Director

Independent Directors

Sri K. Balarama Reddi
Dr. M. V. G. Rao
Smt. P. Usha Rani

Chief Financial Officer

Sri M. N. Rao

Company Secretary

Ms. Tulasi Maha Lakshmi

BOARD COMMITTEES

Audit Committee

Dr. M. V. G. Rao, Chairman
Sri K. Balarama Reddi
Sri J. Ramesh

Nomination and Remuneration Committee

Dr. M. V. G. Rao, Chairman
Sri K. Balarama Reddi
Sri D. Ashok

Corporate Social Responsibility Committee

Sri D. Ashok, Chairman
Dr. M. V. G. Rao
Sri K. Balarama Reddi

Auditors

M/s. BRAHMAYYA & CO
Chartered Accountants, Hyderabad

Cost Auditors

M/s. NARASIMHA MURTHY & CO
Cost Accountants, Hyderabad

Secretarial Auditors

M/s. P. S. RAO & ASSOCIATES
Company Secretaries, Hyderabad

BANKERS

ANDHRA BANK
BANK OF BARODA
PUNJAB AND SIND BANK
STATE BANK OF MYSORE
BANK OF INDIA
STATE BANK OF HYDERABAD
UCO BANK
IDBI BANK LIMITED

REGISTERED OFFICE

6-3-1109/1
'Nava Bharat Chambers'
Raj Bhavan Road
Hyderabad – 500 082, Telangana,
India

SHARE TRANSFER AGENTS

M/s. KARVY COMPUTERSHARE PRIVATE LIMITED
Karvy Selenium Tower B,
Plot 31-32,
Gachibowli, Financial District,
Nanakramguda,
Hyderabad – 500 032, Telangana, India

WORKS

Power Plant
Paloncha – 507 154
Khammam Dist., Telangana

Notice to Shareholders

Notice is hereby given that the Seventh Annual General Meeting of the Company will be held on Saturday, the 22nd August, 2015 at 2.00 p.m. at 6-3-1109/1, Nava Bharat Chambers, Raj Bhavan Road, Hyderabad – 500 082 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited financial statements of the Company for the year ended on 31.03.2015 viz. Balance Sheet as at 31st March, 2015 and the statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sri GRK Prasad, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sri. J.Ramesh, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

5. Ratification of appointment of Cost Auditor for the financial year 2015-16:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Auditor and Auditors) Rules, 2014, the appointment of M/s. Narasimha Murthy & Co., Cost Accountants, 3-6-365, 104, Pavani Estate, Y.V.Rao Mansion, Himayat Nagar, Hyderabad – 500 029, as Cost Auditors to conduct the audit of the cost records maintained by the Company in respect of Company's Product relating to Electricity for the Financial Year 2015-16 at an aggregate fee of ₹ 50,000/- (Rupees Fifty thousand only) plus out of pocket expenses for the visits to the Factory and service tax thereon, be and is hereby ratified.”

6. Appointment of Smt. P. Usha Rani, Additional Director as Director (Independent Director):

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT, pursuant to Sec.149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013, Smt. P. Usha Rani (holding DIN 07129525) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 23.03.2015 holds office until the date of the AGM, in terms of Sec.161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying intention to propose Smt. P. Usha Rani as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term of two years effective from the date of AGM i.e. 22.08.2015 and not liable to retire by rotation.”

7. Adoption of New Set of Articles:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any of the Companies Act, 2013 read with Companies (incorporation) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force, Articles of Association, copy of which is placed before the meeting, be and is hereby approved and adopted in substitution and to the entire exclusion, of the existing Articles of Association of the Company.”

By Order of the Board
for Nava Bharat Energy India Limited

R. Tulasi Maha Lakshmi
Company Secretary

Place : Hyderabad
Date : 9th May, 2015

Regd. Office:
6-3-1109/1
Nava Bharat Chambers
Raj Bhavan Road
Hyderabad – 500 082



Notice to Shareholders

Notes:

1. The Statement in respect of Special Business in the Notice, pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. The proxy form duly signed must be deposited at the Registered Office of the Company not later than 48 hours before the time of holding the meeting.
3. The Register of Directors and KMPs and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
4. The Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

Statement pursuant to Section 102 of the Companies Act, 2013:

1. Ratification of appointment of Cost Auditor for the financial year 2015-16:

A proposal for appointment of Cost Auditor for 2015-16 was recommended by the Audit Committee to the Board. It was proposed to re-appoint M/s.Narasimha Murthy & Co., Cost Accountants, 3-6-365, 104, Pavani Estate, Y.V.Rao Mansion, Himayat Nagar, Hyderabad – 500 029, as Cost Auditors.

M/s. Narasimha Murthy & Co. issued a certificate dated 7th April, 2015 regarding their eligibility for appointment as Cost Auditors.

As per Rule 14 of Companies (Audit and Auditors) Rules, 2014, the appointment and remuneration payable to the Cost Auditors is to be ratified by the Shareholders. Hence, this resolution is put for the consideration of the Shareholders.

None of the Directors and Key Managerial Personnel or their relatives are interested in the above resolution.

The Board commends the Ordinary Resolution for members' approval.

2. Appointment of Smt. P. Usha Rani, Additional Director as Director (Independent Director):

As per rules notified by the Ministry of Corporate Affairs, Public Limited Companies having a paid-up share capital of ₹ 100 crore or more should have at least one woman director on their board.

The paid up capital of the Company was ₹ 200 crores. In view of the above provisions, the Company should appoint one woman independent director on their Board.

Smt. P. Usha Rani was appointed as an Additional Director by the Board on 23.03.2015, pursuant to Section 161 of the Companies Act, 2013,

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Smt.P.Usha Rani will hold office upto the date of the ensuing Annual General Meeting. The Company received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit proposing the candidature of Smt. P. Usha Rani for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

Smt. P. Usha Rani, Msc. in Mathematics, has over two decades of experience in Banking Sector. She is presently secretary to Harita Ecological Institute. She has received the Best NGO Award from APTEC.

The Company has received from Smt. P. Usha Rani (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Smt. P. Usha Rani as an Independent

Notice to Shareholders

Director of the Company for a term of two years effective from the date of AGM i.e. 22.08.2015 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. She is not liable to retire by rotation.

Smt. P. Usha Rani is an Independent Director fulfilling the specified conditions. She is totally independent of the management and has no relationship with any of the Directors and Senior Management Personnel. With her induction into the Board, there would be an appropriate balance of skills, experience and knowledge in the Board so as to enable it to discharge its functions and duties effectively.

The Board commends the Ordinary Resolution for members' approval.

Except Smt. P. Usha Rani, no other Director is deemed to be interested or concerned in the Resolution.

3. Adoption of New set of Articles:

The Articles of Association of the Company, presently in force, is in accordance with the provisions of Companies Act, 1956. With the enactment of the Companies Act, 2013, most of the regulations contained in the Articles of Association of your company have either become redundant or are not in tune with the provisions of the said Act. Under the Companies Act, 2013, draft Articles (in case of a Company limited by shares) are provided in Schedule I of Table-F thereto.

In view of the aforesaid, it is proposed to replace the existing set of Articles of Association with a new set of Articles of Association containing regulations in accordance with the provisions of the new Act and the rules made thereunder.

The draft Articles are available for inspection by the Members at the registered office of the Company at any time during the working hours on any working day till the date of AGM.

Pursuant to the provisions of Section 14 of the Companies Act, 2013 read with the Companies (incorporation) Rules, 2014, any alteration to the Articles of Association of the Company requires prior approval of shareholders by way of Special Resolution.

The Board commends the Special Resolution for members' approval.

None of the Directors, Key management personnel and their relatives is interested or concerned in the said resolution except to the extent of their shareholding in the Company.

By Order of the Board
for Nava Bharat Energy India Limited

Place : Hyderabad
Date : 9th May, 2015

R. Tulasi Maha Lakshmi
Company Secretary



Directors' Report

Dear Members,

Your Directors have pleasure in presenting their Seventh Annual Report together with the Audited Financial Statements and Balance Sheet of the Company as at 31st March, 2015 and the Auditors' Report thereon.

OPERATIONS

The Company is a step down subsidiary of Nava Bharat Ventures Limited and Subsidiary of Nava Bharat Projects Limited.

The Company's Power Plant operated the 150 MW Unit in 2014-15 reasonably with average PLF of 86.52 %, gross generation of 1136.879 MW and delivered energy of 1014.69 MU.

Entire power was dispatched to TS Grid 966.88 MU excepting 39.37 MU for sale through IEX& 8.44 MU for sale through KSEB.

NBEIL made a turnover of ₹ 54523.80 lakhs.

DIRECTORS

Sri GRK Prasad and Sri J Ramesh, Directors of the Company, are liable to retire by rotation at the Annual General Meeting and, being eligible, offered themselves for re-appointment.

The Board at its meeting held on 26.03.2015, appointed Smt.P.Usha Rani, as Additional Director of the Company. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Smt. P. Usha Rani will hold office upto the date of the ensuing Annual General Meeting. The Company received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit proposing the candidature of Smt. P. Usha Rani for the office of Independent Director for a term of two years effective from the date of AGM i.e. 22.08.2015 to be appointed as such, in terms of the provisions of Section 149 of the Companies Act, 2013.

APPOINTMENTS OF KEY MANAGERIAL PERSONNEL

There were no changes during the Financial Year under review.

NUMBER OF MEETINGS OF THE BOARD

Regular meetings of the Board are held to discuss and decide on various business policies, strategies and other businesses. The schedule of the Board/Committee meetings are circulated to the Directors in advance to enable them to plan their schedule for participation in the meetings.

The Board met Six (6) times during the FY 2014-15 viz., on 26.05.2014, 07.08.2014, 30.10.2014, 08.02.2015 and 26.03.2015.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188

The particulars of contracts or arrangements with related parties referred to in sub-section(1) of Sec.188 is prepared in Form NO.AOC-2 pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 and the same is enclosed as **Annexure – 1** to this Report.

FIXED DEPOSITS

There were no deposits outstanding as on 31st March, 2015. There were no overdue deposits, as well, as on date.

AUDITORS & AUDIT REPORT

M/s. Brahmayya & Co., Chartered Accountants, Hyderabad, the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment as provided in Section 139 (2) (a) (ii) of the Companies Act, 2013.

The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 139 (1) and 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment within the meaning of Section 139 (9) of the Companies Act, 2013.

The Auditors' Report on the financial statements of the company for financial year ended 31st March, 2015 does not contain any reservation, qualification or adverse remark. The observations and comments given by the Auditors in

Directors' Report

their report read together with notes to Accounts are self-explanatory and hence do not call for any further comments under Section 134 of the Companies Act, 2013.

COST AUDIT

M/s. Narasimha Murthy & Co, Cost Auditors, were appointed in May, 2014 by the Company to conduct the cost audit in respect of Electricity for the FY 2014-15. The approval of the Central Government was received for this appointment.

The Cost Audit reports for FY 2014-15 were due to be submitted on or before 30th September, 2015. The Cost Audit reports for FY 2013-14 were filed with Ministry of Corporate Affairs.

APPOINTMENT OF INTERNAL AUDITORS FOR COSTING SYSTEMS AND INTERNAL AUDIT OF COST ACCOUNTING RECORDS

As per the Master Circular issued by the Ministry of Corporate Affairs on Cost Accounting and Cost Audit, the Board of your Company appointed Internal Auditors, M/s.Sagar & Associates for internal audit of cost records for the Financial Year 2014-15 on the recommendation of the Audit Committee.

SECRETARIAL AUDIT

The Board of Directors appointed M/s. P. S. Rao & Associates, Practicing Company Secretaries for the conduct of Secretarial Audit pursuant to the recommendations of the Audit Committee for the Financial Year 2014-15 for the Company and the Report of the Secretarial Audit for the Financial Year 2014-15 is annexed as **Annexure - 2** to this Report.

AUDIT COMMITTEE

The Audit Committee of the Board of Directors was constituted in conformity with the requirements of Section 177 of the Companies Act, 2013. The Audit Committee comprises Directors as follows:

Dr. M. V. G.Rao	Chairman
Sri K. Balarama Reddi	Member
Sri. J. Ramesh	Member

The Committee met three times during the year 2014-15 i.e. on 26.05.2014, 07.08.2014, and 07.02.2015 and reviewed, inter alia, the annual and half yearly financial statements respectively.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted in conformity with the requirements of Section 178 of the Companies Act, 2013. The Committee comprises Directors as follows:

Dr. M. V. G.Rao	Chairman
Sri K. Balarama Reddi	Member
Sri. D. Ashok	Member

The Committee met once during the year 2014-15 i.e. on 26th May, 2014.

CORPORATE SOCIAL RESPONSIBILITY

The Company constituted a Committee comprising Sri D. Ashok as Chairman and Dr. M. V. G. Rao and Sri K. Balarama Reddi as Members. The Committee is responsible for formulating and monitoring the CSR Policy of the Company.

In compliance with Section 135 of the Companies Act, 2013 read with the (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) Committee and statutory disclosures with respect to the CSR Committee and an Annual Report on CSR Activities is annexed as **Annexure - 3** to this Report.

During the year, the CSR Committee met twice i.e. on 01.10.2014 & 22.03.2015.

The Highlights of the CSR Committee meetings during the year are:

The Committee considered the minimum amount to be spent on CSR activities during 2014-15 i.e. 2% of the average net profits (before tax) for the last 3 financial years and computed in accordance with Section 198 of the Act as follows:

FY 2014-15	2% of the average net profits by the Unit	Budget for proposed Programmes / Projects
Paloncha	49.59	50.50
TOTAL	49.59	50.50



Directors' Report

The aggregate minimum amount to be spent of ₹ 49.59 lakhs could be apportioned as detailed below:

Sl. No.	Name of the Project & Brief Description	Item No. in Schedule -VII under which the project falls	Expenditure details	Project ₹ Lakhs	Programme ₹ Lakhs	Remarks
1	Construction of drainages	(i) Promoting sanitation	Construction expenditure at three villages	26.50	-	New activity
2	Providing Safe Drinking Water	(i) Making available safe drinking water	Construction of building, RO Plant, electrical supply and Installation charges for two plants in neighbouring areas	16.00	-	New activity
3	Toilets in Govt. Schools.	(i) Promoting sanitation	Construction expenditure for 4 numbers	8.00	-	New activity
Total				50.50	-	

The Company spent above 2% i.e. ₹ 50.50 Lakhs

PARTICULARS OF EMPLOYEES

As per the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 regarding particulars of employees drawing remuneration of the prescribed sums are not applicable as there were no employees in that category.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company has laid down set of standards, processes and structure to implement internal financial control across the organization and ensure that the same are adequate and operating effectively.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The internal audit function reports to the Chairman of the Audit Committee of the Board.

The Company maintains all its records in SAP system and the work flow and approvals are routed through SAP.

VIGIL MECHANISM

The Companies Act, 2013 vide Section 177, mandates that Certain Companies should establish a vigil mechanism for directors and employees to report genuine concerns vigil mechanism shall provide for adequate safeguards against

victimisation of employees who use such mechanism and for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

The Company has formulated a policy to prohibit managerial personnel from taking adverse action against employees, who are disclosing in good faith alleged wrongful conduct on matters of public concern involving violation of any law, mismanagement, gross waste or misappropriation of public funds, substantial and specific danger to public health and safety or an abuse of authority.

The policy also lays down the mechanism for making enquiry in to whistle blower complaint received by the Company. Employees aware of any alleged wrongful conduct are encouraged to make a disclosure to the Audit Committee.

LOANS, GUARANTEES OR SECURITY AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

During the financial year 2014-15, the Company has not made any investments (or) gave any loan/s (or) provided any guarantee/security, pursuant to the provisions of Section 186 of the Companies Act, 2013.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is annexed as **Annexure 4** to this Report.

Directors' Report

TRAINING OF BOARD MEMBERS

A programme has been devised to train Board members in the business model of the Company, risk profile of the business parameters and their responsibilities as directors.

REMUNERATION POLICY

The Company adopted a policy relating to the remuneration. This Policy covers the remuneration and other terms of employment for the Company's Executive Team. The remuneration policy for members of the Board and for Management aims at improving the performance and enhancing the value of the Company by motivating and retaining them and to attract the right persons to the right jobs in the Company.

The object of this Remuneration Policy is to make your Company a desirable workplace for competent employees and thereby secure competitiveness, future development and acceptable profitability. In order to achieve this, it is imperative that the Company is in a position to offer competitive remuneration in its operational locations. Remuneration of executives and other key employees shall take into consideration the remuneration of other employees of the Company and thereby aim to secure coordinated and fair Remuneration Policy for the Company.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

The Nomination and Remuneration Committee identifies persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

The criteria of independence are determined as laid in the Companies Act, 2013 and the Independent Directors shall abide by the Code for Independent Directors as specified in Schedule IV of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that:

- a) in the preparation of the annual accounts for the year ended 31st March,, 2015, the applicable accounting standards read with requirements set out under

Schedule III to the Act, have been followed and there are no material departures from the same;

- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March,, 2015 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

In accordance with the provisions of **Section 134 (3)(m) of the Companies Act, 2013**, the required information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed as **Annexure - 5** to this Report.

ACKNOWLEDGEMENT

Your Directors gratefully acknowledge the support and co-operation extended by the Regulatory Authorities and Company's Bankers.

By Order of the Board
for Nava Bharat Energy India Limited

P. Trivikrama Prasad
Director

Place : Hyderabad
Date : 9th May, 2015

A. Venkata Rao
Managing Director



Annexure – 1

Disclosure of Particulars of Contracts/Arrangements entered into by the Company with Related Parties referred to in Sub Section (1) of Section 188 of the Companies Act, 2013

AOC 2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of material contracts or arrangement or transactions at arm's length basis:

Sl. No	The Name of the Related Party and Nature of Relationship	Nature of contracts / arrangements / transactions	Duration of the contract	Salient terms of contracts/arrangements /transactions	Amount paid as Advance if any	Justification for entering into contracts
1	Nava Bharat Ventures Limited Ultimate Holding Company	2,06,260 6,04,34,265 5,07,903 4,08,000 4,382 (6,16,72,543)	NA NA NA NA NA NA	Lease rent received Utility Charges Cost of fly Ash Bricks purchased Sale of Fixed Assets- Equipment Hire Charges Balance Due	- - - - - -	The Company is fully owned by Nava Bharat Ventures Limited, the Unit of which was located in the same Company's premises and hence the terms and conditions will be decided mutually.
2	Nava Bharat Projects Limited Holding Company	4,50,00,000	NA	Interest paid on inter corporate deposit	-	Payment of interest at a rate of 9% per annum which is similar as per rate charged by Banks and on an arm's length basis.
		(54,05,00,000)	NA	Balance Due	-	

Annexure – 2

Form No. MR-3 SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Report for the Financial Year ended 31st March, 2015

To,
The Members,
Nava Bharat Energy India Limited
Hyderabad

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **Nava Bharat Energy India Limited**, (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) (applicable Sections as on date) and the Rules made under that Act;

- (ii) The Companies Act, 1956, and the Rules made under that Act;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
2. For the FY 2014-15, the Provisions, Regulations and Guidelines prescribed by the Securities and Exchange Board of India (SEBI) formed under SEBI Act, 1992 ('SEBI Act') were not applicable to the Company.
3. The industry specific major laws that are applicable to the company are as follows
 - (a) Electricity Act, 2003;
 - (b) National Tariff Policy;
 - (c) The Essential Commodities, Act 1955;
 - (d) Explosives Act, 1884;
 - (e) Indian Boilers Act, 1923;

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.



Annexure – 2

During the period under review, Mr. Kotamreddi Balarama Reddi and Mrs. Usharani Puttagunta (Additional Director) were co-opted as Independent Directors to the Board w.e.f. 26-05-2014 and 23-03-2015 respectively.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **P.S. Rao & Associates**
Company Secretaries

D. S. Rao
Company Secretary
ACS No: 12394
C P No: 14487

Place : Hyderabad
Date : 10th May, 2015

Annexure – 3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(Pursuant to Rule 8 of Companies [Corporate Social Responsibility Policy] Rules, 2014)

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	The Company endeavours to <ul style="list-style-type: none"> • Promoting sanitation • Making available safe drinking water. 									
2. Composition of the CSR Committee:	<table border="1"> <tr> <td>Sri D. Ashok</td> <td>Chairman of the Company</td> <td>Chairman</td> </tr> <tr> <td>Dr. M. V. G. Rao</td> <td>Independent Director</td> <td>Member</td> </tr> <tr> <td>Sri K. Balarama Reddi</td> <td>Independent Director</td> <td>Member</td> </tr> </table>	Sri D. Ashok	Chairman of the Company	Chairman	Dr. M. V. G. Rao	Independent Director	Member	Sri K. Balarama Reddi	Independent Director	Member
Sri D. Ashok	Chairman of the Company	Chairman								
Dr. M. V. G. Rao	Independent Director	Member								
Sri K. Balarama Reddi	Independent Director	Member								
3. Average net profit of the Company for last three financial years	₹ 2479.56 lakhs									
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 49.59 lakhs									
5. Details of CSR spend during the financial year	<table border="1"> <tr> <td>a. Total amount spent for the financial year: ₹ 50.50 lakhs</td> </tr> <tr> <td>b. Amount unspent, if any : Nil</td> </tr> </table>	a. Total amount spent for the financial year: ₹ 50.50 lakhs	b. Amount unspent, if any : Nil							
a. Total amount spent for the financial year: ₹ 50.50 lakhs										
b. Amount unspent, if any : Nil										
6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.	Please refer to Item No.5(b) above.									
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.	We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.									

Chief Financial Officer

Managing Director

Chairman - CSR Committee



Annexure – 3

C. Manner in which the amount spent during the financial year is detailed below:

We hereby confirm that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programmes Specify the State and district where projects or programs was undertaken	Local Area or other Programmes	District and State	Amount Outlay (budget) project or program-wise	Amount spent on projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Over-heads	Cumulative Expenditure up to the date of reporting period	Amount Directly spent or through implementing agency
PROMOTING SANITATION									
1	Construction of drainages, Paloncha	(i) Promoting sanitation	Project	Erragunta, Jagguhandanda, Paloncha	Khammam Dist., Telangana	26.50	16.30	16.30	Directly
2	Toilets in Govt. Schools near Paloncha	(i) Promoting sanitation	Project	MPIPSchool, Punukula, M. P. U. P. School, Karakavagu, M.P.E.School, Old Paloncha, ZPH School, Chetakonda	Khammam Dist., Telangana	8.16	8.22	8.22	Directly
						34.66	24.52	24.52	
PROVISION OF SAFE DRINKING WATER									
3	Safe Drinking Water Plants near Paloncha	(i) Making available safe drinking water	Project	Manchikantinagar, & Punukula in Paloncha	Khammam Dist., Telangana	20.00	25.98	25.98	Directly
						20.00	25.98	25.98	
						54.66	50.50	50.50	

Annexure – 4

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	:	U40106TG2008PLC058560
ii)	Registration Date	:	08.04.2008
iii)	Name of the Company	:	Nava Bharat Energy India Limited
iv)	Category/Sub-Category of the Company	:	Company limited by shares/Indian non-government
v)	Address of the Registered office and contact details	:	Nava Bharat Chambers, 6-3-1109/1, Raj Bhavan Road, Hyderabad – 500 082, Telanagana. Telephone: 040 23403501 Fax: 040 23403013 e-mail:- nbvl@nbv.in
vi)	Whether listed company Yes / No	:	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	M/s. Karvy Computershare Private Limited Karvy Selenium Tower B, Plot No. 31832 Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032 Telephone: 91 40 6716 1500, 91 40 6716 1562 Fax: 40 2300 1153

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% of total turnover of the company
1	Power	35102	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary	% of shares held	Applicable Section
1	Nava Bharat Projects Limited 6-3-1109/1, Nava Bharat Chambers Raj Bhavan Raod, Hyderabad – 500 082	U70102TG2007PLC052362	Holding	76	Sec.2(46)
2	Nava Bharat Ventures Limited 6-3-1109/1, Nava Bharat Chambers Raj Bhavan Raod, Hyderabad – 500 082	L27101TG1972PLC001549	Holding	24	Sec.2(46)



Annexure – 4

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A Promoters										
(1) Indian										
a) Individual / HUF		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt (s)		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp	100,00,00,000	Nil	100,00,00,000	100%	100,00,00,000	Nil	100,00,00,000	100%	100%	Nil
e) Banks/Fl		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (1):-	100,00,00,000	Nil	100,00,00,000	100%	100,00,00,000	Nil	100,00,00,000	100%	100%	Nil
(2) Foreign		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) NRIs - Individual		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other individuals		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks/Fl		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any other		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Shareholding of Promoters (A)=(A) (1) + (A) (2)	100,00,00,000	Nil	100,00,00,000	100%	100,00,00,000	Nil	100,00,00,000	100%	100%	Nil
B Public Shareholding										
(1) Institutions										
a) Mutual Funds		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / Fl		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt (s)		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B) (1):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(2) Non-Institutions		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) Bodies Corp i. Indian		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Others (specify)		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B) (2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Shareholding of Promoters (B)=(B) (1) + (B) (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C Shares held by Custodian for GDRs & ADRs										
		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	100,00,00,000	Nil	100,00,00,000	100%	100,00,00,000	Nil	100,00,00,000	100%	100%	Nil

Annexure – 4

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year		
		No. of shares	% of total shares of the Company	% of shares pledged or encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged or encumbered to total shares
1	M/s. Nava Bharat Projects Limited	73,99,99,994	74	26% of shares are under pledge	73,99,99,994	74	100% of shares are under attachment
2	M/s. Nava Bharat Ventures Limited	26,00,00,000	26	Nil	26,00,00,000	26	100% of shares are under pledge
3	Sri P. Trivikrama Prasad (Representative of NBPL)	01	Nil	Nil	01	Nil	Nil
4	Sri C. V. Durga Prasad (Representative of NBPL)	01	Nil	Nil	01	Nil	Nil
5	Sri G. R. K. Prasad (Representative of NBPL)	01	Nil	Nil	01	Nil	Nil
6	Sri J. Ramesh (Representative of NBPL)	01	Nil	Nil	01	Nil	Nil
7	Sri D. Rama Krishna (Representative of NBPL)	01	Nil	Nil	01	Nil	Nil
8	Sri T. Hari Babu (Representative of NBPL)	01	Nil	Nil	01	Nil	Nil

(iii) Change in Promoters' shareholding (Pls, specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	1,00,00,00,000	100%	1,00,00,00,000	100%
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	No change	No change
At the End of the year	1,00,00,00,000	100%	1,00,00,00,000	100%



Annexure – 4

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): NA

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year				
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
At the End of the year (or on the date of separation, if separated during the year)				

NIL

(v) Shareholding of Directors and Key Managerial Personnel: NA

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year				
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
At the End of the year				

NIL

Annexure – 4

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits ₹	Unsecured Loans ₹	Deposits	Total Indebtedness ₹
Indebtedness at the beginning of the financial year				
i) Principal Amount	4,114,514,827	500,000,000	-	4,614,514,827
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	7,020,038	-	-	7,020,038
Total (i+ii+iii)	4,121,534,865	500,000,000	-	4,621,534,865
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	(429,983,708)	-	-	(429,983,708)
Net Change	(429,983,708)	-	-	(429,983,708)
Indebtedness at the end of the financial year				
i) Principal Amount	3,684,531,119	500,000,000	-	4,184,531,119
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5,994,604	40,500,000	-	46,494,604
Total (i+ii+iii)	3,731,025,723	540,500,000	-	4,231,025,723

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Particulars of Remuneration	Name of MD/WTD/Manager Sri A. Venkata Rao, MD	Total Amount
Gross salary		
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
Stock Option	Nil	Nil
Sweat Equity	Nil	Nil
Commission as % of profit - others, specify...		
Others, please specify	Nil	Nil
TOTAL (A)	NIL	NIL
Ceiling as per the Act	5% of the net profits	



Annexure – 4

B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors	Total Amount
1. Independent Directors		
• Fee for attending board / committee meetings		
• Commission		
• Others, please specify		
TOTAL (1)		
2. Other Non-Executive Directors		
• Fee for attending board / committee meetings		
• Commission		
• Others, please specify		
TOTAL (2)	NIL	
TOTAL (B)=(1+2)		
Total Managerial Remuneration		
Overall Ceiling as per the Act		

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Company Secretary ₹	CFO	Total ₹
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,89,306	-	10,89,306
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	TOTAL	10,89,306	-	10,89,306

Annexure – 5 to the Directors' Report

In accordance with the provisions of Section 134 (3)(m) of the Companies Act, 2013, the required information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo have been given as below:

A. CONSERVATION OF ENERGY

(a) Energy conservation measures taken

I Power Division

Power Plant (NBEIL – 150MWPP)

- i. Boiler Feed water pump: Modified the internals of the boiler feed pumps to suit the running conditions of the unit.
- ii. Optimum utilization of coal feeders and bed ash coolers
- iii. Installed godrej make intelligent air flow controller & compressor automation
- iv. Minor modifications in the system operation and continual improvement at ash handling plant
- v. modified the boiler fans.
- vi. Installed VFD & Lt motor for CEP.

(b) Additional investments and proposals, being implemented for reduction of consumption of energy:

I) Power Division

Power Plant (NBEIL – 150MWPP)

Other Investment Proposals for FY 2015-16

II) Power Division

Power Plant (NBEIL – 150MWPP)

It is proposed to provide LT VFD & LT motors for 2 numbers of J seal blowers.

(c) Impact of the measures of (a) and (b) given above for reduction of energy consumption and consequent impact on the cost of production of goods;

I) Power Division

Power Plant (NBEIL – 150MWPP)

- i. With the modification of BFPs achieved energy saving: 6050Kwh/Day & cost of the modification was INR 66,90,538/-
- ii. With the optimum utilization of coal feeders and be ash coolers achieved energy saving per day is 2178Kwh & zero investment.
- iii. With the intelligent air flow controller & compressor automation achieved energy saving per day: 3400Kwh 7 investment was INR: 8,69,497/-

B. TECHNOLOGY ABSORPTION

Power Division

Power Plant (NBEIL – 150MWPP)

- i. Provided submerged scrapper conveyor for bed ash handling system
- ii. Provided coal unloading and stocking system
- iii. Provided CCTVs for power plant area.



Annexure – 5 to the Directors’ Report

Benefits derived as a result of above modifications

Power Division

Power Plant (NBEIL – 150MWPP)

- i. With the submerged scrapper conveyor system, we could use even 50% ash content coal by which we are consuming indigenous ungraded coal consequently cost of coal per Sell out units reduced from INR 3.22 to 2.93/kWh for the export power of each unit.
- ii. With the coal unloading system, service cost of coal unloading is reduced by INR 5,50,000 per month.
- iii. With the CCTVs, power plant area security and vigilance systems improved.

3. Future Plan of Action

Power Division

Power Plant (NBEIL – 150MWPP)

Providing forced air circulation system for TG building.

4. Expenditure on Efficiency Improvement: (₹ in lakhs)

- a. Capital: INR 2,98,79,211
- b. Recurring INR 1,00,000 (Revenue)
- c. Total INR 2,99,79,211
- d. Total expenditure on efficiency improvement as a percentage of total turnover: 0.54%

Technology absorption, adaptation and innovation:

- i. Provided bird repellent system for switchyard.
- ii. Provided rodent repellent controllers for TG building switchgear rooms.

C. FOREIGN EXCHANGE EARNINGS & OUTGO :

- (f) Activities relating to export, initiatives to increase exports, developments of new export markets for products and services and export plan
- (g) Total foreign exchange used and earned

(₹ in Lakhs)

	Current Year 31st March, 2015	Previous Year 31st March, 2014
1. Foreign Exchange Outgo:		
i. CIF value of Imports	1,43,24,62,618	2,00,59,47,410
ii. Interest	33,95,799	1,01,28,256
iii. Others	Nil	Nil
2. Foreign Exchange Earnings at FOB Value		
i. Export of goods	Nil	Nil
ii. Others	Nil	Nil

For and on behalf of the Board

P. Trivikrama Prasad
Director

Place : Hyderabad
Date : 9th May, 2015

A. Venkata Rao
Managing Director

Independent Auditor's Report

To
The Members of
Nava Bharat Energy India Limited,
Hyderabad

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of NAVA BHARAT ENERGY INDIA LIMITED, ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the 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 FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

OPINION

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its Profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of



Independent Auditor's Report

- the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) 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:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for **Brahmayya & Co.**,
Chartered Accountants
Firm's Registration Number: 000513S

Place : Hyderabad
Date : May 09, 2015

P. Chandramouli
Partner
Membership Number: 025211

Annexure to the Auditor's Report:

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members of NAVA BHARAT ENERGY INDIA LIMITED, HYDERABAD, for the year ended March 31, 2015.,

1. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As explained to us, the management has physically verified the fixed assets during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of the assets. No discrepancies were noticed on such verification.
2. a. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b. In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and book records were not material.
3. a. During the year, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
 - b. In view of our comment in paragraph (a) above, Clause (III) (a) and (b) of paragraph 3 of the aforesaid order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. The Company has not accepted any deposits from the public. Hence the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, do not apply to this Company.
6. We have broadly reviewed the cost records maintained by the Company pursuant to sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prime facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or Complete.
7. a. According to the records of the Company, the company regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
 - b. According to the records of the Company, no undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.



Annexure to the Auditor's Report:

- c. According to the records of the Company and the information and explanations given to us, there were no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute.
- d. According to the records of the Company, there were no amounts which were required to be transferred to Investor Education and Protection Fund. Therefore, the provisions of clause 3 (vii) (c) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
8. The Company has no accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the year covered by our audit and also in the immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions and Banks.
10. The Company has not given any guarantee for the loans taken by others from banks and financial institutions.
11. During the year the Company has not obtained any term loans. Therefore, the provisions of clause 3 (xi) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
12. Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

for **Brahmayya & Co.**,
Chartered Accountants
Firm's Registration Number: 000513S

P. Chandramouli
Partner
Membership Number: 025211

Place : Hyderabad
Date : May 09, 2015

Balance Sheet

as at 31st March, 2015

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Particulars	Notes	31st March, 2015	31st March, 2014
EQUITY AND LIABILITIES			
Share Holders Funds			
Share Capital	04	2,000,000,000	2,000,000,000
Reserves and Surplus	05	1,809,178,070	784,053,947
		3,809,178,070	2,784,053,947
Non - Current Liabilities			
Long term Borrowings	06	3,261,948,962	3,792,957,305
Other long Term liabilities	07	2,282,539	684,867
Long-term provisions	08	12,549,476	6,603,600
		3,276,780,977	3,800,245,772
Current Liabilities			
Short term Borrowings	09	511,562,711	410,538,076
Trade Payables	10	704,842,811	217,537,340
Other Current liabilities	11	484,702,276	574,400,373
Short - term provisions	12	13,239,281	24,361,548
		1,714,347,079	1,226,837,337
TOTAL		8,800,306,126	7,811,137,056
ASSETS			
Non - Current Assets			
Fixed assets			
Tangible assets	13	6,268,115,322	6,282,885,582
Intangible assets	14	14,244	548,772
Capital Work in Progress		29,628,714	97,572,419
Long-term loans and advances	15	18,570,181	39,422,390
Other non current assets	16	379,780,551	180,159,633
		6,696,109,012	6,600,588,796
Current Assets			
Inventories	17	1,113,561,047	297,701,568
Trade receivables	18	132,821,529	278,800,590
Cash and cash equivalents	19	600,432,815	329,285,451
Short term loans and advances	20	220,260,307	169,344,883
Other current assets	21	37,121,416	135,415,768
		2,104,197,114	1,210,548,260
TOTAL		8,800,306,126	7,811,137,056
Notes Forming Part of Financial Statements	01 - 48		

per our report of even date
for **Brahmayya & Co.**,
Chartered Accountants
Firm's Registration Number: 000513S

for and on behalf of the Board

A.Venkata Rao
Managing Director

M.N. Rao
Chief Financial Officer

P. Chandramouli
Partner
Membership Number: 025211

Place : Hyderabad
Date : 09.05.2015

P. Trivikrama Prasad
Director

R.Tulasi Maha Lakshmi
Company Secretary



Statement of Profit and Loss

for the year ended 31st March, 2015

Particulars	Notes	31st March, 2015	31st March, 2014
INCOME			
Revenue from operations			
Sale of Thermal Power		5,452,379,747	5,371,123,588
Other Income	22	73,067,480	45,320,694
Total Revenue		5,525,447,227	5,416,444,282
EXPENSES			
Cost of materials consumed	23	3,083,478,454	2,972,431,963
Other manufacturing expenses	24	210,792,713	204,926,573
Employee Benefits Expense	25	37,100,125	26,863,860
Finance Costs	26	580,214,878	667,260,528
Depreciation expense	27	249,216,048	328,130,233
Other Expenses	28	318,385,596	361,853,971
Total Expenses		4,479,187,814	4,561,467,128
Profit Before Tax		1,046,259,413	854,977,154
Tax Expense			
Current Tax		220,314,894	183,177,582
Earlier years Tax		441,314	392,480
MAT credit entitlement		(199,620,918)	(180,159,633)
		21,135,290	3,410,429
Profit for the year after tax		1,025,124,123	851,566,725
Earnings per Share of Face Value of ₹ 2/- each			
Basic and diluted	32	1.03	0.85
Notes Forming Part of Financial Statements	01 - 46		

per our report of even date
for **Brahmayya & Co.**,
Chartered Accountants
Firm's Registration Number: 0005135

P. Chandramouli
Partner
Membership Number: 025211

Place : Hyderabad
Date : 09.05.2015

A.Venkata Rao
Managing Director

P. Trivikrama Prasad
Director

for and on behalf of the Board

M.N. Rao
Chief Financial Officer

R.Tulasi Maha Lakshmi
Company Secretary

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Cash Flow Statement

for the year ended 31st March, 2015

Particulars	31st March, 2015	31st March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	1,046,259,413	854,977,154
Adjustments for:		
Depreciation	249,216,048	328,130,233
Interest	(30,574,842)	(11,816,231)
Profit from Sale of Investments	(31,293,983)	(32,388,445)
Excess Provisions written back	(4,108,153)	-
Advances/Debit Balances Written off	2,089,616	-
Loss on sale of Assets	475,504	-
Operating Profit before Working Capital Changes	1,232,063,603	1,138,902,711
Adjustments for:		
Increase/(Decrease) in Other Long Term Liabilities	1,597,672	220,253
Increase/(Decrease) in Long Term Provisions	5,945,876	8,254,369
Increase/(Decrease) in Trade Payables	487,321,218	(99,621,989)
Increase/(Decrease) in Other Current Liabilities	(85,605,691)	(16,170,687)
Increase/(Decrease) in Short Term Provisions	854,460	578,133
(Increase)/Decrease in Long Term Loans and Advances	18,766,541	75,453,647
(Increase)/Decrease in Short Term Loans and Advances	(50,919,372)	(128,948,478)
(Increase)/Decrease in inventories	(815,859,479)	(87,888,535)
(Increase)/Decrease in Trade Receivables	145,979,061	(78,398,791)
(Increase)/Decrease in Other Non Current Assets	-	110,373
(Increase)/Decrease in Other Current Assets	125,543,331	(129,084,036)
Direct Taxes Paid (net of refunds)	(232,732,935)	(168,074,103)
Net Cash from Operating Activities (A)	832,954,285	515,332,867
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(166,843,059)	(185,514,267)
Sale of Fixed Assets	400,000	-
Purchase of Investments	(2,145,000,000)	(2,670,000,000)
Sale of Investments	2,176,293,983	2,702,388,444
Interest received	3,325,863	8,136,255
Net Cash used in Investing Activities (B)	(131,823,213)	(144,989,568)



Cash Flow Statement

for the year ended 31st March, 2015

Particulars	31st March, 2015	31st March, 2014
₹		
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Long Term Borrowings	-	500,000,000
Proceeds from Short Term Borrowings (Net)	101,024,635	
Repayment of Short Term Borrowings	-	(266,255,885)
Repayment of Long term Borrowings	(531,008,343)	(554,924,087)
Net Cash generated in Financing Activities (C)	(429,983,708)	(321,179,972)
Net Increase in Cash and Cash Equivalents (A+B+C)	271,147,364	49,163,327
Cash and Cash equivalents at the beginning of the year	329,285,451	280,122,124
Cash and Cash equivalents at the end of the year#	600,432,815	329,285,451
# includes restricted amounts	140,000,000	101,569,740

per our report of even date
for **Brahmayya & Co.,**
Chartered Accountants
Firm's Registration Number: 0005135

P. Chandramouli
Partner
Membership Number: 025211

Place : Hyderabad
Date : 09.05.2015

for and on behalf of the Board

A.Venkata Rao
Managing Director

M.N. Rao
Chief Financial Officer

P. Trivikrama Prasad
Director

R.Tulasi Maha Lakshmi
Company Secretary

Notes

to the Financial Statements for the year ended 31st March, 2015

1. NATURE OF OPERATIONS:

Nava Bharat Energy India Limited (the Company) has been incorporated on 08.04.2008. Out of the total paid up Capital, 740,000,000 Equity Shares of ₹ 2/- each fully paid up shares are held by the Holding Company viz., Nava Bharat Projects Limited, Hyderabad. At present, the Company is engaged in Thermal Power generation from its 150 MW Power generating facility.

2. BASIS OF ACCOUNTING:

The financial statements have been prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared in accordance with the generally accepted Accounting Principles in India under the historical cost convention and on accrual basis, except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies are consistent with those used in the previous year.

3. SIGNIFICANT ACCOUNTING POLICIES:

a) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

b) Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation, amortisation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Other indirect expenditure attributable to the project under implementation is treated as Capital Work-in-progress pending allocation to the assets.

Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

c) Depreciation

- i. Depreciation is provided considering the useful lives of respective assets, as provided and prescribed under schedule II of the Companies Act, 2013.
- ii. Fixed Assets costing rupees Five thousand or less are fully depreciated in the year of acquisition.
- iii. Civil constructions on leasehold land are amortized over the Primary lease period.

d) Inventories

Stock of Raw materials (Coal), Raw Materials in transit and Stores and Spares are valued at direct cost based on Weighted Average Method.

e) Prior period items

All items of income/expenditure pertaining to prior period, which are material, are accounted through "prior period adjustments" and the others are shown under respective heads of account in the Profit and Loss Account.

f) 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 asset's 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



Notes

to the Financial Statements for the year ended 31st March, 2015

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

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset are no longer exist or have decreased.

g) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried 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 value of each long term investment is made to recognize a decline other than temporary in nature.

h) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Specifically the following basis is adopted:

Dividends: Dividend is recognised as and when the payment is received.

i) Government Grants and Subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the assets concerned in arriving at the carrying amount of the related asset. Government grants in the form of non-monetary assets given at a concessional rate are accounted for on the basis of their acquisition cost.

j) Retirement and Other Employee Benefits

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Short term compensated absences are provided on an estimated basis. Long term compensated absences are provided for based on actuarial valuation on project unit credit method carried by an actuary as at the end of the year. Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

k) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of Fixed Assets, which take substantial period of time to get ready for their intended use, are capitalized. Other Borrowing costs are recognized as an expense in the year in which they are incurred.

l) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term and vice versa.

m) Taxes on Income

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent

Notes

to the Financial Statements for the year ended 31st March, 2015

that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognised only, if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

n) Provisions

A provision is recognised when there is a present obligation as a result of past event 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 its present value and are determined based on 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.

o) Restoration Costs

Provision for cost of restoring the leased land on the expiry of the lease period is made based on the Certificate obtained from a Chartered Engineer.

p) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be

confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

q) Earnings per Share (Basic and Diluted)

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

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

r) Cash Flow Statement

Cash flows are reported using indirect method. Cash and cash equivalents in the cash flow statement comprise cash at bank, cash/cheques in hand and Fixed Deposits with Banks.

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Particulars	31st March, 2015	31st March, 2014
04. SHARE CAPITAL:		
Authorised:		
1,000,000,000 Equity Shares of ₹ 2/- each	2,000,000,000	2,000,000,000
TOTAL	2,000,000,000	2,000,000,000
Issued, Subscribed and Paid - Up:		
1,000,000,000 Equity Shares of ₹ 2/- each fully paid up.	2,000,000,000	2,000,000,000
TOTAL	2,000,000,000	2,000,000,000

a. Rights attached to equity shares:

The company has only one class of equity shares having a face value of ₹ 2/- per share and with one vote per each share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.



Notes

to the Financial Statements for the year ended 31st March, 2015

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. Shares held by holding company:

Particulars	31st March, 2015	31st March, 2014
	No of Shares	No of Shares
Nava Bharat Projects Limited	740,000,000	740,000,000

c. Details of shareholders holding more than 5% shares in the company:

Particulars	31st March, 2015		31st March, 2014	
	Nos	Percentage	Nos	Percentage
Equity Shares of ₹ 2/- each fully paid				
Nava Bharat Projects Limited	740,000,000	74	740,000,000	74
Nava Bharat Ventures Limited	260,000,000	26	260,000,000	26

₹

Particulars	31st March, 2015	31st March, 2014
05. RESERVES AND SURPLUS:		
Surplus i.e. balance in Statement of Profit and Loss		
Opening balance	784,053,947	(67,512,778)
Add: Net profit transferred from Statement of Profit and Loss	1,025,124,123	851,566,725
Amount available for appropriation	1,809,178,070	784,053,947
Less: Appropriations	-	-
Closing Balance	1,809,178,070	784,053,947
TOTAL	1,809,178,070	784,053,947

₹

Particulars	31st March, 2015	31st March, 2014
06. LONG TERM BORROWINGS :		
Secured:		
Term Loans from Banks	3,172,968,408	3,703,976,751
Less: Current maturities	411,019,446	411,019,446
	2,761,948,962	3,292,957,305
Unsecured:		
: from a Related Party	500,000,000	500,000,000
TOTAL	3,261,948,962	3,792,957,305

a. The above Loans from IDBI Bank Limited, Andhra Bank, Bank of Baroda, State Bank of Hyderabad, Bank of India, State Bank of Mysore, UCO Bank, and Punjab & Sind Bank are secured by a first charge created in favour of security trustee on

Notes

to the Financial Statements for the year ended 31st March, 2015

the present and future fixed assets and a Second charge on the Currents assets of the Company, an equitable mortgage on the lease rights of land of 170 acres obtained from Nava Bharat Ventures Limited, by a registered mortgage of the Flat No:102, admeasuring 303 Sq.Feet situated at Plot No:458 - C, III Avenue Road, Indira Nagar, Madras - 600020 and also pledge of 260,000,000 equity shares held by a Promoter representing 26% of issued and paid up share Capital of the Company with trustee, ranking pari passu with all the lenders.

The lenders have an option to demand for conversion of their loans together with interest into equity in the event of default, for which the Company has agreed in terms of the common loan agreement entered into.

- b. All the above Term Loans carry interest @ 11.50% p.a. payable monthly. The loans are repayable in 36 quarterly equal installments with effect from 01.04.2013.

₹

Particulars	31st March, 2015	31st March, 2014
07. OTHER LONG TERM LIABILITIES:		
Security Deposits	755,245	684,867
Retention Deposits	1,527,294	-
TOTAL	2,282,539	684,867

₹

Particulars	31st March, 2015	31st March, 2014
08. LONG TERM PROVISIONS:		
Provision for employee benefits:		
Provision for Leave Salary	1,949,476	1,503,600
Provision for Restoration	10,600,000	5,100,000
TOTAL	12,549,476	6,603,600

₹

Particulars	31st March, 2015	31st March, 2014
09. SHORT TERM BORROWINGS:		
Loans repayable on demand:##		
: from a Bank - secured		
Buyers Credits #	411,466,986	400,661,691
Cash Credit	100,095,725	9,876,385
TOTAL	511,562,711	410,538,076

The loans are repayable on 17.04.2015 ₹ 33,647,029/-, on 24.04.2015 ₹ 22,668,403/-, on 29.04.2015 ₹ 35,230,975/-, on 08.06.2015 ₹ 158,511,567/- and on 18.08.2015 ₹ 161,409,013/- (Previous Year ₹ 205,566,533/- on 27.06.2014 and ₹ 195,095,158/- on 22.07.2014)

The working Capital Loan from Andhra Bank to the extent of ₹ 100.00 crores including non Fund based facility of ₹ 50.00 crores is secured by a first charge created in favour of security trustee on the present and future fixed and Currents assets of the Company, an equitable mortgage on the lease rights of land of 170 acres obtained from Nava Bharat Ventures Limited, by a registered mortgage of the Flat No:102, admeasuring 303 Sq.Feet situated at Plot No:458 - C, III Avenue Road, Indira Nagar, Madras - 600020 and also pledge of 260,000,000 equity shares held by the Promoter representing 26% of issued and paid up share Capital of the Company with trustee, ranking pari passu with the security created or to be created in favour of the term lenders.



Notes

to the Financial Statements for the year ended 31st March, 2015

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Particulars	31st March, 2015	31st March, 2014
10. TRADE PAYABLES:		
Creditors for Supplies and Services (refer Note: 38)*	701,521,091	215,564,133
Creditors for accrued wages and Salaries	3,321,720	1,973,207
TOTAL	704,842,811	217,537,340
* Includes dues to Related Parties	61,672,543	45,836,313

₹

Particulars	31st March, 2015	31st March, 2014
11. OTHER CURRENT LIABILITIES:		
Current maturities of Long term borrowings	411,019,446	411,019,446
Others:		
Interest Accrued but Not Due #	46,494,604	7,020,038
Retention Deposits	13,117,682	24,218,808
Security Deposits	53,022	-
Withholding Taxes payable	7,461,704	2,560,153
Other statutory dues	4,431,138	1,887,515
Other Payables	2,124,680	127,694,413
TOTAL	484,702,276	574,400,373
# includes the amount of interest on loans from a related parties	40,500,000	-

₹

Particulars	31st March, 2015	31st March, 2014
12. SHORT TERM PROVISIONS:		
Provision for Employee Benefits:		
Provision for Gratuity	3,661,364	2,806,904
Other Provisions:		
Provision for Taxation (net of Advance Tax)	9,577,917	21,554,644
TOTAL	13,239,281	24,361,548

Notes

to the Financial Statements for the year ended 31st March, 2015

13. TANGIBLE ASSETS:

Particulars	Gross Block			Depreciation			Net Block		
	As at 31st March, 2014	As at Additions 31st March, 2015	Deductions 31st March, 2014	Upto 31st March, 2014	For the year deductions	On 31st March, 2015	Upto 31st March, 2015	As at 31st March, 2015	As at 31st March, 2014
1. Land	52,819,972	-	-	-	-	-	52,819,972	52,819,972	52,819,972
2. Buildings - Factory	279,732,877	12,785,928	-	9,986,213	9,587,199	-	19,573,412	272,945,393	269,746,664
3. Buildings - Others	303,080,338	43,416,505	-	4,318,648	16,873,272	-	21,191,920	325,304,923	298,761,690
4. Plant and Machinery	5,227,968,297	143,585,756	956,330	274,500,482	187,410,559	80,826	461,830,215	4,908,767,508	4,953,467,815
5. Furniture and Fixtures	1,027,726	720,383	-	383,707	493,928	-	877,635	870,474	644,019
6. Vehicles	598,943	8,931,945	-	251,964	358,667	-	610,631	8,920,257	346,979
7. Office equipment	174,374	121,000	-	45,931	116,236	-	162,167	133,207	128,443
8. Data Processing equipment	702,188	827,231	-	358,352	354,675	-	713,027	816,392	343,836
9. Air conditioners and Coolers	461,035	403,850	-	83,644	397,211	-	480,855	384,030	377,391
10. Other Assets	9,398,496	23,994,166	-	1,510,542	7,224,557	-	8,735,099	24,657,563	7,887,954
11. Power evacuation Lines **	737,289,716	-	-	38,928,897	25,865,216	-	64,794,113	672,495,603	698,360,819
TOTAL	6,613,253,962	234,786,764	956,330	330,368,380	248,681,520	80,826	578,969,074	6,268,115,322	6,282,885,582
Previous Year	78,321,041	6,534,932,921	-	2,545,764	327,822,616	-	330,368,380	6,282,885,582	75,775,277

** Cost incurred by the Company, ownership of which vests with a State Owned Power Distribution Company.

14. INTANGIBLE ASSETS:

Particulars	Gross Block			Depreciation			Net Block		
	As at 31st March, 2014	As at Additions 31st March, 2015	Deductions 31st March, 2014	Upto 31st March, 2014	For the year deductions	On 31st March, 2015	Upto 31st March, 2015	As at 31st March, 2015	As at 31st March, 2014
1. Computer Software	943,038	-	-	394,266	534,528	-	928,794	14,244	548,772
TOTAL	943,038	-	-	394,266	534,528	-	928,794	14,244	548,772
Previous Year	208,277	734,761	-	86,649	307,617	-	394,266	548,772	121,628



Notes

to the Financial Statements for the year ended 31st March, 2015

₹		
Particulars	31st March, 2015	31st March, 2014
15. LONG-TERM LOANS AND ADVANCES:		
(Unsecured, considered good)		
Advance for Capital goods	5,569,180	12,305,500
Security Deposits	13,001,001	27,116,890
TOTAL	18,570,181	39,422,390

₹		
Particulars	31st March, 2015	31st March, 2014
16. OTHER NON-CURRENT ASSETS:		
MAT Credit entitlement	379,780,551	180,159,633
TOTAL	379,780,551	180,159,633

₹		
Particulars	31st March, 2015	31st March, 2014
17. INVENTORIES: AT COST		
Stock of Raw Materials	627,504,974	243,111,979
Raw Materials in transit	336,213,270	-
Stores and Spares	149,838,185	52,529,153
Stores and Spares in transit	-	2,048,035
Others	4,618	12,401
TOTAL	1,113,561,047	297,701,568

₹		
Particulars	31st March, 2015	31st March, 2014
18. TRADE RECEIVABLES:		
(Unsecured, considered good)		
Due over six months	132,766,073	278,800,590
Due for less than six months	55,456	-
TOTAL	132,821,529	278,800,590

Notes

to the Financial Statements for the year ended 31st March, 2015

₹

Particulars	31st March, 2015	31st March, 2014
19. CASH AND CASH EQUIVALENTS:		
Balances with Banks:		
on Current accounts	233,510,706	227,462,654
Cash on Hand	352,369	253,057
Other Bank Balances:		
Fixed Deposits	226,569,740	-
Margin Deposits	140,000,000	101,569,740
TOTAL	600,432,815	329,285,451

₹

Particulars	31st March, 2015	31st March, 2014
20. SHORT TERM LOANS AND ADVANCES:		
(Unsecured, considered good)		
Advance for Purchases and Expenses	220,252,017	168,827,941
Loans and advances to others	8,290	516,942
TOTAL	220,260,307	169,344,883

₹

Particulars	31st March, 2015	31st March, 2014
21. OTHER CURRENT ASSETS:		
Prepaid Expenses	4,294,118	10,017,449
Interest Accrued	32,827,298	5,578,319
Other Receivables	-	119,820,000
TOTAL	37,121,416	135,415,768



Notes

to the Financial Statements for the year ended 31st March, 2015

₹		
Particulars	31st March, 2015	31st March, 2014
22. OTHER INCOME:		
Interest Income:		
Bank deposits	30,574,842	11,816,231
Others	1,912,885	-
Others relating to earlier years	2,124,655	-
Other Non Operating Income:		
Net gain on Sale of Investments	31,293,983	32,388,445
Agricultural Income (Net)	663,810	557,423
Miscellaneous receipts	2,389,152	558,595
Excess Provisions /Credit balances written back	4,108,153	-
TOTAL	73,067,480	45,320,694

₹		
Particulars	31st March, 2015	31st March, 2014
23. COST OF MATERIALS CONSUMED:		
Inventory at the Beginning of the year(Coal)	243,111,979	118,202,396
Add: Purchases(Coal)	3,467,871,449	3,097,341,546
	3,710,983,428	3,215,543,942
Less: Inventory at the Closing of the year(Coal)	627,504,974	243,111,979
	3,083,478,454	2,972,431,963

₹		
Particulars	31st March, 2015	31st March, 2014
24. OTHER MANUFACTURING EXPENSES:		
Power, fuel and water	130,893,260	122,718,921
Raw materials handling Charges	31,544,708	37,552,018
Stores Consumed	38,971,491	32,969,325
Direct Labour	8,174,714	9,116,282
Testing and analysis	584,762	1,940,686
Others	623,778	629,341
TOTAL	210,792,713	204,926,573

Notes

to the Financial Statements for the year ended 31st March, 2015

₹

Particulars	31st March, 2015	31st March, 2014
25. EMPLOYEE BENEFITS EXPENSE:		
Salaries, Wages and Bonus	32,921,285	21,368,260
Contribution to Provident and other Funds	1,682,286	722,416
Staff Welfare Expenses	1,642,094	2,307,803
Gratuity expense	854,460	2,465,381
TOTAL	37,100,125	26,863,860

₹

Particulars	31st March, 2015	31st March, 2014
26. FINANCE COSTS:		
Interest	452,182,045	550,535,502
Bank Charges and commission	19,135,181	18,060,692
Prompt Payment rebate	108,897,652	98,664,334
TOTAL	580,214,878	667,260,528

₹

Particulars	31st March, 2015	31st March, 2014
27. DEPRECIATION AND AMORTISATION EXPENSE:		
Depreciation on tangible assets	248,681,520	327,822,616
Amortisation of Intangible assets	534,528	307,617
TOTAL	249,216,048	328,130,233



Notes

to the Financial Statements for the year ended 31st March, 2015

₹		
Particulars	31st March, 2015	31st March, 2014
28. OTHER EXPENSES:		
Land Lease /Rent	352,060	352,060
Insurance	17,360,946	19,184,363
Professional Charges	6,297,421	7,232,384
Travelling and Conveyance	3,506,079	3,253,088
Printing and Stationery	480,295	300,292
Rates and Taxes	17,494,739	14,071,275
Repairs and Maintenance:		
Plant and Equipment	94,131,885	96,986,162
Buildings	12,087,260	11,128,066
Other assets	251,757	69,829
Ash handling expenses	15,235,450	10,783,434
Open access charges	94,078,685	3,525,319
Auditors Remuneration : as Auditors	561,800	561,800
Auditors Remuneration : for Tax matters	275,282	196,630
Auditors Remuneration : for others	115,169	-
Cost Auditor fees	56,180	56,180
Exchange Fluctuations	33,900,275	185,934,404
Provision for Restoration	5,500,000	5,100,000
Premium on forward exchange contract amortised	3,370,280	1,411,720
Loss on sale of assets	475,504	-
Advances Written off	2,085,668	-
CSR expenses	5,050,826	-
Miscellaneous expenses	5,718,035	1,706,965
TOTAL	318,385,596	361,853,971

₹		
Particulars	31st March, 2015	31st March, 2014
29. VALUE OF IMPORTS CALCULATED ON CIF BASIS:		
Capital items	6,965,126	-
Components and Spares	61,901,261	3,415,479
Raw Materials	1,363,596,231	2,002,531,931
TOTAL	1,432,462,618	2,005,947,410

Notes

to the Financial Statements for the year ended 31st March, 2015

₹

Particulars	31st March, 2015	31st March, 2014
30. EXPENDITURE INCURRED IN FOREIGN CURRENCY:		
Travelling	214,769	-
Interest (on accrual basis)	3,395,799	10,128,256
TOTAL	3,610,568	10,128,256

₹

Particulars	31st March, 2015	31st March, 2014
31. COMMITMENTS AND CONTINGENT LIABILITIES:		
Bank guarantees and Letters of credit	18,031,621	95,536,460
Un executed Capital commitments	-	10,200,000
Duty payable on Imports in Transit	6,689,421	-
TOTAL	24,721,042	105,736,460

₹

Particulars	31st March, 2015	31st March, 2014
32. EARNING PER SHARE:		
Net Profit for the year attributable to Equity Shareholders	1,025,124,123	851,566,725
Weighted average number of equity Shares of ₹ 2/each	1,000,000,000	1,000,000,000
EARNINGS PER SHARE (BASIC AND DILUTED)	1.03	0.85

Particulars	31st March, 2015		31st March, 2014	
	Percentage	Value in ₹	Percentage	Value in ₹
33. ANALYSIS OF MATERIALS CONSUMED:				
Imported	49.79	1,558,729,865	89.10	2,694,485,480
Indigenous	50.21	1,571,849,761	10.90	329,627,002
TOTAL	100.00	3,130,579,626	100.00	3,024,112,482

34. AP Pollution Board while issuing Consent for Operations vide its Order No: APPCB/VJA/KTM/20463/HO/2013-4832 dated 17th January, 2013, inter alia stipulated that our Company has to earmark ₹ 1.30 crores per annum for 10 years towards the Enterprise Social Responsibility (ESR) activities and

spend the amount under ESR activities through ESR/CSR Cell in the office of the District Collector. The legal Counsel has opined that stipulation is not based on any Government legislation or Gazette Notification, has not tenable. Based on the said legal opinion no such allocation is made for the year in books of account.



Notes

to the Financial Statements for the year ended 31st March, 2015

- 35.** In the opinion of the management, the current assets, loans and advances are expected to realise at least the amount at which they are stated, if realised in the ordinary course of business and provision for all known liabilities have been adequately made in the accounts.
- 36.** Advance for land amounting to ₹ 5,569,180/- (previous year ₹ 5,505,500/-) shown under advance for capital goods is not covered by any agreement.
- 37.** Disclosure of Sundry Creditors under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" and relied upon by the Auditors.
- 38.** During the year, there were no transactions with Micro and Small Enterprises; hence the disclosures as per Micro, Small and Medium Enterprise Development Act, 2006, are not applicable for the time being.

Particulars	31st March, 2015	31st March, 2014
₹		
39. DISCLOSURE RELATING TO THE GRATUITY LIABILITY (NOT FUNDED) AS PER ACCOUNTING STANDARD 15 "EMPLOYEE BENEFITS"		
a) The amounts recognised in the Balance Sheet:		
Present Value of obligation	3,661,364	2,806,904
Amount recognised in the Balance sheet	3,661,364	2,806,904
b) Changes in the present value of defined obligation:		
Opening defined benefit obligation	2,806,904	341,523
Current service Cost	684,770	636,246
Interest Cost	252,621	27,322
Actuarial (gains)/Losses on obligation	(82,931)	1,801,813
Closing defined benefit obligation	3,661,364	2,806,904
c) Amount recognised in the Statement of Profit and Loss		
Current service Cost	684,770	636,246
Interest Cost	252,621	27,322
Actuarial (gains)/Losses on obligation	(82,931)	1,801,813
Expenses recognised in the Statement of Profit and Loss	854,460	2,465,381
d) Principal actuarial assumptions:		
Rate of escalation in Compensation	6.00%	6.00%
Discount Rate	7.77%	9.00%
Attrition Rate	2.50%	5.00%
Retirement Age in years	58	58

The rate of escalation in compensation considered in the above valuation is estimated taking into account inflation, seniority, promotion and other relevant factors and the above information is as certified by an actuary.

Notes

to the Financial Statements for the year ended 31st March, 2015

- 40.** The Company is primarily in the business of Power Generation. Hence there are no other reportable segments as per the Accounting Standard (AS 17) on Segment Reporting.
- 41.** Due to the Tax Holiday available to the Company as per Section 80-IA of the Income Tax Act, 1961; the Company does not envisage any tax Payment under the normal provisions of the Income Tax Act, 1961; in the near future and only Minimum Alternate Tax would be payable. It is expected that all the timing differences originating during the Tax Holiday Period are reversing during the said Tax Holiday Period. Hence the Management of the Company is of the opinion that no provision is required for deferred tax as at 31st March 2015, In terms of Accounting Standard (AS 22) on "Accounting for Taxes on Income".
- 42.** In terms of Accounting Standard (AS 28) on "Impairment of Assets", the management has carried out the assessment of impairment of assets and no impairment loss has been recognized during the year.
- 43.** The details of related party transactions in terms of Accounting Standard (AS 18) are as follows:
- a) Names of related parties and relation with the Company :

i)	Key Management Personnel:	Sri A. Venkata Rao, Managing Director Sri D. Ashok, Director Sri P. Trivikrama Prasad, Director Sri G.R.K. Prasad, Director
ii)	Relatives of key management personnel:	Smt. A. Rama Devi - wife of Sri A. Venkata Rao Smt. D. Ramaa - wife of Sri D. Ashok Sri D. Ashwin - son of Sri D. Ashok Sri D. Nikhil - son of Sri D. Ashok Dr. D. Rajasekhar - brother of Sri D. Ashok Smt. D. Bhaktapriya - mother of Sri D. Ashok Smt. A. Nilima - sister of Sri D. Ashok Smt. P. Rajashree - wife of Sri P. Trivikrama Prasad Smt. P. Sruthi – daughter of Sri P Trivikrama Prasad Smt. G.S.P. Kumari - wife of Sri G.R.K. Prasad
iii)	Enterprises controlling the reporting Enterprise: Subsidiaries: Fellow Subsidiaries:	M/s. Nava Bharat Ventures Limited (Ultimate) M/s. Nava Bharat Projects Limited M/s. Nava Bharat Realty Limited M/s. Nava Bharat Sugar and Bio Fuels Limited M/s. Brahmani Infratech Private Limited M/s. Nava Bharat (Singapore) Pte. Limited M/s. Nava Bharat Lao Energy Pte. Limited M/s. Nava Energy Pte. Limited M/s. PT Nava Bharat Sungai Cuka M/s. PT Nava Bharat Indonesia



Notes

to the Financial Statements for the year ended 31st March, 2015

a) Names of related parties and relation with the Company :

Enterprises over which key management personnel/ their relatives exercise significant influence:

M/s. Maamba Collieries Limited
M/s. Kobe Green Power Co. Limited
M/s. Nava Bharat Africa Resources Private Limited
M/s. Kariba Infrastructure Development Limited
M/s. NB Rufiji Private Limited
M/s. NB Tanagro Limited
M/s. Namphak Power Company Limited
M/s. Nava Bharat Natural Resources India Limited
M/s. Nav Developers Limited
M/s. S.R.T. Investments Private Limited
M/s. A N Investments Private Limited
M/s. V9 Avenues Private Limited
M/s. A9 Homes Private Limited
M/s. AV Dwellings Private Limited
M/s. Brahmani Skyline Constructions Private Limited
M/s. Brahmani Infrastructure Projects Private Limited
M/s. Brahmani Infotech Private Limited
M/s. V9 Infra Ventures Private Limited
M/s. Dr. Pinnamaneni Healthcare Private Limited
M/s. Malaxmi Highway Private Limited
Dr. Devineni Subba Rao Trust
M/s. Gunnam Subbarao and Ramayamma Trust
M/s. Kinnera Power Company Private Limited

Notes

to the Financial Statements for the year ended 31st March, 2015

b) Particulars of transactions during the year:

₹		
Particulars	31st March, 2015	31st March, 2014
Transactions with Ultimate Holding Company:		
Nava Bharat Ventures Limited		
Land Lease Rentals (expense)	206,260	206,260
Utility Charges	60,434,265	45,570,342
Cost of Fly Ash Bricks Purchased	507,903	3,059,809
Sale of Fixed Assets	408,000	-
Equipment Hire Charges	4,382	-
Transactions with Holding Company:		
Nava Bharat Projects Limited		
Unsecured loan taken	-	500,000,000
Outstanding interest paid	-	18,756,493
Interest paid on Inter corporate Deposit	45,000,000	29,342,466

c) Balances due from / (due to) as at the year end

₹		
Particulars	31st March, 2015	31st March, 2014
Nava Bharat Ventures Limited	(61,672,543)	(45,836,312)
Nava Bharat Projects Limited	(540,500,000)	(500,000,000)

₹		
Particulars	31st March, 2015	31st March, 2014
44. DETAILS OF OPERATING LEASES:		
a. Lease Payments debited to in the Accounts	292,060	292,060
Land Lease		
b. Future minimum lease payments under non cancelable operating leases :		
i. Due not later than One year.	292,060	292,060
ii. Due later than One year and not later than Five years.	1,168,238	1,168,238
iii. Due later than Five years.	4,559,514	4,853,427



Notes

to the Financial Statements for the year ended 31st March, 2015

Particulars	Amount in USD		Amount in INR	
	31st March, 2015	31st March, 2014	31st March, 2015	31st March, 2014
45. PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURE AS AT THE BALANCE SHEET DATE				
Trade Payables	2,596,917	28,650	162,294,328	1,716,422
Bank Loan	6,583,472	6,687,726	411,467,000	400,661,605

46. Previous year figures are regrouped and reclassified where ever necessary to make them comparable with those of current year.

per our report of even date
for **Brahmayya & Co.,**
Chartered Accountants
Firm's Registration Number: 000513S

P. Chandramouli
Partner
Membership Number: 025211

Place : Hyderabad
Date : 09.05.2015

A.Venkata Rao
Managing Director

P. Trivikrama Prasad
Director

for and on behalf of the Board

M.N. Rao
Chief Financial Officer

R.Tulasi Maha Lakshmi
Company Secretary

Notice to Shareholders

Notice is hereby given that the Sixteenth Annual General Meeting of the Company will be held on Monday, the 24th day of August, 2015 at 11.00 a.m. at 6-3-1109/1, Nava Bharat Chambers, Raj Bhavan Road, Somajiguda, Hyderabad – 500082, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited financial statements of the Company for the year ended on 31.03.2015 viz., Balance Sheet as at 31st March, 2015 and the statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sri P. Trivikrama Prasad, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To ratify the appointment of Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration and to pass the following resolution as an Ordinary Resolution.

“RESOLVED THAT, pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 and the Rules made thereunder, recommendations of the audit committee and the Board of Directors and also pursuant to the resolution passed by the members at the Annual General Meeting (AGM) held on 01.08.2014, the appointment of M/s. Brahmayya & Co., Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this

AGM till the conclusion of the next AGM (to be held in 2016) be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix such remuneration as may be determined by the audit committee in consultation with the auditors.”

By Order of the Board
for Brahmani Infratech Private Limited

Place : Hyderabad
Date : 28th May, 2015

G. Ramachandra Murthy
Company Secretary

Notes :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. The proxy form duly signed must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for commencement of the meeting.
2. The Register of Directors and KMPs and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
3. The Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.



Directors' Report

Dear Members,

Your Directors have pleasure in presenting their Sixteenth Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2015 and the Auditors' Report thereon.

FINANCIAL SUMMARY:

During the year under review, the aggregate earnings for the year stood at ₹ 8,64,01,490/- and the total outgoings stood at ₹ 1,38,44,825/-. The year resulted in a net profit of ₹ 4,65,62,373/- after taxation (before taxation ₹ 7,25,56,665/-).

OPERATIONS:

During the year, the Company acquired interests in certain residential properties and land area. The Company while aiming to diversify its portfolio further into commercial/residential space and infrastructural development is also exploring Joint Development options with certain land parcel owners.

LEGAL ISSUES:

Award in Arbitration Case between M/s. Mantri Technology Parks Private Limited (MTPPL) and the Company: Members are aware that Arbitration was in progress between M/s. Mantri Technology Parks Private Limited and the Company over the former's failure of the performance under the Joint Development Agreement and consequential termination of the JDA by the Company after serving a notice of forfeiture of security deposit.

The Hon'ble Sole Arbitrator (the Arbitral Tribunal) in Arbitration Case No.2 of 2013 passed the Award on 31.01.2015, inter alia, to the following effect:

- MTPPL is held entitled to the refund of (i) ₹ 30 crores towards Interest Free Security Deposit; (ii) ₹ 4,82,04,854/- being the amount paid to the Company towards reimbursement of expenses and (iii) ₹ 4,36,90,047/- towards expenses for development of the allotted land. All these amounts are to carry interest @12% p.a. from 02.05.2012 till 31.01.2015 (date of the Award).
- BIPL is held entitled to receive from MTPPL ₹ 18,13,33,333/- together with interest @12% p.a. from 02.05.2012 till 31.01.2015 .
- The awarded amount will carry interest at the rate of 18% p.a. from the date of the Award till the date of realization of the awarded amount.

The Company filed an application in the Hon'ble City Civil Court, Hyderabad, under Section 34 of the Arbitration and Conciliation Act, 1996 to set aside the Arbitral Award to the extent it is aggrieved and to allow balance claims. MTPPL has also filed an application under Section 9 of the Arbitration and Conciliation Act, 1996 for execution of award. The above applications are pending before the Hon'ble City Civil Court, Hyderabad.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of the Act and the Articles of Association of the Company, Sri P. Trivikrama Prasad, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offered himself for re-appointment.

During the year under review, the members approved the appointments of Independent Directors viz., Sri K. Balarama Reddi, effective from 24.05.2014 and Dr. M. V. G. Rao, effective from 01.08.2014 for a period of 5 years and they will not retire by rotation. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013.

Sri G. Ramachandra Murthy was appointed as Company Secretary for the Company.

Performance Evaluation: The Company has devised a system for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the Non-Executive Directors and Executive Directors.

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out annual performance evaluation of its own performance, the Directors individually as well

Directors' Report

as the working of its Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee.

The Nomination and Remuneration Committee and the Board of Directors had laid down a structured criteria covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board diversity, execution and performance of specific duties, obligations and governance, attendance and time spent on Board and its Committees' work, contribution to the deliberations of the meetings, with specific focus on the performance and effective functioning of the Board and Individual Directors.

A separate meeting of the Independent Directors of the company was held on 28.03.2015 to review the performance of the Non-Independent Directors, Board as a whole and the Chairperson of the company, as prescribed under Schedule IV of the Companies Act, 2013.

NUMBER OF MEETINGS OF THE BOARD:

During the year 2014-15, the Board met 7 times on following dates 24.05.2014, 13.08.2014, 30.09.2014, 31.12.2014, 29.01.2015 and 30.03.2015 and the gap between each Board Meeting is within the prescribed limit of 120 days.

AUDIT COMMITTEE:

Pursuant to section 177 of the Companies Act, 2013, the Board of Directors constituted the Audit Committee. The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name of the Director	Category	Chairman / Member	Number of Meetings during the FY 2014-15	
			Held	Attended
Dr. M. V. G. Rao	Independent Director	Chairman	2	2
Sri K. Balarama Reddi	Independent Director	Member	2	2
Sri G. R. K. Prasad	Non-Executive Director	Member	2	2

The Audit Committee met twice during the financial year 2014-15 on 24.05.2014 and 31.12.2014 and reviewed inter alia, the annual and half yearly financial statements respectively. All the recommendations of the Audit Committee have been approved by the Board.



Directors' Report

NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to section 178 of the Companies Act, 2013, the Board of Directors constituted Nomination and Remuneration Committee. The composition of the Nomination and Remuneration Committee and the details of the meetings attended by its members are given below:

Name of the Director	Category	Chairman / Member	Number of Meetings during the FY 2014-15	
			Held	Attended
Dr. M. V. G. Rao	Independent Director	Chairman	2	2
Sri K. Balarama Reddi	Independent Director	Member	2	2
Sri G. R. K. Prasad	Non-executive Director	Member	2	2

The Committee met twice during the financial year 2014-15 on 24.05.2014 and 29.01.2015.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

The Nomination and Remuneration Committee identifies persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.

THE CRITERIA FOR THE APPOINTMENT OF DIRECTORS, KMPs AND SENIOR MANAGEMENT ARE AS FOLLOWS:

A person for appointment as director, KMP or in senior management should possess adequate qualification, expertise and experience for the position considered for appointment. The Committee decides whether qualification, expertise and experience possessed by a person are sufficient for the concerned position.

The committee shall ascertain the credentials and integrity of the person for appointment as director, KMP or senior management level and recommend to the Board his / her appointment.

The Committee, while identifying suitable persons for appointment to the Board, will consider candidates on

merit against objective criteria and with due regard for the benefits of diversity on the Board.

The criteria of independence are determined as laid in the Companies Act, 2013.

The Independent Directors shall abide by the Code for independent directors as specified in Schedule IV of the Companies Act, 2013.

REMUNERATION POLICY

The Company adopted a policy relating to the remuneration. This Policy covers the remuneration and other terms of employment for the Company's Executive Team. The remuneration policy for members of the Board and for Management aims at improving the performance and enhancing the value of the Company by motivating and retaining them and to attract the right persons to the right jobs in the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

Directors' Report

The Committees comprises three Directors as under:

Name of the Director	Category	Chairman / Member	Number of Meetings during the FY 2014-15	
			Held	Attended
Sri P. Trivikrama Prasad	Director	Chairman	2	2
Dr. M. V. G. Rao	Independent Director	Member	2	2
Sri K. Balarama Reddi	Independent Director	Member	2	2

The Committee met twice during the financial year 2014-15 on 01.10.2014 and 30.03.2015.

CSR POLICY:

(1) The CSR Policy of the Company, inter alia, includes the following, namely:

(a) a list of CSR projects or programs which the Company plans to undertake falling within the purview of the Schedule VII of the Companies Act, 2013 specifying modalities of execution of such projects or programs and implementation schedules for the same; and

(b) monitoring process of such projects or programs:

The CSR activities do not include the activities undertaken in pursuance of normal course of business of the Company.

The activities included in its Corporate Social Responsibility Policy are related to the activities included in Schedule VII of the Act.

(2) The CSR Policy of the Company specifies that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

CSR INITIATIVES:

The management of the Company is keen to implement Corporate Social Responsibility (CSR) activities vigorously and in a planned and time bound manner.

The Projects/Programs undertaken by the Company are:

- i. Promoting sanitation - Providing toilets, renovation and painting of school building and Submersible pump including pipeline for toilets etc.,
- ii. Promoting education – dual desks to students and tables, Chairs for teachers in government schools

The Company was required to spend ₹ 7.20 lakhs for 2014-15 i.e, 2% of the average net profits of last three financial years, calculated as per Section 198 of the Companies Act, 2013. During the year under review, the Company spent above 2% i.e. ₹ 7,29,400/- on CSR activities. The Annual Report on CSR activities is annexed herewith as **Annexure - I**.

FIXED DEPOSITS:

The Company has not accepted nor held any deposits pursuant to Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, consequently there was no amount (on account of principle or interest on deposits) outstanding as on the date of Balance Sheet.

AUDITORS AND AUDITORS' REPORT:

M/s. Brahmayya & Co., Chartered Accountants, were appointed in the last Annual General Meeting (AGM) held on 01.08.2014 for a period of 3 consecutive AGMs i.e., upto the conclusion of AGM to be held in 2017, subject to ratification by members at every AGM. The Auditors have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed



Directors' Report

limits under the Act and that they are not disqualified for re-appointment/continuance. The Board of Directors recommended to the members to ratify their appointment as Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.

The Auditors' Report does not contain any qualification, reservation or adverse remark or any disclaimer. Their Report together with the Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

SECRETARIAL AUDIT REPORT

The Secretarial Audit Report for the financial year ended 31st March, 2015 is annexed as **Annexure - II** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark and do not call for any further comments.

The Board has appointed M/s. P. S. Rao and Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2015-16.

INTERNAL AUDIT:

The Board has appointed M/s. K. S. Rao & Co, Chartered Accountants, to conduct Internal Audit for the financial year 2015-16.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars required to be disclosed under Rule 8 (3) of the Companies (Accounts) Rules, 2014, pertaining to Technology Absorption or conservation of Energy and foreign exchange earnings and outgo are NIL, during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors state that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards read with requirements set out under

Schedule III to the Act, have been followed and there are no material departures from the same;

- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

Particulars of contracts/arrangements entered into by the Company with related party referred to in sub section (1) of Section 188 of the Companies Act, 2013 in Form AOC - 2 are as per **Annexure III**.

Your Directors also draw attention of the members to Note 30 (b) to the financial statement which sets out related party disclosures.

PARTICULARS OF LOANS, GUARANTEES OR SECURITY AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The Company has not provided any guarantee/security or made any investments, pursuant to Section 186 of the Companies Act, 2013, however an amount of

Directors' Report

₹ 30 crores is retained with Holding Company and the details are as under:

S. No.	Particulars of the loans given, investment made or guarantee given or security provided	Purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security
1.	Loan/ICD of ₹ 30 crores to M/s. Nava Bharat Ventures Limited (Holding Company)	Originally the amount was received from co-developer for execution of IT/ITES SEZ Project, as per Joint Development Agreement (JDA) to the Holding Company as IFRSD. Consequently the same was retained by Holding Company as loan/ICD from the Company, on termination of JDA.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as **Annexure - IV** to this Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197 of the Act read with Rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there are no employees drawing remuneration in excess of the limits set out in the said rule, during the year under review.

ACKNOWLEDGEMENT:

Your Directors gratefully acknowledge the support and co-operation extended by the Regulatory Authorities, the Holding company's Board and its officials and Company's Bankers.

for and on behalf of the Board of
Brahmani Infratech Private Limited

G. Chaitanya Reddy
Managing Director

P. Trivikraman Prasad
Chairman

Place : Hyderabad
Date : 28th May, 2015



Annexure – I

Annual Report on Corporate Social Responsibility (CSR) activities to be included in the Board's Report

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.	The Company has been conscious of its CSR obligations and the fulfillment of the same. The Company is committed to carry out CSR activities/programmes more vigorously, in an integrated, planned and time bound manner. The Projects/Programs undertaken by the Company are: i. Promoting sanitation - Providing toilets, renovation and painting of school building and Submersible pump including pipeline for toilets etc., ii. Promoting education – dual desks to students and tables, Chairs for teachers in government school
2. The Composition of the CSR Committee	The CSR Committee comprises three Directors viz, Sri P. Trivikrama Prasad, Chairman, Dr. M. V. G. Rao, Independent Director and Sri K. Balarama Reddi, Independent Director.
3. Average net profit of the company for last three financial years	₹ 359.99 lakhs
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 7.20 lakhs
5. Details of CSR expenditure spent during the financial year (2014-15)	
(a) Total amount to be spent for the financial year	₹ 7.20 lakhs
(b) Amount unspent, if any	NIL
(c) Manner in which the amount spent during the financial year is detailed below:	

1	2	3	4	5	6	7	8
Sl. No	CSR project or activity identified.	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto the reporting period.	Amount spent: Direct or through implementing agency *
i	Providing toilets, renovation and painting of school building and Submersible pump including pipeline for toilets etc.,	Promoting sanitation	Mandal Upper Primary School, Himayat Sagar, Rajendranagar Mandal, Hyderabad, Telangana State	₹ 6.45 lacs	₹ 6,71,480/-	₹ 6,71,480/-	Direct
ii	Providing infrastructure like dual desks for students. Tables and Chairs for Teachers	Promoting education	-do-	₹ 2.30 lacs	₹ 57,920/-	₹ 57,920/-	Direct
TOTAL:-				₹ 8.75 lacs		₹ 7,29,400/-	

* Give details of implementing agency:

Annexure – I

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board report.	Not applicable – since the entire budgeted amount was spent by the Company before 31.03.2015
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company	The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company

G. Chaitanya Reddy
Managing Director

P. Trivikrama Prasad
Chairman of CSR Committee

Place : Hyderabad
Date : 28th May, 2015

Annexure – II

Form No. MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2015

To,
The Members,
Brahmani Infratech Private Limited
Hyderabad

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **Brahmani Infratech Private Limited**, (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:



Annexure – II

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2015 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) (applicable Sections as on date) and the Rules made under that Act;
 - (ii) The Companies Act, 1956, and the Rules made under that Act;
2. For the FY 2014-15, the Provisions, Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company.
3. For the FY 2014-15, the Provisions, Regulations and Guidelines prescribed under the Foreign Exchange Management Act, 1999 ('FEMA Act') were not applicable to the Company as there is no transaction which falls under the purview of FEMA Act.
4. As the Company does not take-up any further activity after giving-up SEZ project no specific major law is applicable to the Company for the period under review.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

During the period under review

1. The Hon'ble Sole Arbitrator in Arbitration case No.2 of 2013 (the Arbitral Tribunal) between M/s. Mantri Technology Parks Private Limited (MTPPL) and Brahmani Infratech Private Limited (BIPL) has held that:
 - i) The Claimant, MTPPL is held entitled to ₹ 30,00,00,000/- towards interest free security deposits; ₹ 4,82,04,854/- being the amount paid to the respondent towards reimbursement of expenses and ₹ 4,36,90,047/- towards expenses for development of the allotment land. All these amounts shall carry interest @ 12% p.a. from 02-05-2012 till 31.01.2015 (date of the Award).

- ii) The Respondent, BIPL is held entitled to receive from the Claimant ₹ 18,13,33,333/- together with interest @12% p.a. from 02.05.2012 till 31.01.2015 (date of the Award). The remaining claims are rejected.
- iii) The awarded amount will carry interest at the rate of 18% per annum from the date of Award till the date of realization of the awarded amount.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

During the period under review, Mr. Kotamreddi Balarama Reddy was co-opted as an Independent Director to the Board of the Company w.e.f. 26-05-2014.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **P.S. Rao & Associates**
Company Secretaries

D. S. Rao

Place : Hyderabad
Date : 28th May, 2015

ACS No: 12394
C P No: 14487

Annexure – III

AOC 2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

I. Details of contracts or arrangements or transactions not at arm's length basis

(a)	Name(s) of the related party and nature of relationship	NIL
(b)	Nature of contracts/arrangements/transactions	NIL
(c)	Duration of the contracts / arrangements/transactions	NIL
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
(e)	Justification for entering into such contracts or arrangements or transactions	NIL
(f)	date(s) of approval by the Board	NIL
(g)	Amount paid as advances, if any	NIL
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NA

2. Details of material contracts or arrangement or transactions at arm's length basis

S. No.	The Name of the related party and nature of relationship	Nature of contracts / agreements / transactions	Duration of the contract	Salient terms of contracts / arrangements / transactions	Justification for entering into contracts	Amount paid as advance if any
1	Nava Bharat Ventures Limited, Holding Company	Receipt of interest on the deposit of ₹ 30 crores with Holding Company	NA	Receipt of interest at rate of 9% per annum i.e. interest of ₹ 2.70 crores	Interest is reasonable and also would be the same as may be earned by the Company on an average.	NIL

for Brahmani Infratech Private Limited

G. Chaitanya Reddy
Managing Director

P. Trivikrama Prasad
Chairman

Place : Hyderabad
Date : 28th May, 2015



Annexure – IV

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN	:	U40109TG1999PTC032289
ii) Registration Date	:	12.08.1999
iii) Name of the Company	:	Brahmani Infratech Private Limited
iv) Category/Sub-Category of the Company	:	Company limited by shares/Indian non-government
v) Address of the Registered office and contact details	:	Nava Bharat Chambers, 6-3-1109/1, Raj Bhavan Road, Somajiguda, Hyderabad – 500 082, Telangana. Telephone: 040 23403501 Fax: 040 23403013 e-mail:- nbvl@nbv.in
vi) Whether listed company Yes / No	:	No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	:	No

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% of total turnover of the company
-	-	-	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary	% of shares held	Applicable Section
1	Nava Bharat Ventures Ltd	L27101TG1972PLC001549	Holding Company	65.74	2 (46)

Annexure – IV

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year		No. of Shares held at the end of the year		% Change during the year
	Demat	Physical	Demat	Physical	
	Total	% of Total Shares	Total	% of Total Shares	
A Promoters					
(1) Indian					
a) Individual / HUF	0	5	0	5	-
b) Central Government	0	0	0	0	0
c) State Government(s)	0	0	0	0	0
d) Bodies Corporate	41499993	65.74	41499993	41499993	65.74
e) Banks/FI	0	0	0	0	0
f) Any other -	0	0	0	0	0
Sub-total (A) (1):-	41499998	65.74	41499998	41499998	65.74
(2) Foreign					
a) NRIs - Individual	0	0	0	0	0
b) Other individuals	0	0	0	0	0
c) Bodies Corp	0	0	0	0	0
d) Banks/FI	0	0	0	0	0
e) Any other	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0
Total Shareholding of Promoters (A)=(1) + (A) (2)	41499998	65.74	41499998	41499998	65.74
B Public Shareholding					
(1) Institutions					
a) Mutual Funds	0	0	0	0	0
b) Banks / FI	0	0	0	0	0
c) Central Govt	0	0	0	0	0
d) State Govt (s)	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0
g) FIs	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0
i) Others (specify)	0	0	0	0	0
Sub-total (B) (1):-	0	0	0	0	0
(2) Non-Institutions					
a) Bodies Corporates	13125000	20.79	13125000	13125000	20.79
i. Indian	0	0	0	0	0
ii. Overseas	0	0	0	0	0
b) Individuals					



Annexure – IV

Category of Shareholders	No. of Shares held at the beginning of the year		No. of Shares held at the end of the year		% Change during the year
	Demat	Physical	Demat	Physical	
i. Individual shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	8500000	13.47	8500000	13.47
c) Others (specify)	0	0	0	0	0
Sub-total (B) (2):-	0	0	0	0	0
Total Public Shareholding (B)=(1) + (B) (2)	0	21625000	34.26	21625000	34.26
C Shares held by Custodian for GDRs & ADRs	0	0	0	0	0
GRAND TOTAL (A+B+C)	0	6,31,25,000	100	6,31,25,000	100

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year		% change during the year
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
1	Bodies Corporate:					
	Nava Bharat Ventures Limited	41499998	65.74	0	41499998	65.74
	TOTAL	41499998	65.74	0	41499998	65.74

Annexure – IV

iii) Change in Promoters' shareholding (Pls, specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	41499998	65.74		
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			NO CHANGE	
At the End of the year	41499998	65.74		

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Share holding at the beginning of the year		Cumulative Share holding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
M/s. Malaxmi Infra Ventures (India) Private Limited	13125000	20.79	NA	NA
Sri Sushil Mantri	5100000	8.08	NA	NA
Sri Rajesh Omkarnath Malpani	1700000	2.69	NA	NA
Sri Sanjay Omkarnath Malpani	1700000	2.69	NA	NA
At the beginning of the year	21625000	34.26	NA	NA
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			NO CHANGE	
M/s. Malaxmi Infra Ventures (India) Private Limited	13125000	20.79	NA	NA
Sri Sushil Mantri	5100000	8.08	NA	NA
Sri Rajesh Omkarnath Malpani	1700000	2.69	NA	NA
Sri Sanjay Omkarnath Malpani	1700000	2.69	NA	NA
At the End of the year (or on the date of separation, if separated during the year)	21625000	34.26		



Annexure – IV

(v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors and KMP	Share holding at the beginning of the year		Cumulative Share holding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Sri P. Trivikrama Prasad	1	-	NA	NA
At the beginning of the year	1	-	NA	NA
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			NO CHANGE	
Sri P. Trivikrama Prasad	1	-	NA	NA
At the End of the year	1	-	NA	NA

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
TOTAL (I+II+III)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
● Addition	NIL	NIL	NIL	NIL
● Reduction				
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
TOTAL (I+II+III)	NIL	NIL	NIL	NIL

Annexure – IV

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount ₹
		Sri G. Chaitanya Reddy, Managing Director ₹		
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	42,00,000		42,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0		0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0		0
2	Stock Option	0		0
3	Sweat Equity	0		0
4	Commission			
	- as % of profit	0		0
	- others, specify...	0		0
5	Others, please specify	0		0
	TOTAL (A)	42,00,000		42,00,000
	Ceiling as per the Act	42,00,000		42,00,000

B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors		Total Amount ₹
	Dr. M. V. G. Rao	Sri K. Balarama Reddi	
1. Independent Directors			
● Fee for attending board / committee meetings	0	0	0
● Commission	0	0	0
● Others, please specify	0	0	0
TOTAL (1)	0	0	0
2. Other Non-Executive Directors			
● Fee for attending board / committee meetings	0	0	0
● Commission	0	0	0
● Others, please specify	0	0	0
TOTAL (2)	0	0	0
TOTAL (B)=(1+2)	0	0	0
Total Managerial Remuneration	-	-	42,00,000
Overall Ceiling as per the Act	-	-	42,00,000



Annexure – IV

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Sri M. C. Seshayya CFO	Sri G. Ramachandra Murthy (w.e.f. 11.02.2015) Company Secretary	Total ₹
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	94,383	94,383
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of Profit	0	0	0
5	Others, please specify	0	0	0
	TOTAL	0	94,383	94,383

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

NIL

for and on behalf of the Board of
Brahmani Infratech Private Limited

G. Chaitanya Reddy
Managing Director

P. Trivikrama Prasad
Chairman

Place : Hyderabad
Date : 28th May, 2015

Independent Auditor's Report

To

**The Members of
Brahmani Infratech Private Limited,**
Hyderabad.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of BRAHMANI INFRATECH PRIVATE LIMITED, ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the 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 FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

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

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

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

OPINION

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as



Independent Auditor's Report

at 31st March, 2015, and its Profit and its cash flows for the year ended on that date.

EMPHASIS OF MATTER

We draw attention to note 2 in the financial statements on Development of Special Economic Zone and the arbitration award relating to the dispute with the Co-Developer. Our opinion is not qualified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified

under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) 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:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for **Brahmayya & Co.**,
Chartered Accountants
Firm's Registration Number: 0005135

(P. Chandramouli)

Partner

Place : Hyderabad
Date : 28th May, 2015

Membership Number: 025211

Annexure to the Auditor's Report:

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members of BRAHMANI INFRA TECH PRIVATE LIMITED, HYDERABAD, for the year ended March 31, 2015.,

1. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As explained to us, the management has physically verified the fixed assets during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of the assets. No discrepancies were noticed on such verification.
2. The Company does not carry any inventory during the year. Therefore, the provisions of clause (ii) (a), (b) and (c) of paragraph 3 of the of the Companies (Auditor's Report) Order 2015 are not applicable to the Company.
3. a. During the year, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
 - b. However, in respect of loans given in earlier years, the receipt of Principal amount and interest are regular as per the terms of such loans.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. The Company has not accepted any deposits from the public. Hence the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed thereunder, do not apply to this Company.
6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of 148 section of the Companies Act, 2013 for the activities of the Company.
7. a. According to the records of the Company, the company regular in depositing undisputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
 - b. According to the records of the Company, no undisputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.



Annexure to the Auditor's Report:

- c. According to the records of the Company and the information and explanations given to us, there were no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute.
- d. According to the records of the Company, there were no amounts which were required to be transferred to Investor Education and Protection Fund. Therefore, the provisions of clause 3 (vii) (c) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
8. The Company has no accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the year covered by our audit and also in the immediately preceding financial year.
9. As the Company has no borrowings, the provisions of clause 3(ix) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
10. The Company has not given any guarantee for the loans taken by others from banks and financial institutions.
11. During the year the Company has not obtained any term loans. Therefore, the provisions of clause 3 (xi) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
12. Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

for **Brahmayya & Co.**,
Chartered Accountants
Firm's Registration Number: 000513S

(P. Chandramouli)

Partner

Place : Hyderabad
Date : 28th May, 2015

Membership Number: 025211

Balance Sheet

as at 31st March, 2015

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Particulars	Notes	31st March, 2015	31st March, 2014
EQUITY AND LIABILITIES			
Share Holders Funds			
Share Capital	07	631,250,000	631,250,000
Reserves and Surplus	08	157,982,826	111,420,453
		<u>789,232,826</u>	<u>742,670,453</u>
Non Current Liabilities			
Long-Term Provisions	09	731,289	545,489
		<u>731,289</u>	<u>545,489</u>
Current Liabilities			
Trade Payables	10	10,892	18,728
Other Current liabilities	11	301,035,962	300,366,254
Short - Term provisions	12	518,250	376,480
		<u>301,565,104</u>	<u>300,761,462</u>
TOTAL		1,091,529,219	1,043,977,404
ASSETS			
Non - Current Assets			
Fixed Assets			
Tangible Assets	13	203,194,208	149,134,286
Intangible Assets	14	3,119	12,848
Long-Term Loans and Advances	15	153,925,435	72,773,201
		<u>357,122,762</u>	<u>221,920,335</u>
Current Assets			
Current Investments	16	410,762,843	421,371,746
Cash and Cash Equivalents	17	18,297,364	100,372,711
Short-Term Loans and Advances	18	300,174,600	300,000,000
Other Current Assets	19	5,171,650	312,612
		<u>734,406,457</u>	<u>822,057,069</u>
TOTAL		1,091,529,219	1,043,977,404
Notes forming part of financial statements	01-33		

per our report of even date

for and on behalf of the Board

for **Brahmayya & Co.,**
Chartered Accountants
Firms' Registration Number: 000513S

G. Ramachandra Murthy
Company secretary

P. Trivikrama Prasad
Chairman

P. Chandramouli
Partner
Membership Number: 025211

M. C. Seshayya
Chief Financial Officer

G. Chaitanya Reddy
Managing Director

Place : Hyderabad
Date : 28th May, 2015



Statement of Profit and Loss

for the year ended 31st March, 2015

₹			
Particulars	Notes	31st March, 2015	31st March, 2014
INCOME			
Other Income	20	86,401,490	68,615,867
TOTAL REVENUE		86,401,490	68,615,867
EXPENSES			
Employee Benefits Expense	21	7,399,040	9,945,304
Depreciation Expense	22	196,293	52,915
Other Expenses	23	6,249,492	5,557,565
TOTAL EXPENSES		13,844,825	15,555,784
Profit Before Tax		72,556,665	53,060,083
Tax Expense			
Current Tax		25,500,000	8,900,000
Earlier Years Tax		494,292	-
		25,994,292	8,900,000
Profit for the year After Tax		46,562,373	44,160,083
Earnings per Share of face Value of ₹ 10/- each:	24		
Basic and Diluted		0.74	0.70
Notes Forming Part Of Financial Statements	01-33		

per our report of even date

for and on behalf of the Board

for **Brahmayya & Co.,**
Chartered Accountants
Firms' Registration Number: 000513S

G. Ramachandra Murthy
Company secretary

P. Trivikrama Prasad
Chairman

P. Chandramouli
Partner
Membership Number: 025211

M. C. Seshayya
Chief Financial Officer

G. Chaitanya Reddy
Managing Director

Place : Hyderabad
Date : 28th May, 2015

Cash Flow Statement

for the year ended 31st March, 2015

₹

Particulars	31st March, 2015	31st March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	72,556,665	53,060,083
Adjustments for:		
Depreciation	196,293	52,915
Loss/(Profit) on Sale of Investments (Net)	(27,446,577)	(58,777)
Loss on Assets Discarded	2,004	-
Interest	(27,000,000)	(27,000,000)
Dividends on current investments	(8,919,143)	(41,557,090)
Operating Profit Before Working Capital Changes	9,389,242	(15,502,869)
Adjustments for:		
Increase/(Decrease) in Long Term Provisions	185,800	870,292
Increase/(Decrease) in Trade Payables	(7,836)	4,156
Increase/(Decrease) in Other Current Liabilities	669,708	(1,269,701)
Increase/(Decrease) in Short Term Provisions	141,770	51,677
(Increase)/Decrease in Long Term Loans and Advances	(81,152,234)	(72,770,201)
(Increase)/Decrease in Short Term Loans and Advances	(174,600)	174,600
(Increase)/Decrease in Other Assets	-	6,735
Direct Taxes Paid (net of refunds)	(30,853,330)	(8,768,330)
Net Cash from Operating Activities (A)	(101,801,480)	(97,203,641)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(54,248,490)	(149,034,013)
Purchase of Investments	(342,000,000)	(692,593,459)
Sale of Investments	386,434,649	944,558,000
Income from current investments	2,539,974	41,557,090
Interest received	27,000,000	27,000,000
Net Cash Used In Investing Activities (B)	19,726,133	171,487,618
Net Increase In Cash And Cash Equivalents (A+B)	(82,075,347)	74,283,977
Cash and Cash equivalents as at beginning of the year	100,372,711	26,088,734
Cash and Cash equivalents as at the end of the year	18,297,364	100,372,711

per our report of even date

for and on behalf of the Board

for **Brahmayya & Co.,**
Chartered Accountants
Firms' Registration Number: 0005135

G. Ramachandra Murthy
Company secretary

P. Trivikrama Prasad
Chairman

P. Chandramouli
Partner
Membership Number: 025211

M. C. Seshayya
Chief Financial Officer

G. Chaitanya Reddy
Managing Director

Place : Hyderabad
Date : 28th May, 2015



Notes

to the Financial Statements for the year ended 31st March, 2015

1. NATURE OF OPERATIONS:

Brahmani Infratech Private Limited (the Company or BIPL) has been incorporated on 12.08.1999 to carry on the business of Infrastructure Development. At present the Company is a subsidiary of Nava Bharat Ventures Limited.

2. DEVELOPMENT OF SPECIAL ECONOMIC ZONE (SEZ):

During the year 2006-2007 the Company was allotted 250 Acres of land by APIIC Limited to develop 150 Acres as Special Economic Zone (SEZ) area and 100 Acres as Non SEZ area. Sale deed in respect of 150 Acres has been executed in favour of the company and in respect of balance 100 Acres of land, will be executed as per the terms of allotment. However APIIC Limited is entitled to cancel the allotment of entire land in case of non-fulfillment or breach of any terms and conditions or obligations set forth while allotting the land.

The Company had entered into a development Agreement with M/s. Mantri Technology Parks Private Limited.(MTPPL), Bangalore (appointed as Co-developer) for the development of 238 Acres (including IT/ITES SEZ in 150 Acres) of the land allotted as above. The Co-developer has, pursuant to this agreement, undertaken compliance of the conditions stipulated by the GoAP/APIIC Limited including construction, development and marketing of the developed space covering IT/ITES, commercial and residential accommodation. The Co-developer has, at the behest of the company, paid security deposit pursuant to this agreement to the holding company, Nava Bharat Ventures Limited, and appropriate interest compensation thereof has been provided in the books of the Company.

As per the terms of AOSPOA, the agreed date of completion of development of the project is 6th November, 2012, however the company has sought an extension of time up to November 2021 by an application dated 7th March, 2011 to the concerned authorities for which there is no response from the concerned.

In the mean time the Co – developer Viz. M/s. Mantri Technology Parks Private Limited., Bangalore, by their letter dated 2nd May 2012 have opted for termination of the Joint Development agreement with a request to return the Security Deposit.

During the year 2012 - 2013, the Company (BIPL) after protracted correspondence with the Co – developer Viz. M/s. Mantri Technology Parks Private Limited., Bangalore, terminated the Contract with effect from 9th July, 2012 under the Joint Development agreement dated 27th February, 2008 read with the Supplementary Agreement dated 28th February, 2008 on account of failure of M/s. Mantri Technology Parks Private Limited to Complete the Project of IT/ITES/SEZ at Hyderabad as Co-Developer under the patronage of M/s. Mantri Developers Private Limited as Technical Associate in accordance with the terms of agreement and were informed forfeiture of the Security Deposit of ₹ 30 crores (Thirty Crores) paid by Co – developer.

Against such termination, M/s. Mantri Technology Parks Private Limited., Bangalore, invoked the arbitration clause of the agreement requesting for Conciliation process to settle the issue and due to lack of consensus among the Parties regarding the arbitrator to be appointed as per the arbitration clause of the agreement, made an application to the Hon'ble High Court of Andhra Pradesh to appoint an arbitrator under Section 11 (5) & (6) of the Arbitration and Conciliation Act 1996 read with Scheme for appointment of Arbitrators, 1996.

In the meantime M/s. MTPPL, Bangalore, has also filed a Petition in the Hon'ble City Civil Court Praying to grant injunction restraining BIPL from disposing MTPPL from the property either by way of surrender of the same to APIIC Ltd., or by way of the replacement of a fresh Developer and also to direct BIPL to deposit the Security Deposit of ₹ 30,00,00,000/- (Thirty Crores) paid by them in pursuance of the Joint Development Agreement, in the Hon'ble Court. The matter is sub-judice in the Court.

During the previous year the Hon'ble High Court of Andhra Pradesh has appointed Justice Syed Shah Mohammed Quadri as Sole Arbitrator on 21.06.2013

Notes

to the Financial Statements for the year ended 31st March, 2015

and the Arbitral proceedings commenced on 05.08.2013.

During the year, the Arbitrator passed the award on 31.01.2015, inter alia, to the following effect:

- i. The Claimant, MTPPL is held entitled to ₹ 30,00,00,000/- towards interest free security deposit; ₹ 4,82,04,854/- being the amount paid to the respondent towards reimbursement of expenses and ₹ 4,36,90,047/- towards expenses for development of the allotted land. All these amounts shall carry interest @ 12% p.a. from 02-05-2012 till 31-01-2015 (date of the Award).
- ii. The Respondent, BIPL is held entitled to receive from the Claimant ₹18,13,33,333/- (Rupees Eighteen Crores Thirteen Lakhs Thirty Three Thousand Three Hundred and Thirty Three Only) together with interest @ 12% p.a. from 02-05-2012 till 31-01-2015 (date of the Award). The remaining claims are rejected.
- iii. The awarded amount will carry interest at the rate of 18% per annum from the date of the Award till the date of realization of the awarded amount.

In view of the application made by the Company on 07.04.2015, Under Sec.34 of the Arbitration and conciliation Act,1996 to set aside the arbitral award in the City Civil Court at Hyderabad, the result of the award is not recognised in the books of account.

Meanwhile, MTPL has filed a petition under Sec.9 of the Arbitration and conciliation Act, 1996., for interim measures of Protection.

3. SURRENDER OF THE LAND ALLOTTED FOR DEVELOPMENT OF SPECIAL ECONOMIC ZONE:

During the previous year, the Company surrendered the land to APIIC Limited and sought refund of ₹ 51.72 crores being the Cost of acquisition. Accordingly the land was surrendered and deeds of Cancellation were executed in favour of APIIC Limited, pursuant to which APIIC Limited refunded an amount of ₹ 49.75 crores.

M/s.Mantri Technology Parks Private Limited, has filed a Petition before the Hon'ble City Civil Court at Hyderabad, seeking direction to direct BIPL to keep aside the amount of ₹ 49,75,00,000/- refunded by APIIC Limited by not utilising and also to furnish a Security for ₹ 49,75,00,000/- in the form of a Bank guarantee or in any other manner as deemed fit by the Hon'ble Court. This matter is also sub - judice in Court.

4. PETITIONS BY SHARE HOLDERS:

M/s.Malaxmi Infra Ventures (India) Private Limited, one of the shareholders holding 20.79% Shares in the Company and Mr.Y.Harish Chandra Prasad, filed a Company petition on 12th May 2011 under Sections 397 and 398 of the Companies Act,1956.,before the Company Law Board Additional Principal Bench at Chennai making several allegations and praying to direct the Company to implement Certain remedial Corporate actions relating to internal administration and seeking remuneration for Services rendered by him to the Company.

5. BASIS OF ACCOUNTING:

The financial statements have been prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act,2013, and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared in accordance with the generally accepted Accounting Principles in India under the historical cost convention and on accrual basis, except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies are consistent with those used in the previous year.

6. SIGNIFICANT ACCOUNTING POLICIES:

a) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported



Notes

to the Financial Statements for the year ended 31st March, 2015

amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to such estimates is recognized prospectively in the year in which it is revised.

b) Tangible Fixed Assets:

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation, amortisation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

c) Depreciation on Tangible Fixed Assets:

Depreciation is provided considering the useful lives of respective assets, as provided and prescribed under schedule II of the Companies Act, 2013.

Fixed Assets costing rupees Five thousand or less are fully depreciated in the year of acquisition.

Improvements to premises taken on lease are amortised over the Primary lease period.

d) Intangible assets:

Costs incurred towards purchases of computer software are amortised over a period of three years which is the estimated useful life of such software.

e) 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 asset's 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 asset over its remaining useful life.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses, recognised for the asset no longer exist or have decreased.

f) Investments:

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried 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 value of each long term investment is made to recognize a decline, other than temporary in nature.

g) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Specifically the following basis is adopted:

i. Interest:

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

ii. Dividends:

Dividend is recognised when the right to receive the same is established.

h) Government Grants and Subsidies:

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all applicable conditions will be complied with.

Notes

to the Financial Statements for the year ended 31st March, 2015

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, it is deducted from the gross value of the assets concerned in arriving at the carrying amount of the related asset. Government grants in the form of non-monetary assets given at a concessional rate are accounted for on the basis of their acquisition cost.

i) Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of Fixed Assets, which take substantial period of time to get ready for their intended use, are capitalized. Other Borrowing costs are recognized as an expense in the year in which they are incurred.

j) Retirement and Other Employee Benefits:

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Short term compensated absences are provided on an estimated basis. Long term compensated absences are provided for based on actuarial valuation on project unit credit method carried by an actuary as at the end of the year. Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

k) Leases:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term and vice versa.

l) Taxes on Income:

Current income tax is measured at the amount expected to be paid to the tax authorities in

accordance with the Indian Income Tax Act 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognised only, if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

m) Provisions:

A provision is recognised when there is a present obligation as a result of past event 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 its present value and are determined based on 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.

n) Earnings per Share (Basic and Diluted):

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

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



Notes

to the Financial Statements for the year ended 31st March, 2015

o) Cash Flow Statement:

Cash flows are reported using indirect method. Cash and cash equivalents in the cash flow statement comprise cash at bank, cash/cheques on hand and Fixed Deposits with Banks.

p) Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence

of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

₹

Particulars	31st March, 2015	31st March, 2014
07. SHARE CAPITAL:		
Authorised:		
70,000,000 Equity Shares of ₹ 10/- each	700,000,000	700,000,000
TOTAL	700,000,000	700,000,000
Issued, Subscribed and Paid - Up:		
63,125,000 Equity Shares of ₹ 10/- each Fully paid up:	631,250,000	631,250,000
TOTAL	631,250,000	631,250,000

a. Rights attached to equity shares:

The company has only one class of equity shares having a face value of ₹ 10/- per share and with one vote per each Share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. Shares held by holding company:

No of Shares

	31st March, 2015	31st March, 2014
Nava Bharat Ventures Limited, the holding company	41,499,998	41,499,998

Notes

to the Financial Statements for the year ended 31st March, 2015

c. Details of shareholders holding more than 5% shares in the company:

Particulars	31st March, 2015		31st March, 2014	
	Nos	Percentage	Nos	Percentage
Equity Shares of ₹ 10/- each fully paid				
Nava Bharat Ventures Limited	41,499,998	65.74	41,499,998	65.74
Mr.Sushil Mantri	5,100,000	8.08	5,100,000	8.08
Malaxmi Infra Ventures (India) Private Limited	13,125,000	20.79	13,125,000	20.79

₹

Particulars	31st March, 2015	31st March, 2014
08. RESERVES AND SURPLUS:		
Surplus i.e. balance in Statement of Profit and Loss		
Opening balance	111,420,453	67,260,370
Add: Net profit transferred from Statement of Profit and Loss	46,562,373	44,160,083
Amount available for appropriation	157,982,826	111,420,453
Appropriations:	-	-
Closing Balance	157,982,826	111,420,453
TOTAL	157,982,826	111,420,453

₹

Particulars	31st March, 2015	31st March, 2014
09. LONG TERM PROVISIONS:		
Provisions for employee benefits:		
Provision for Leave encashment	731,289	545,489
TOTAL	731,289	545,489



Notes

to the Financial Statements for the year ended 31st March, 2015

₹		
Particulars	31st March, 2015	31st March, 2014
10. TRADE PAYABLES:		
Creditors for Supplies and Services (refer note : 27)	10,892	18,728
TOTAL	10,892	18,728

₹		
Particulars	31st March, 2015	31st March, 2014
11. OTHER CURRENT LIABILITIES:		
Security Deposits	300,000,000	300,000,000
Other liabilities:		
TDS Payable	122,514	36,850
Other Payables	882,306	329,404
Statutory Dues	31,142	-
TOTAL	301,035,962	300,366,254

₹		
Particulars	31st March, 2015	31st March, 2014
12. SHORT TERM PROVISIONS:		
Provisions for employee benefits:	518,250	376,480
TOTAL	518,250	376,480

Notes

to the Financial Statements for the year ended 31st March, 2015

13. TANGIBLE ASSETS:

Sl. No.	Particulars	GROSS BLOCK		DEPRECIATION		NET BLOCK			
		As at 01.04.2014	As at 31.03.2015	Up To 31.03.2014	For the year	On Deductions	Up To 31.03.2015	As at 31.03.2015	As at 31.03.2014
1	Land	149,026,513	53,916,608	-	-	-	-	202,943,121	149,026,513
2	Office Equipment	73,398	209,776	11,380	119,712	-	131,092	152,082	62,018
3	Computers	250,967	122,106	205,212	66,852	98,996	173,068	99,005	45,755
4	Improvements To Leased Premises (Interiors)	1,229,600	-	1,229,600	-	-	1,229,600	-	-
TOTAL		150,580,478	54,248,490	101,000	186,564	98,996	1,533,760	203,194,208	149,134,286
Previous Year		1,546,465	149,034,013	-	40,561	-	1,446,192	149,134,286	140,834

14. INTANGIBLE ASSETS:

Sl. No.	Particulars	GROSS BLOCK		AMORTIZATION		NET BLOCK			
		As at 01.04.2014	As at 31.03.2015	Up To 31.03.2014	For the year	On Deductions	Up To 31.03.2015	As at 31.03.2015	As at 31.03.2014
1	Computer Software	37,061	-	24,213	9,729	-	33,942	3,119	12,848
TOTAL		37,061	-	24,213	9,729	-	33,942	3,119	12,848
Previous Year		37,061	-	11,859	12,354	-	24,213	12,848	25,202



Notes

to the Financial Statements for the year ended 31st March, 2015

₹

Particulars	31st March, 2015	31st March, 2014
15. LONG TERM LOANS AND ADVANCES:		
(Unsecured, Considered good)		
Capital advances	153,922,435	72,595,601
Security Deposits	3,000	177,600
TOTAL	153,925,435	72,773,201

Particulars	Face Value in ₹	31st March, 2015		31st March, 2014	
		No of Units	Value ₹	No of Units	Value ₹
16. CURRENT INVESTMENTS:					
(Valued at lower of Cost or Market Value)					
UN QUOTED MUTUAL FUNDS					
HDFC FMP 369D Regular Growth fund	10	-	-	5,000,000	50,000,000
Birla Sunlife Fixed Term (368 days) Fund	10	-	-	8,386,487	83,864,870
IDFC Money Manager Fund	10	4,118,775	41,475,653	3,885,477	39,126,366
IDFC Fixed Term Plan	10	-	-	9,619,524	96,195,240
DSP BlackRock FMP (12M) (S153) Fund	10	-	-	5,218,527	52,185,270
DSP BlackRock FMP (12M) (S146) Fund	10	-	-	5,000,000	50,000,000
Baroda Pioneer FMP (370 days) Fund	10	-	-	5,000,000	50,000,000
HDFC Floating Rate Income Fund	10	-	-	-	-
Birla Sunlife Income Fund	10	954,823	60,000,000	-	-
Birla Sunlife Short Term Oppurtunities Fund	10	439,221	10,000,000	-	-
ICICI Prudential Income Regular Fund	10	1,369,997	60,000,000	-	-
ICICI Prudential Regular Savings Fund	10	685,251	10,000,000	-	-
IDFC Arbitration (Dividend Payout) Fund	10	4,319,157	54,026,603	-	-
IDFC Super Saver Fund	10	1,327,514	45,030,992	-	-
Reliance Regular Savings Fund	10	528,639	10,000,000	-	-
SBI Premier Liquid Fund	1,000	44,156	75,198,519	-	-
TATA Dynamic Bond Fund	10	2,093,836	45,031,076	-	-
TOTAL			410,762,843		421,371,746

Notes

to the Financial Statements for the year ended 31st March, 2015

₹

Particulars	31st March, 2015	31st March, 2014
17. CASH AND CASH EQUIVALENTS:		
Balances with Banks:		
on Current accounts	18,285,449	100,317,319
Cash on Hand	11,915	55,392
TOTAL	18,297,364	100,372,711

₹

Particulars	31st March, 2015	31st March, 2014
18. SHORT TERM LOANS AND ADVANCES: (Unsecured, Considered good)		
Security Deposits	174,600	-
Inter Corporate Deposit with Holding Company	300,000,000	300,000,000
TOTAL	300,174,600	300,000,000

₹

Particulars	31st March, 2015	31st March, 2014
19. OTHER ASSETS:		
Advance Income Tax (net of Provision)	5,171,650	312,612
TOTAL	5,171,650	312,612

₹

Particulars	31st March, 2015	31st March, 2014
20. OTHER INCOME:		
Other Non Operating Income (net of expenses)		
Interest from deposits	27,000,000	27,000,000
Dividends on investments	8,919,143	41,557,090
Net Gain on Sale of investments	27,446,577	58,777
Compensation for Structures on surrendered Land	23,035,770	-
TOTAL	86,401,490	68,615,867



Notes

to the Financial Statements for the year ended 31st March, 2015

₹		
Particulars	31st March, 2015	31st March, 2014
21. EMPLOYEE BENEFITS EXPENSE:		
Salaries, Wages and Bonus	6,493,076	9,352,070
Staff Welfare Expenses	764,194	216,754
Gratuity Expenses	141,770	376,480
TOTAL	7,399,040	9,945,304

₹		
Particulars	31st March, 2015	31st March, 2014
22. DEPRECIATION AND AMORTISATION EXPENSE:		
Depreciation on Tangible assets	186,564	40,561
Amortisation of Intangible Assets	9,729	12,354
TOTAL	196,293	52,915

₹		
Particulars	31st March, 2015	31st March, 2014
23. OTHER EXPENSES:		
Rent and Service Charges	349,200	349,200
Rates and Taxes	236,570	365,429
Travelling and Conveyance	758,790	282,004
Legal and Professional Charges	2,161,438	3,213,444
Repairs and Maintenance : Others	106,691	86,684
Repairs and Maintenance to leased Premises	238,140	-
Payments to Auditors : as auditors	337,080	337,080
: Tax representation	-	11,236
Business Promotion Expenses	203,008	175,520
Watch and Ward Expenses	228,263	196,263
Office Maintenance Expenses	94,407	139,826
Loss on assets discarded	2,004	-
Donations	300,000	-
CSR expenses	729,400	-
Miscellaneous expenses	504,501	400,879
TOTAL	6,249,492	5,557,565

Notes

to the Financial Statements for the year ended 31st March, 2015

₹

Particulars	31st March, 2015	31st March, 2014
24. EARNINGS PER SHARE:		
Net Profit for the year attributable to Equity Shareholders	46,562,373	44,160,083
Weighted average number of equity Shares of ₹ 10/- each	63,125,000	63,125,000
Earnings per Share (Basic and Diluted)	0.74	0.70

- 25.** In the opinion of the management, the current assets, loans and advances are expected to realise at least the amount at which they are stated, if realised in the ordinary course of business and provision for all known liabilities have been adequately made in the accounts.
- 26.** Disclosure of Sundry Creditors under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" and relied upon by the Auditors.
- 27.** During the year, there were no transactions with Micro and Small Enterprises; hence the disclosures as per Micro, Small and Medium Enterprise Development Act, 2006, are not applicable to the Company for the time being.
- 28.** Disclosure relating to the Gratuity liability (not funded) as per Accounting Standard 15 "Employee Benefits"

₹

Particulars	31st March, 2015	31st March, 2014
a) The amounts recognised in the Balance Sheet		
Present Value of obligation	518,250	376,480
Amount recognized in the Balance sheet	518,250	376,480
b) Changes in the present value of the defined obligation		
Opening defined benefit obligation	376,480	-
Current service Cost	34,143	26,496
Actuarial (gains)/Losses on obligation	73,744	349,984
Interest Cost	518,250	376,480
Closing defined benefit obligation	33,883	-
c) Principal actuarial assumptions		
Rate of escalation in Compensation	3%	3%
Discount Rate	7.77%	9%
Attrition Rate	1%	1%
Retirement Age in years	58	58

The rate of escalation in compensation considered in the above valuation is estimated taking into account inflation, seniority, promotion and other relevant factors and the above information is as certified by an actuary.

- 29.** The Company is primarily in the business of Infrastructure Development, hence there are no other reportable segments as per the Accounting Standard (AS 17) on Segment Reporting.



Notes

to the Financial Statements for the year ended 31st March, 2015

30. The details of related party transactions in terms of Accounting Standard (AS 18) are as follows:

a. Names of related parties and relation with the company:

i. Key Management Personnel:	Sri P. Trivikrama Prasad, Chairman Sri G. Chaitanya Reddy, Managing Director Sri G R K Prasad, Director
ii. Relatives of Key Management Personnel:	Smt. P. Rajashree - wife of Sri P. Trivikrama Prasad Smt. P.Sruthi – daughter of Sri P Trivikrama Prasad Smt.G.Sabita Reddy - wife of Sri G.Chaitanya Reddy Smt. G.S.P. Kumari - wife of Sri G.R.K. Prasad
iii. Enterprises controlling the reporting Enterprise:	M/s. Nava Bharat Ventures Limited
Holding Company:	M/s. Nava Bharat Projects Limited
Fellow Subsidiaries:	M/s. Nava Bharat Sugar and Bio Fuels Limited M/s. Nava Bharat Energy India Limited M/s. Nava Bharat Realty Limited M/s. Nava Bharat (Singapore) Pte Limited M/s. PT Nava Bharat Sungai Cuka

Notes

to the Financial Statements for the year ended 31st March, 2015

a. Names of related parties and relation with the company:

M/s. PT Nava Bharat Indonesia
 M/s. Maamba Collieries Limited
 M/s. Kobe Green Power Co. Limited
 M/s. Nava Bharat Africa Resources Private Limited
 M/s. Kariba Infrastructure Development Limited
 M/s. NB Rufiji Private Limited
 M/s. NB Tanagro Limited
 M/s. Nava Energy Pte. Limited
 M/s. Nava Bharat Lao Energy Pte. Limited
 M/s. Namphak Power Company Limited

Enterprises over which KMP/relatives of KMP exercise significant influence:

M/s. Nava Bharat Natural Resources India Limited
 M/s. Nav Developers Limited
 M/s. S.R.T. Investments Private Limited
 M/s. A N Investments Private Limited
 M/s. V9 Avenues Private Limited
 M/s. A9 Homes Private Limited
 M/s. AV Dwellings Private Limited
 M/s. Brahmani Skyline Constructions Private Limited
 M/s. Brahmani Infrastructure Projects Private Limited
 M/s. Brahmani Infotech Private Limited
 M/s. V9 Infra Ventures Private Limited
 Dr. Pinnamaneni Healthcare Private Limited
 M/s. Malaxmi Highway Private Limited
 M/s. Kinnera Power Company Private Limited
 Dr. Devineni Subba Rao Trust
 M/s. Gunnam Subbarao and Ramayamma Trust



Notes

to the Financial Statements for the year ended 31st March, 2015

b. Transactions with related Parties during the year:

Particulars	31st March, 2015	31st March, 2014
₹		
Key Management Personnel:		
Sri G.Chaitanya Reddy		
Remuneration	4,200,000	4,200,000
Enterprises controlling the reporting enterprise:		
M/s.Nava Bharat Ventures Limited		
Interest Received	27,000,000	27,000,000
c. Balances due to / (due from) as at the year end.		
M/s.Nava Bharat Ventures Limited	(300,000,000)	(300,000,000)

- 31.** In view of inability to assess future taxable income under the head INCOME FROM BUSINESS, the extent of net deferred tax asset which may be adjusted in the subsequent years is not ascertainable with virtual certainty at this stage and accordingly in terms of Accounting Standard (AS 22) on "Accounting for Taxes on Income" as specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, and based on general prudence, the Company has not recognised any Deferred Tax asset while preparing the accounts for the Current year.
- 32.** As required by Accounting Standard (AS 28) "Impairment of Assets", the management has carried out the assessment of impairment of assets and no impairment loss has been recognized during the year.
- 33.** Previous year figures are regrouped and reclassified where ever necessary to make them comparable with those of current year.

per our report of even date

for and on behalf of the Board

for **Brahmayya & Co.,**
Chartered Accountants
Firms' Registration Number: 000513S

G. Chaitanya Reddy
Managing Director

P. Trivikrama Prasad
Chairman

P. Chandramouli
Partner
Membership Number: 025211

M. C. Seshayya
Chief Financial Officer

G. Ramachandra Murthy
Company Secretary

Place : Hyderabad
Date : 28th May, 2015

Notice to Shareholders

Notice is hereby given that the Ninth Annual General Meeting of the Company will be held on Monday, the 24th August, 2015 at 10.30 a.m. at 6-3-1109/1, Nava Bharat Chambers, Raj Bhavan Road, Hyderabad – 500 082, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited financial statements of the Company for the year ended on 31.03.2015 viz., Balance Sheet as at 31st March, 2015 and the statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Sri T. Hari Babu, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To ratify appointment of Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration and to pass the following resolution as an Ordinary Resolution.

“RESOLVED THAT, pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 and the Rules made thereunder, recommendations of the Board of Directors and also pursuant to the resolution passed by the members at the Annual General Meeting (AGM) held on 30.07.2014, the appointment of M/s. Brahmayya & Co., Chartered Accountants, as Auditors of the Company, to hold office from the conclusion of

this AGM till the conclusion of the next AGM (to be held in 2016) be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix their remuneration in consultation with the auditors.”

for and on behalf of the Board of
Nava Bharat Realty Limited

Place : Hyderabad
Date : 28th May, 2015

P. Trivikrama Prasad
Director

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. The proxy form duly signed must be deposited at the Registered Office of the Company not later than 48 hours before the time of holding the meeting.
2. The Register of Directors and KMPs and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.



Directors' Report

Dear Members,

Your Directors have pleasure in presenting their Ninth Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2015 together with the Auditors' Report thereon.

OPERATIONS:

The Company is a Wholly Owned Subsidiary of Nava Bharat Ventures Limited to be engaged in the development of realty focused investments. There have been no operations in this company, during the year under review.

DIRECTORS:

Sri T. Hari Babu, Director, retires by rotation at the Annual General Meeting and being eligible, offered himself for re-appointment.

NUMBER OF MEETINGS OF THE BOARD:

During the year 2014-15, the Board met 5 times on following dates 26.05.2014, 07.08.2014, 27.10.2014 and 21.02.2015 and 30.03.2015 and the gap between each Board Meeting is within the prescribed limit of 120 days.

FIXED DEPOSITS:

The Company has not accepted nor held any deposits pursuant to Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, consequently there was no amount (on account of principle or interest on deposits) outstanding as on the date of Balance Sheet.

AUDITORS AND AUDITORS' REPORT:

M/s. Brahmayya & Co., Chartered Accountants, Statutory Auditors of the Company were appointed in the last Annual General Meeting (AGM) held on 30.07.2014 for a period of 5 consecutive AGMs i.e., upto the conclusion of the AGM to be held in 2019, subject to ratification by members at every AGM. The Auditors have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment. The Board of Directors recommended to the members to ratify their appointment as Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

The Auditors' Report does not contain any qualification, reservation or adverse remark or any disclaimer. Their Report together with the Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars required to be disclosed under Rule 8 (3) of the Companies (Accounts) Rules, 2014, pertaining to Technology Absorption or conservation of Energy and the foreign exchange earnings and outgo are NIL, during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors confirm that in the preparation of Annual Accounts for the year ended 31.03.2015:

Directors' Report

- a) in the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

No contracts or transactions covered under Section 188 of the Companies Act, 2013 were entered into by the Company

during the year under review and hence the details as per FORM AOC-2 was not presented in this Report.

PARTICULARS OF LOANS, GUARANTEES OR SECURITY AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The details pursuant to Section 186 of the Companies Act, 2013, are NIL.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197 of the Act read with Rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there are no employees drawing remuneration in excess of the limits set out in the said rule, during the year under review.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as **Annexure - I** to this Report.

ACKNOWLEDGEMENT:

Your Directors gratefully acknowledge the support and co-operation extended by the Regulatory Authorities, the Holding company's Board and its officials and Company's Bankers.

for and on behalf of the Board of
Nava Bharat Realty Limited

T. Hari Babu
Director

Place : Hyderabad
Date : 28th May, 2015

P. Trivikrama Prasad
Director



Annexure – I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN	:	U70102TG2006PLC049888
ii) Registration Date	:	18.04.2006
iii) Name of the Company	:	Nava Bharat Realty Limited
iv) Category/Sub-Category of the Company	:	Company limited by shares/Indian non-government
v) Address of the Registered office and contact details	:	Regd. Office: Road No. 7, IDA Nacharam, Survey Nos. 617/3 to 617/13, Next to Nacharam Telephone Exchange, Hyderabad – 500 076 Telephone: 040 23403501 Fax: 040 23403013 e-mail:- nbvl@nbv.in
vi) Whether listed company Yes / No	:	No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	:	No

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% of total turnover of the company
-	-	-	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary	% of shares held	Applicable Section
1	Nava Bharat Ventures Ltd	L27101TG1972PLC001549	Holding	100	2(46)

Annexure – I

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year		No. of Shares held at the end of the year		% Change during the year
	Demat	Physical	Demat	Physical	
A Promoters					
(1) Indian					
a) Individual / HUF	0	0	0	0	0
b) Central Govt	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0
d) Bodies Corp	0	2,50,000	100	11,00,000	100
e) Banks/Fl	0	0	0	0	0
f) Any other -	0	0	0	0	0
Sub-total (A) (1):-	0	2,50,000	100	11,00,000	100
(2) Foreign					
a) NRIs - Individual	0	0	0	0	0
b) Other individuals	0	0	0	0	0
c) Bodies Corp	0	0	0	0	0
d) Banks/Fl	0	0	0	0	0
e) Any other	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0
Total Shareholding of Promoters (A)=(A) (1) + (A) (2)	0	2,50,000	100	11,00,000	100
B Public Shareholding					
(1) Institutions					
a) Mutual Funds	0	0	0	0	0
b) Banks / FI	0	0	0	0	0
c) Central Govt	0	0	0	0	0
d) State Govt (s)	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0
g) Flis Foreign Venture Capital Funds	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0
i) Others (specify)	0	0	0	0	0



Annexure – I

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
	Demat	Physical	Total	Demat	Physical	Total	
Sub-total (B) (1):-	0	0	0	0	0	0	0
(2) Non-institutions							
a) Bodies Corporates							
i. Indian	0	0	0	0	0	0	0
ii. Overseas	0	0	0	0	0	0	0
b) Individuals							
i. Individual shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0
ii. Individual shareholders holding nominal share capital in excess of ₹1 lakh	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0
Sub-total (B) (2):-	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B) (1) + (B) (2)	0	0	0	0	0	0	0
C Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0
GRAND TOTAL (A+B+C)	0	2,50,000	2,50,000	100	0	11,00,000	100

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year		
		No. of shares	% of total shares of the Company	% of shares pledged or encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged or encumbered to total shares
	Bodies Corporate:						
	Nava Bharat Ventures Limited	2,50,000	100	0	11,00,000	100	0
	TOTAL						

Annexure – I

iii) Change in Promoters' shareholding (Pls, specify, if there is no change)

	Share holding at the beginning of the year		Cumulative Share holding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	2,50,000	100.00		
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			8,50,000	100
At the End of the year	11,00,000	100.00		

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

	Share holding at the beginning of the year		Cumulative Share holding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
For Each of the Top 10 Shareholders				
At the beginning of the year	0	0	NA	NA
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
At the End of the year (or on the date of separation, if separated during the year)	0	0	NA	NA

v) Shareholding of Directors and Key Managerial Personnel:

	Share holding at the beginning of the year		Cumulative Share holding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
For Each of the Directors and KMP				
Sri P. Trivikrama Prasad	1	-	NA	NA
Sri T. Hari Babu	1	-	NA	NA
At the beginning of the year	2	-	NA	NA
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)		NO CHANGE		
Sri P. Trivikrama Prasad	1	-	NA	NA
Sri T. Hari Babu	1	-	NA	NA
At the End of the year	2		NA	NA



Annexure – I

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
TOTAL (I+II+III)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
● Addition	NIL	NIL	NIL	NIL
● Reduction				
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
TOTAL (I+II+III)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Gross salary		
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
	Stock Option	0	0
	Sweat Equity	0	0
	Commission		
	- as % of profit	0	0
	- others, specify		
	Others, please specify Personal accident insurance premium	NIL	NIL
	TOTAL (A)	-	-
	Ceiling as per the Act	-	-

Annexure – I

B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors Sri K. Balarama Reddi	Total Amount
3. Independent Directors		
• Fee for attending board / committee meetings	0	0
• Commission	0	0
• Others, please specify	0	0
TOTAL (1)	0	0
4. Other Non-Executive Directors		
• Fee for attending board / committee meetings	0	0
• Commission	0	0
• Others, please specify	0	0
TOTAL (2)	0	0
TOTAL (B)=(1+2)	0	0
Total Managerial Remuneration	0	0
Overall Ceiling as per the Act	0	0

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Name of the KMP	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission		
	- as % of Profit	0	0
	- Others, specify	0	0
5	TOTAL	0	0

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
B. DIRECTORS					
C. OTHER OFFICERS IN DEFAULT					

NIL

for Nava Bharat Realty Limited

Place : Hyderabad
Date : 28th May, 2015

T. Hari Babu
Director

P. Trivikrama Prasad
Director



Independent Auditor's Report

To the Members of

Nava Bharat Realty Limited, Hyderabad.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of NAVA BHARAT REALTY LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the 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 FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

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

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

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

OPINION

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

Independent Auditor's Report

2. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) 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:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for **Brahmayya & Co.**,
Chartered Accountants
Firm's Registration Number: 0005135

(P. Chandramouli)

Partner

Place : Hyderabad

Date : 28th May, 2015

Membership Number: 025211



Annexure to the Auditor's Report:

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members of NAVA BHARAT REALTY LIMITED, HYDERABAD, for the year ended March 31, 2015.,

1. The Company does not hold any fixed assets. Therefore, the provisions of clause (i) (a) and (b) of paragraph 3 of the Companies (Auditor's Report) Order 2015 are not applicable to the Company.
2. The Company does not carry any inventory during the year. Therefore, the provisions of clause (ii) (a), (b) and (c) of paragraph 3 of the Companies (Auditor's Report) Order 2015 are not applicable to the Company.
3.
 - a. During the year, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
 - b. In view of our comment in paragraph (a) above, (III) (a) and (b) of paragraph 3 of the aforesaid order are not applicable to the Company.
4. The provisions of clause 3 (iv) of the Companies (Auditor's Report) Order 2015 are not applicable to the Company for the time being, as there were no transactions of purchase of inventory and fixed assets and sale of goods.
5. The Company has not accepted any deposits from the public. Hence the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed thereunder, do not apply to this Company.
6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of 148 section of the Companies Act, 2013 for the activities of the Company.
7.
 - a. According to the records of the Company, the company regular in depositing undisputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
 - b. According to the records of the Company, no undisputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
8. The accumulated losses of the Company at the end of the financial year are more than fifty percent of net worth of the Company. The Company has incurred cash losses during the year covered by our audit and also in the immediately preceding financial year.
9. As the Company has no borrowings, the provisions of clause 3(ix) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
10. The Company has not given any guarantee for the loans taken by others from banks and financial institutions.
11. During the year the Company has not obtained any term loans. Therefore, the provisions of clause 3 (xi) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
12. Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

for **Brahmayya & Co.,**
Chartered Accountants
Firm's Registration Number: 0005135

(P. Chandramouli)

Partner

Place : Hyderabad
Date : 28th May, 2015

Membership Number: 025211

Balance Sheet

as at 31st March, 2015

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Particulars	Notes	31st March, 2015	31st March, 2014
EQUITY AND LIABILITIES			
Share Holders Funds			
Share Capital	04	2,200,000	500,000
Reserves and Surplus	05	(2,222,118)	(2,133,522)
		(22,118)	(1,633,522)
Current liabilities			
Other Current Liabilities	06	75,919	1,739,326
		75,919	1,739,326
TOTAL		53,801	105,804
ASSETS			
Current Assets			
Cash and Cash Equivalents	07	53,801	105,804
		53,801	105,804
TOTAL		53,801	105,804
Notes Forming Part of Financial Statements	01 - 16		

per our report of even date

for and on behalf of the Board

for **Brahmayya & Co.**,
Chartered Accountants
Firms' Registration Number: 0005135

P. Trivikrama Prasad
Director

P. Chandramouli
Partner
Membership Number: 025211

T. Hari Babu
Director

Place : Hyderabad
Date : 28th May, 2015



Statement of Profit and Loss

for the year ended 31st March, 2015

		₹	
Particulars	NOTES	31st March, 2015	31st March, 2014
INCOME		NIL	NIL
TOTAL REVENUE		-	-
EXPENSES			
Other Expenses	08	88,596	81,118
TOTAL EXPENSES		88,596	81,118
Profit Before Tax		(88,596)	(81,118)
Tax Expense		-	-
Profit for the year After Tax		(88,596)	(81,118)
Earnings Per Share of Face Value of ₹ 2/-Each:			
Basic and diluted		(0.35)	(0.32)
Notes Forming Part of Financial Statements	01 - 16		

per our report of even date

for **Brahmayya & Co.,**
Chartered Accountants
Firms' Registration Number: 0005135

P. Chandramouli
Partner
Membership Number: 025211

Place : Hyderabad
Date : 28th May, 2015

for and on behalf of the Board

P. Trivikrama Prasad
Director

T. Hari Babu
Director

Cash Flow Statement

for the year ended 31st March, 2015

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Particulars	31st March, 2015	31st March, 2014
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit/(Loss) before Tax	(88,596)	(81,118)
Operating Profit Before Working Capital Changes	(88,596)	(81,118)
Adjustments for:		
Increase/(decrease) in other Current Liabilities	36,593	-
Net Cash from Operating Activities (A)	(52,003)	(81,118)
B CASH FLOW FROM INVESTING ACTIVITIES:		
Net Cash Used in Investing Activities (B)	-	-
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash Generated in Financing Activities (C)	-	-
Net Increase in Cash and Cash Equivalents (A+B+C)	(52,003)	(81,118)
Cash and Cash equivalents as at beginning of the year	105,804	186,922
Cash and Cash equivalents as at the end of the year	53,801	105,804

per our report of even date

for and on behalf of the Board

for Brahmaya & Co.,
Chartered Accountants
Firms' Registration Number: 0005135

P. Trivikrama Prasad
Director

P. Chandramouli
Partner
Membership Number: 025211

T. Hari Babu
Director

Place : Hyderabad
Date : 28th May, 2015



Notes

to the Financial Statements for the year ended 31st March, 2015

1. NATURE OF OPERATIONS:

Nava Bharat Realty Limited (the Company) has been incorporated on 18.04.2006 as a subsidiary to Nava Bharat Ventures Limited, to do the business of Real Estate. The total paid up equity share Capital of ₹ 2,200,000 is held by the Holding Company viz., Nava Bharat Ventures Limited, Hyderabad. The Company is yet to commence its commercial operations.

2. BASIS OF ACCOUNTING:

The financial statements have been prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared in accordance with the generally accepted Accounting Principles in India under the historical cost convention and on accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

3. SIGNIFICANT ACCOUNTING POLICIES:

a) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to such estimates is recognized prospectively in the year in which it is revised.

b) Provisions:

A provision is recognised when there is a present obligation as a result of past event 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 its present value and are determined based on 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.

c) Earnings per Share (Basic and Diluted):

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

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

d) Cash Flow Statement:

Cash flows are reported using indirect method. Cash and cash equivalents in the cash flow statement comprise cash at bank, cash/cheques on hand and Fixed Deposits with Banks.

e) Contingent Liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

f) Taxes on Income:

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

Notes

to the Financial Statements for the year ended 31st March, 2015

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognised only, if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

g) 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 asset's 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 asset over its remaining useful life.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses, recognised for the asset no longer exist or have decreased.

₹

Particulars	31st March, 2015	31st March, 2014
04. SHARE CAPITAL:		
Authorised:		
100,000,000 Equity Shares of ₹ 2/- each	200,000,000	200,000,000
TOTAL	200,000,000	200,000,000
Issued, Subscribed and Paid - Up:		
1,100,000 (Previous year 250,000) Equity Shares of ₹ 2/- each -fully paid up	2,200,000	500,000
TOTAL	2,200,000	500,000

a. Rights attached to Equity Shares:

The company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



Notes

to the Financial Statements for the year ended 31st March, 2015

b. Shares held by holding company:

Particulars	31st March, 2015	31st March, 2014
	No of Shares	No of Shares
Nava Bharat Ventures Ltd	1,100,000	250,000

c. Details of shareholders holding more than 5% Shares in the company:

Particulars	31st March, 2015		31st March, 2014	
	Nos	Percentage	Nos	Percentage
Equity Shares of ₹ 2/- each fully paid				
Nava Bharat Ventures Ltd	1,100,000	100	250,000	100

₹

Particulars	31st March, 2015	31st March, 2014
05. RESERVES AND SURPLUS:		
Surplus i.e. balance in Statement of Profit and Loss		
Opening balance	(2,133,522)	(2,052,404)
Add: Net profit after tax transferred from Statement of Profit and Loss	(88,596)	(81,118)
Amount available for appropriation	(2,222,118)	(2,133,522)
Less: appropriations	-	-
Closing Balance	(2,222,118)	(2,133,522)
TOTAL	(2,222,118)	(2,133,522)

₹

Particulars	31st March, 2015	31st March, 2014
06. OTHER CURRENT LIABILITIES:		
Share Application Money from Holding Company	-	1,700,000
Other liabilities:		
TDS Payable	3,933	3,933
Other payables	71,986	35,393
TOTAL	75,919	1,739,326

Notes

to the Financial Statements for the year ended 31st March, 2015

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Particulars	31st March, 2015	31st March, 2014
07. CASH AND CASH EQUIVALENTS:		
Balances with Banks:		
on Current account	53,801	105,804
TOTAL	53,801	105,804

₹

Particulars	31st March, 2015	31st March, 2014
08. OTHER EXPENSES:		
Professional Charges	38,483	33,983
Rates and Taxes	2,500	2,500
Filing Fees	3,000	1,000
General Expenses	287	309
Conveyance	5,000	4,000
Auditors Remuneration: as Auditors	39,326	39,326
TOTAL	88,596	81,118

9. In the opinion of the management, the current assets are expected to realise at least the amount at which they are stated, if realised in the ordinary course of business and provision for all known liabilities have been adequately made in the accounts.

10. During the year, there were no transactions with Micro and Small Enterprises; hence the disclosures as per Micro, Small and Medium Enterprise Development Act, 2006, are not applicable for the time being.

₹

	31st March, 2015	31st March, 2014
11. CALCULATION OF EARNINGS PER SHARE		
a) Net profit available to Equity shareholders (₹)	(88,596)	(81,118)
b) Weighted average number of Equity shares (Nos)	252,330	250,000
c) Face value as per share (₹)	2	2
d) Earnings per share (₹) - Basic and Diluted	(0.35)	(0.32)

12. In view of inability to assess future taxable income, the extent of net deferred tax asset which may be adjusted in the subsequent years is not ascertainable with virtual certainty at this stage and accordingly in terms of Accounting Standard (AS 22) on "Accounting for Taxes on Income" as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and based on general prudence, the Company has not recognized any Deferred Tax Asset while preparing the accounts for the current year.



Notes

to the Financial Statements for the year ended 31st March, 2015

13. Segment Reporting as per the Accounting Standard (AS 17) is not applicable to the company for the time being.

14. The details of related party transactions in terms of Accounting Standard (AS 18) are as follows:

a. Names of related parties and relation with the company:

i. Key Management Personnel :	Sri P. Trivikrama Prasad, Director Sri T. Hari Babu, Director
ii. Relatives of Key Management Personnel:	Smt. P. Rajashree (wife of Sri P. Trivikrama Prasad) Smt. P. Shruthi (Daughter of Sri P. Trivikrama Prasad.)
iii. Enterprises controlling the reporting Enterprise:	
Holding Company:	M/s. Nava Bharat Ventures Limited
Fellow Subsidiaries:	M/s. Nava Bharat Projects Limited M/s. Nava Bharat Energy India Limited M/s. Brahmani Infratech Private Limited M/s. Nava Bharat Sugar and Bio Fuels Limited M/s. Nava Bharat (Singapore) Pte. Limited M/s. PT Nava Bharat Sungai Cuka M/s. PT Nava Bharat Indonesia M/s. Maamba Collieries Limited M/s. Kobe Green Power Co. Limited M/s. Nava Bharat Africa Resources Private. Limited M/s. Kariba Infrastructure Development Limited M/s. NB Rufiji Private Limited M/s. NB Tanagro Limited M/s. Nava Energy Pte. Limited M/s. Nava Bharat Lao Energy Pte. Limited M/s. Namphak Power Company Limited
Enterprises over which KMP/relatives of KMP exercise significant influence:	M/s. Nava Bharat Natural Resources India Limited M/s. Nav Developers Limited M/s. S.R.T. Investments Private Limited M/s. A N Investments Private Limited M/s. V9 Avenues Private Limited M/s. A9 Homes Private Limited M/s. AV Dwellings Private Limited M/s. Brahmani Skyline Constructions Private Limited M/s. Brahmani Infrastructure Projects Private Limited

Notes

to the Financial Statements for the year ended 31st March, 2015

- a. Names of related parties and relation with the company:

M/s. Brahmani Infotech Private Limited
 M/s. V9 Infra Ventures Private Limited
 Dr. Pinnamaneni Healthcare Private Limited
 M/s. Malaxmi Highway Private Limited
 Dr. Devineni Subba Rao Trust
 M/s. Gunnam Subbarao and Ramayamma Trust
 M/s. Kinnera Power Company Private Limited

- b. There were no transactions with related Parties during the year and also in the previous year.

15. Accounting Standard (AS 28) "Impairment of Assets" is not applicable to the company for the time being.

16. Previous year figures are regrouped and reclassified where ever necessary to make them comparable with those of current year.

per our report of even date

for **Brahmayya & Co.,**
 Chartered Accountants
 Firms' Registration Number: 0005135

P. Chandramouli
 Partner
 Membership Number: 025211

Place : Hyderabad
 Date : 28th May, 2015

for and on behalf of the Board

P. Trivikrama Prasad
 Director

T. Hari Babu
 Director



Notice to Shareholders

Notice is hereby given that the Seventh Annual General Meeting of the Company will be held on Monday, the 24th August, 2015 at 11.30 a.m. at 6-3-1109/1, Nava Bharat Chambers, Raj Bhavan Road, Hyderabad – 500 082, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited Financial Statements of the Company for the year ended on 31.03.2015 viz., Balance Sheet as at 31st March, 2015 and the statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Sri P. Trivikrama Prasad, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To ratify appointment of Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration and to pass the following resolution as an Ordinary Resolution.

“RESOLVED THAT, pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 and the Rules made thereunder, recommendations of the Board of Directors and also pursuant to the resolution passed by the members at the Annual General Meeting

(AGM) held on 30.07.2014, the appointment of M/s. Brahmayya & Co., Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the next AGM (to be held in 2016) be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix their remuneration in consultation with the auditors.”

for and on behalf of the Board of
Nava Bharat Sugar and Bio Fuels Limited

Place : Hyderabad
Date : 28th May, 2015

P. Trivikrama Prasad
Director

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. The proxy form duly signed must be deposited at the Registered Office of the Company not later than 48 hours before the time of holding the meeting.
2. The Register of Directors and KMPs and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.

Directors' Report

Dear Members,

Your Directors have pleasure in presenting their Seventh Annual Report together with the Audited Financial Statements of the Company for the financial year ended 31st March, 2015 and the Auditors' Report thereon.

OPERATIONS:

The Company is a Wholly Owned Subsidiary of Nava Bharat Ventures Limited and proposes to be engaged in sugar, biofuel and agri based investments. There have been no operations in this company, during the year under review.

DIRECTORS:

Sri P. Trivikrama Prasad, Director, retires by rotation at the Annual General Meeting and being eligible, offered himself for re-appointment.

NUMBER OF MEETINGS OF THE BOARD:

During the year 2014-15, the Board met 4 times on following dates 26.05.2014, 07.08.2014, 27.10.2014 and 21.02.2015 and the gap between each Board Meeting is within the prescribed limit of 120 days.

FIXED DEPOSITS:

The Company has not accepted nor held any deposits pursuant to Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, consequently there was no amount (on account of principle or interest on deposits) outstanding as on the date of Balance Sheet.

AUDITORS AND AUDITORS' REPORT:

M/s. Brahmayya & Co., Chartered Accountants, were appointed in the last Annual General Meeting (AGM) held

on 30.07.2014 for a period of 5 consecutive AGMs i.e., upto the conclusion of the AGM to be held in 2019, subject to ratification by members at every AGM. The Auditors have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment. The Board of Directors recommended to the members to ratify their appointment as Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

The Auditors' Report does not contain any qualification, reservation or adverse remark or any disclaimer. Their Report together with the Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars required to be disclosed under Rule 8 (3) of the Companies (Accounts) Rules, 2014, pertaining to Technology Absorption or conservation of Energy and the foreign exchange earnings and outgo are NIL, during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors confirm that in the preparation of Annual Accounts for the year ended 31.03.2015:

- a) in the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;



Directors' Report

- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

No contracts or transactions covered under Section 188 of the Companies Act, 2013 were entered into by the Company during the year under review and hence the details as per FORM AOC-2 was not presented in this Report.

PARTICULARS OF LOANS, GUARANTEES OR SECURITY AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The details pursuant to Section 186 of the Companies Act, 2013, are NIL.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197 of the Act read with Rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there are no employees drawing remuneration in excess of the limits set out in the said rule, during the year under review.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as **Annexure - I** to this Report.

ACKNOWLEDGEMENT:

Your Directors gratefully acknowledge the support and co-operation extended by the Regulatory Authorities and Company's Bankers.

for and on behalf of the Board of
Nava Bharat Sugar and Bio Fuels Limited

T. Hari Babu
Director

Place : Hyderabad
Date : 28th May, 2015

P. Trivikrama Prasad
Director

Annexure – I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31.03.2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	:	U74999TG2008PLC058559
ii)	Registration Date	:	08.04.2008
iii)	Name of the Company	:	Nava Bharat Sugar and Bio Fuels Limited
iv)	Category/Sub-Category of the Company	:	Company limited by shares/Indian non-government
v)	Address of the Registered office and contact details	:	Nava Bharat Chambers, 6-3-1109/1, Raj Bhavan Road, Hyderabad – 500 082, Telangana. Telephone: 040 23403501 Fax: 040 23403013 e-mail:- nbvl@nbv.in
vi)	Whether listed company Yes / No	:	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	No

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% of total turnover of the company
-	-	-	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary	% of shares held	Applicable Section
1	Nava Bharat Ventures Limited	L27101TG1972PLC001549	Holding Company	100	2 (46)



Annexure – I

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year		No. of Shares held at the end of the year		% Change during the year
	Demat	Physical	Demat	Physical	
	Total		Total		
	% of Total Shares		% of Total Shares		
A Promoters					
(1) Indian					
a) Individual / HUF	0	0	0	0	0
b) Central Government	0	0	0	0	0
c) State Government(s)	0	0	0	0	0
d) Bodies Corporate	0	2,50,000	100	2,50,000	100
e) Banks/ FI	0	0	0	0	0
f) Any other -	0	0	0	0	0
Sub-total (A) (1):-	0	2,50,000	100	2,50,000	100
(2) Foreign					
a) NRIs - Individual	0	0	0	0	0
b) Other individuals	0	0	0	0	0
c) Bodies Corp	0	0	0	0	0
d) Banks/ FI	0	0	0	0	0
e) Any other	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0
Total Shareholding of Promoters (A)=(A) (1) + (A) (2)	0	2,50,000	100	2,50,000	100
B Public Shareholding					
(1) Institutions					
a) Mutual Funds	0	0	0	0	0
b) Banks / FI	0	0	0	0	0
c) Central Govt	0	0	0	0	0
d) State Govt (s)	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0
g) FIs	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0
i) Others (specify)	0	0	0	0	0
Sub-total (B) (1):-	0	0	0	0	0

Annexure – I

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
	Demat	Physical	Total	Demat	Physical	Total	
(2) Non-Institutions							
a) Bodies Corporate							
i Indian	0	0	0	0	0	0	0
ii Overseas	0	0	0	0	0	0	0
b) Individuals							
i Individual shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0
ii Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0
Sub-total (B) (2):-	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B) (1) + (B) (2)	0	0	0	0	0	0	0
C Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0
GRAND TOTAL (A+B+C)	0	2,50,000	2,50,000	100	0	2,50,000	100

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year		
		No. of shares of the Company	% of total shares of the Company	pledged or encumbered to total shares	No. of shares of the Company	% of total shares of the Company	% of shares pledged or encumbered to total shares
	Bodies Corporate:						
1	Nava Bharat Ventures Limited	2,50,000	100	0	2,50,000	100	0
	TOTAL						



Annexure – I

iii) Change in Promoters' shareholding (Pls, specify, if there is no change)

	Share holding at the beginning of the year		Cumulative Share holding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	2,50,000	100.00		
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			NO CHANGE	
At the End of the year	2,50,000	100.00		

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Share holding at the beginning of the year		Cumulative Share holding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	NIL	-	NA	NA
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			NO CHANGE	
At the End of the year (or on the date of separation, if separated during the year)	NIL	-	NA	NA

(v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors and KMP	Share holding at the beginning of the year		Cumulative Share holding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Sri P. Trivikrama Prasad	1	-	NA	NA
Sri T. Hari Babu	1	-	NA	NA
At the beginning of the year	2	-	NA	NA
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)			NO CHANGE	
Sri P. Trivikrama Prasad	1	-	NA	NA
Sri T. Hari Babu	1	-	NA	NA
At the End of the year	2	-	NA	NA

Annexure – I

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
TOTAL (I+II+III)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
● Addition	NIL	NIL	NIL	NIL
● Reduction				
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
TOTAL (I+II+III)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	NA	NA
Gross salary		
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
Stock Option	0	0
Sweat Equity	0	0
Commission		
- as % of profit	0	0
- others, specify	0	0
Others, please specify	0	0
TOTAL (A)	0	0
Ceiling as per the Act	-	-



Annexure – I

B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors	
	Sri K. Balarama Reddi	
	Total Amount	
1. Independent Directors		
• Fee for attending board / committee meetings	0	0
• Commission	0	0
• Others, please specify	0	0
TOTAL (1)	0	0
2. Other Non-Executive Directors		
• Fee for attending board / committee meetings	0	0
• Commission	0	0
• Others, please specify	0	0
TOTAL (2)	0	0
TOTAL (B)=(1+2)	0	0
Total Managerial Remuneration		
Overall Ceiling as per the Act	NA	NA

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		NA	Total
1	Gross salary	NA	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission		
	- as % of Profit	0	0
	- Others, specify	0	0
5	Others, please specify	0	0
TOTAL		0	0

Annexure – I

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY Penalty Punishment Compounding					
B. DIRECTORS Penalty Punishment Compounding					
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding					
			NIL		

For Nava Bharat Sugar and Bio Fuels Limited

Place : Hyderabad
Date : 28th May, 2015

T. Hari Babu
Director

P. Trivikrama Prasad
Director



Independent Auditor's Report

To the Members of
Nava Bharat Sugar and Bio fuels Limited,
Hyderabad.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of NAVA BHARAT SUGAR AND BIO FUELS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the 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 FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

OPINION

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

Independent Auditor's Report

2. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) 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:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for **Brahmayya & Co.**,
Chartered Accountants
Firm's Registration Number: 0005135

(**P. Chandramouli**)

Partner

Place : Hyderabad

Date : 28th May, 2015

Membership Number: 025211



Annexure to the Auditor's Report:

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members of NAVA BHARAT SUGAR AND BIO FUELS LIMITED, HYDERABAD, for the year ended March 31, 2015.,

1. The Company does not hold any fixed assets. Therefore, the provisions of clause (i) (a) and (b) of paragraph 3 of the Companies (Auditor's Report) Order 2015 are not applicable to the Company.
2. The Company does not carry any inventory during the year. Therefore, the provisions of clause (ii) (a), (b) and (c) of paragraph 3 of the Companies (Auditor's Report) Order 2015 are not applicable to the Company.
3. a. During the year, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
b. In view of our comment in paragraph (a) above, (III) (a) and (b) of paragraph 3 of the aforesaid order are not applicable to the Company.
4. The provisions of clause 3 (iv) of the Companies (Auditor's Report) Order 2015 are not applicable to the Company for the time being, as there were no transactions of purchase of inventory and fixed assets and sale of goods.
5. The Company has not accepted any deposits from the public. Hence the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed thereunder, do not apply to this Company.
6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of 148 section of the Companies Act, 2013 for the activities of the Company.
7. a. According to the records of the Company, the company regular in depositing undisputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
b. According to the records of the Company, no undisputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
- c. According to the records of the Company and the information and explanations given to us, there were no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute.
- d. According to the records of the Company, there were no amounts which were required to be transferred to Investor Education and Protection Fund. Therefore, the provisions of clause 3 (vii) (c) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
8. The accumulated losses of the Company at the end of the financial year are more than fifty percent of net worth of the Company. The Company has incurred cash losses during the year covered by our audit and also in the immediately preceding financial year.
9. As the Company has no borrowings, the provisions of clause 3(ix) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
10. The Company has not given any guarantee for the loans taken by others from banks and financial institutions.
11. During the year the Company has not obtained any term loans. Therefore, the provisions of clause 3 (xi) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
12. Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

for **Brahmayya & Co.,**
Chartered Accountants
Firm's Registration Number: 0005135

(**P. Chandramouli**)

Place : Hyderabad

Partner

Date : 28th May, 2015

Membership Number: 025211

Balance Sheet

as at 31st March, 2015

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Particulars	Notes	31st March, 2015	31st March, 2014
EQUITY AND LIABILITIES			
Share Holders Funds			
Share Capital	04	500,000	500,000
Reserves and Surplus	05	(419,552)	(354,895)
		80,448	145,105
Current Liabilities			
Other Current Liabilities	06	34,108	16,854
		34,108	16,854
TOTAL		114,556	161,959
ASSETS			
Current Assets			
Cash and cash equivalents	07	114,556	161,959
		114,556	161,959
TOTAL		114,556	161,959
Notes Forming Part of Financial Statements	01 - 16		

per our report of even date

for **Brahmayya & Co.**,
Chartered Accountants
Firms' Registration Number: 0005135

P. Chandramouli
Partner
Membership Number: 025211

Place : Hyderabad
Date : 28th May, 2015

for and on behalf of the Board

P. Trivikrama Prasad
Director

T. Hari Babu
Director



Statement of Profit and Loss

for the year ended 31st March, 2015

		₹	
Particulars	Notes	31st March, 2015	31st March, 2014
INCOME		NIL	NIL
TOTAL REVENUE		-	-
EXPENSES			
Other Expenses	08	64,657	58,989
TOTAL EXPENSES		64,657	58,989
Profit Before Tax		(64,657)	(58,989)
Tax Expense		-	-
Profit for the year After Tax		(64,657)	(58,989)
Earnings Per Share of Face Value of ₹ 2/- Each:			
Basic and Diluted		(0.26)	(0.24)
Notes Forming Part Of Financial Statements	01 - 16		

per our report of even date

for **Brahmayya & Co.**,
Chartered Accountants
Firms' Registration Number: 000513S

P. Chandramouli
Partner
Membership Number: 025211

Place : Hyderabad
Date : 28th May, 2015

for and on behalf of the Board

P. Trivikrama Prasad
Director

T. Hari Babu
Director

₹

Cash Flow Statement

for the year ended 31st March, 2015

Particulars	31st March, 2015	31st March, 2014
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax	(64,657)	(58,989)
Operating Profit Before Working Capital Changes	(64,657)	(58,989)
Adjustments for:		
Increase/(decrease) in other Current Liabilities	17,254	-
Net Cash from Operating Activities (A)	(47,403)	(58,989)
B CASH FLOW FROM INVESTING ACTIVITIES:		
Net Cash Used in Investing Activities (B)	-	-
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash Generated in Financing Activities (C)	-	-
Net Increase in Cash and Cash Equivalents (A+B+C)	(47,403)	(58,989)
Cash and Cash equivalents as at beginning of the year	161,959	220,948
Cash and Cash equivalents as at the end of the year	114,556	161,959

per our report of even date

for Brahmayya & Co.,
Chartered Accountants
Firms' Registration Number: 0005135

P. Chandramouli
Partner
Membership Number: 025211

Place : Hyderabad
Date : 28th May, 2015

for and on behalf of the Board

P. Trivikrama Prasad
Director

T. Hari Babu
Director



Notes

to the Financial Statements for the year ended 31st March, 2015

1. NATURE OF OPERATIONS:

Nava Bharat Sugar and Bio Fuels Limited (the Company) has been incorporated on 08.04.2008 as a subsidiary to Nava Bharat Ventures Limited to carry on the business of manufacturing of sugar and bio fuels. The entire equity shares are held by the Holding Company viz., Nava Bharat Ventures Limited, Hyderabad. The Company is yet to commence its commercial operations.

2. BASIS OF ACCOUNTING:

The financial statements have been prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared in accordance with the generally accepted Accounting Principles in India under the historical cost convention and on accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

3. SIGNIFICANT ACCOUNTING POLICIES :

a) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to such estimates is recognized prospectively in the year in which it is revised.

b) Provisions:

A provision is recognised when there is a present obligation as a result of past event 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 its present value and are determined based on 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.

c) Earnings per Share (Basic and Diluted):

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

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

d) Cash Flow Statement:

Cash flows are reported using indirect method. Cash and cash equivalents in the cash flow statement comprise cash at bank, cash/cheques on hand and Fixed Deposits with Banks.

e) Contingent Liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

f) Taxes on Income:

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

Notes

to the Financial Statements for the year ended 31st March, 2015

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognised only, if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

g) 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 asset's 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 asset over its remaining useful life.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses, recognised for the asset no longer exist or have decreased.

₹

Particulars	31st March, 2015	31st March, 2014
04. SHARE CAPITAL:		
Authorised:		
2,500,000 Equity Shares of ₹ 2/- each	5,000,000	5,000,000
TOTAL	5,000,000	5,000,000
Issued, Subscribed and Paid - Up:		
250,000 Equity Shares of ₹ 2/- each -fully paid up	500,000	500,000
TOTAL	500,000	500,000

a. Rights attached to equity Shares:

The company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



Notes

to the Financial Statements for the year ended 31st March, 2015

b. Shares held by holding company:

Particulars	31st March, 2015	31st March, 2014
	No of Shares	No of Shares
Nava Bharat Ventures Limited	250,000	250,000

c. Details of shareholders holding more than 5% shares in the company

Particulars	31st March, 2015		31st March, 2014	
	Nos	Percentage	Nos	Percentage
Equity Shares of ₹ 2/- each fully paid				
Nava Bharat Ventures Limited	250,000	100	250,000	100

₹

Particulars	31st March, 2015	31st March, 2014
05. RESERVES AND SURPLUS:		
Surplus i.e. balance in Statement of Profit and Loss		
Opening balance	(354,895)	(295,906)
Add: Net profit after tax transferred from Statement of Profit and Loss	(64,657)	(58,989)
Amount available for appropriation	(419,552)	(354,895)
Less: appropriations	-	-
Closing Balance	(419,552)	(354,895)
TOTAL	(419,552)	(354,895)

₹

Particulars	31st March, 2015	31st March, 2014
06. OTHER CURRENT LIABILITIES:		
Other Payables	34,108	16,854
TOTAL	34,108	16,854

₹

Particulars	31st March, 2015	31st March, 2014
07. CASH AND CASH EQUIVALENTS:		
Balances with Banks:		
on Current account	114,556	161,959
TOTAL	114,556	161,959

Notes

to the Financial Statements for the year ended 31st March, 2015

₹

Particulars	31st March, 2015	31st March, 2014
08. OTHER EXPENSES:		
Professional Charges	38,483	33,983
Rates and Taxes	2,500	2,500
Auditors Remuneration: as Auditors	16,854	16,854
Miscellaneous	6,820	5,652
TOTAL	64,657	58,989

9. In the opinion of the management, the current assets, loans and advances are expected to realise at least the amount at which they are stated, if realised in the ordinary course of business and provision for all known liabilities have been adequately made in the accounts.

10. During the year, there were no transactions with Micro and Small Enterprises; hence the disclosures as per Micro, Small and Medium Enterprise Development Act, 2006, are not applicable for the time being.

Particulars	31st March, 2015	31st March, 2014
11. CALCULATION OF EARNINGS PER SHARE		
a) Net profit available to Equity shareholders (₹)	(64,657)	(58,989)
b) Weighted average number of Equity shares (Nos.)	250,000	250,000
c) Face value as per share (in ₹)	2	2
d) Earnings per share (in ₹) - Basic and Diluted	(0.26)	(0.24)

12. Segment Reporting as per the Accounting Standard (AS 17) is not applicable to the company for the time being.

13. The details of related party transactions in terms of Accounting Standard (AS 18) are as follows:

a. Names of related parties and relation with the company:

i. Key Management Personnel:	Sri P. Trivikrama Prasad, Director Sri T. Hari Babu, Director
ii. Relatives of Key Management Personnel:	Smt. P. Rajashree (wife of Sri P. Trivikrama Prasad) Smt. P. Shruthi (Daughter of Sri P. Trivikrama Prasad.)
iii. Enterprises controlling the reporting Enterprise:	
Holding Company:	M/s. Nava Bharat Ventures Limited
Fellow Subsidiaries:	M/s. Nava Bharat Projects Limited M/s. Nava Bharat Energy India Limited M/s. Brahmani Infratech Private Limited M/s. Nava Bharat Realty Limited



Notes

to the Financial Statements for the year ended 31st March, 2015

a. Names of related parties and relation with the company:

	M/s. Nava Bharat (Singapore) Pte. Limited
	M/s. PT Nava Bharat Sungai Cuka
	M/s. PT Nava Bharat Indonesia
	M/s. Maamba Collieries Limited
	M/s. Kobe Green Power Co. Limited
	M/s. Nava Bharat Africa Resources Private. Limited
	M/s. Kariba Infrastructure Development Limited
	M/s. NB Rufiji Private Limited
	M/s. NB Tanagro Limited
	M/s. Nava Energy Pte. Limited
	M/s. Namphak Power Company Limited
	M/s. Nava Bharat Lao Energy Pte. Limited
Enterprises over which KMP/relatives of KMP exercise significant influence:	M/s. Nava Bharat Natural Resources India Limited
	M/s. Nav Developers Limited
	M/s. S.R.T. Investments Private Limited
	M/s. A N Investments Private Limited
	M/s. V9 Avenues Private Limited
	M/s. A9 Homes Private Limited
	M/s. AV Dwellings Private Limited
	M/s. Brahmani Skyline Constructions Private Limited
	M/s. Brahmani Infrastructure Projects Private Limited
	M/s. Brahmani Infotech Private Limited
	M/s. V9 Infra Ventures Private Limited
	Dr. Pinnamaneni Healthcare Private Limited
	M/s. Malaxmi Highway Private Limited
	Dr. Devineni Subba Rao Trust
	M/s. Gunnam Subbarao and Ramayamma Trust
	M/ s. Kinnera Power Company Private Limited

b. There were no transactions with related Parties during the year and also in the previous year.

Notes

to the Financial Statements for the year ended 31st March, 2015

- 14.** In view of inability to assess future taxable income, the extent of net deferred tax asset which may be adjusted in the subsequent years is not ascertainable with virtual certainty at this stage and accordingly in terms of Accounting Standard (AS 22) on "Accounting for Taxes on Income" as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and based on general prudence, the Company has not recognized any Deferred Tax Asset while preparing the accounts for the current year.
- 15.** Accounting Standard (AS 28) "Impairment of Assets", is not applicable to the Company for the time being.
- 16.** Previous year figures are regrouped and reclassified where ever necessary to make them comparable with those of current year.

per our report of even date

for **Brahmayya & Co.,**
Chartered Accountants
Firms' Registration Number: 000513S

P. Chandramouli
Partner
Membership Number: 025211

Place : Hyderabad
Date : 28th May, 2015

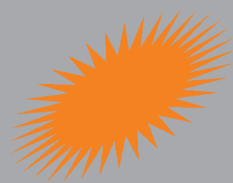
for and on behalf of the Board

P. Trivikrama Prasad
Director

T. Hari Babu
Director

300 MW POWER PLANT UNDER CONSTRUCTION AT MAAMBA, ZAMBIA





NAVA BHARAT

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