

**Independent Auditors' Report
To The Members of Eastern India Powertech Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of Eastern India Powertech Limited (the "Company") which comprises the balance sheet as at 31st March, 2015, the statement of profit and loss and 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 judgements 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 misstatements, whether due to fraud or error.

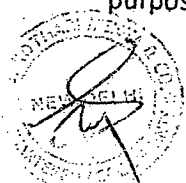
Auditor's Responsibility

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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of the material misstatement of the financial statements, whether due to error or fraud. In making those risk assessments, the auditor considers internal 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal



controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and 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 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.

Emphasis of Matter

Without qualifying our opinion, we draw attention to note no. 35(d) of the financial statement stating that in the case of ASEB, there are disputes with regard to certain claims like income tax, interest receivables, additional capital cost, deemed generation etc. which the company had made in accordance with the PPA terms. These matters were referred to Assam Electricity Regulatory Commission (AERC) for adjudication thereof. The AERC had issued order for period 2008-09 up to 2012-2013 but the same was challenged in the Appellate Tribunal by ASEB. The Appellate Tribunal (AT) dismissed the appeal of ASEB and upheld the tariff order as issued by AERC for the period 2008-09 vide its order dated 12.08.2014 and directed State Commission to determine the tariff for the period 2009-10 to 2014-15. The order reduced the income for the year 2008-09 on account of fixed and variable charges by an amount of Rs. 645.50 lacs. The effect of the same has not been adjusted in the financial statements as on 31st March 2015 as the matter has been remanded back to AERC. None of the parties has preferred any appeal against the order passed by AT.

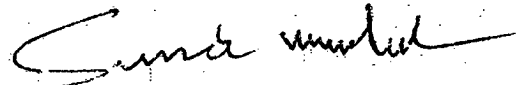
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of section 143 (11) 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 purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The balance sheet, statement of profit and loss and cash flow statement dealt with by this Report are in agreement with the books of account;



- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on 31 March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 has disclosed the impact of pending litigation on its financial position in its financial statements- Refer Note 37 to the financial statements;
 - ii) As there is not any material foreseeable losses, on long term contracts, therefore the Company has not made any provision, required under the applicable law or accounting standards;
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S S Kothari Mehta & Co.
Chartered Accountants
Firm Registration No.: 000756N



Sunil Wahal
Partner
Membership No.: 087294

Place: New Delhi
Date: 30th April, 2015



ANNEXURE TO THE AUDITORS' REPORT TO THE MEMEBERS OF EASTERN INDIA POWERTECH LIMITED FOR THE YEAR ENDED 31 MARCH 2015

Referred to in paragraph 1 of report on other legal and regulatory requirement's paragraph of our report on the financial statement of even date,

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the management according to a phased program designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (ii) (a) The inventories of the Company have been physically verified by the management during the year.
- (b) In our opinion and according to the information and explanations given to us, 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) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventories. As explained to us, the discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) As informed to us, 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. Accordingly, clauses 3 (iii) (a) and (b) are not applicable.
- (iv) According to the information and explanations given to us, there seems to be adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of services. The activities of the Company does not involve sale of goods. Further, on the basis of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of a continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) The Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder.
- (vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company as specified by the Central Government of India under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have



not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.

- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities. Further, there were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and as per the books and records examined by us, there are no dues of Wealth Tax, Custom Duty, Excise Duty, Service Tax and Cess which have not been deposited on account of any dispute, except the following in respect of disputed Income Tax and Sales Tax along with the forum where dispute is pending:

Name of the statute	Nature of dues	Year to which amount pertains	Forum	Amount Rs in lacs
Income Tax Act, 1961	Income Tax	A.Y. 2005-06 to 2009-10	Hon'ble High Court, Delhi	677.92*
Central Sales Tax Act, 1956	Central Sales Tax	F.Y. 1991-92 to 1996-97	Sales Tax Tribunal Cuttack, Orissa,	31.09**

*Net of amount deposited of Rs. 398.11 lacs

** Net of amount deposited of Rs. 12.50 lacs

- (c) According to the information and explanation given to us the company is not required to transfer any amount to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder within time
- (viii) The Company does not have any accumulated losses as at the close of the financial year. *The Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.*
- (ix) According to the information and explanations given to us and as per the books and records examined by us, the company does not have any dues payable to any financial institutions, banks and debenture holders.
- (x) As per the information and explanations given to us and on the basis of our examination of the records, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) In our opinion and on the basis of information and explanations given to us, the company has not raised any term loan during the financial year, hence the related reporting requirement of the Order are not applicable.



- (xii) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the year, nor have we been informed of such case by the management.

For S S Kothari Mehta & Co.
Chartered Accountants
Firm Registration No. 000756N

Sunil Wahal

Place: New Delhi
Date: 30th April, 2015



Sunil Wahal
Partner
Membership No.: 087294

Eastern India Powertech Limited
Balance sheet as at 31st March 2015

	Note	(Amount in lacs)	
		As at 31 March 2015 ₹	As at 31 March 2014 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3 *	6,932.00	6,932.00
Reserves and surplus	4	7,555.10	8,479.72
Total shareholders funds		14,487.10	15,411.72
Non - current liabilities			
Long - term provisions	5	29.62	45.00
Current liabilities			
Short - term borrowings	6	51,333.88	43,914.90
Trade payables	7	2,752.80	2,926.25
Other current liabilities	8	6,678.99	6,638.30
Short - term provisions	9	54.40	51.50
Total current liabilities		60,820.07	53,530.96
TOTAL		75,336.80	68,987.67
ASSETS			
Non - current assets			
Fixed assets			
Tangible assets	10	2,443.52	2,939.71
Intangible assets	10	0.83	1.00
Deferred tax assets (net)	11	28.96	36.16
Long - term loans and advances	12	1,928.50	1,923.85
Other non - current assets	13	266.63	255.02
Total non - current assets		4,668.44	5,155.74
Current assets			
Inventories	14	646.51	737.78
Trade receivables	15	68,492.10	61,020.14
Cash and bank balances	16	181.68	715.89
Short - term loans and advances	17	49.77	59.81
Other current assets	18	1,298.30	1,298.30
Total current assets		70,668.36	63,831.93
TOTAL		75,336.80	68,987.67
Significant Accounting Policies	2		

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

For S.S. KOTHARI MEHTA & CO.
Chartered Accountants
Firm Reg. No. 000756N

For and on behalf of Board of Directors

Sunil Wahal
Partner
Membership No. 087294



C.P. Poonacha
Director
DIN No. 00074337

R.S. Cheema
Managing Director
DIN No. 00074191

Place: Gurgaon
Date: 30th April 2015

Ram Kumar
Chief Financial Officer

Ruchi Sharma
Company Secretary

Eastern India Powertech Limited
Statement of profit and loss for the year ended 31st March 2015

(Amount in lacs)

	Note	For the year ended 31 March 2015 ₹	For the year ended 31 March 2014 ₹
Revenue			
Revenue from operations	22	8,399.85	8,351.06
Other income	23	14.05	380.47
Total revenue		8,413.90	8,731.53
Expenses			
Power & fuel		481.82	650.73
Employee benefit expenses	24	707.58	744.23
Finance cost	25	6,572.32	6,606.80
Depreciation and amortization expenses	26	498.08	499.35
Other expenses	27	1,070.95	1,350.71
Total expenses		9,330.75	9,851.83
Loss before tax		(916.85)	(1,120.30)
Tax expense:			
Current tax			
Deferred tax	11	(7.20)	(0.95)
Loss after tax		(924.05)	(1,121.25)
Earnings per equity share	28		
Basic (Rs. per share)		(1.33)	(1.62)
Diluted (Rs. per share)		(1.33)	(1.62)
Significant Accounting Policies	2		

The accompanying notes form an integral part of these financial statements

As per our report of even date

For and on behalf of Board of Directors

For S.S. KOTHARI MEHTA & CO.

Chartered Accountants

Firm Reg. No. 000756N

Sunil Wahal

Partner

Membership No. 087294

Place: Gurgaon

Date: 30th April 2015



C.P. Poonacha

Director

DIN No. 00074337

Ram Kumar
Chief Financial Officer

R.S. Cheema

Managing Director

DIN No. 00074191

Ruchi Sharma
Company Secretary