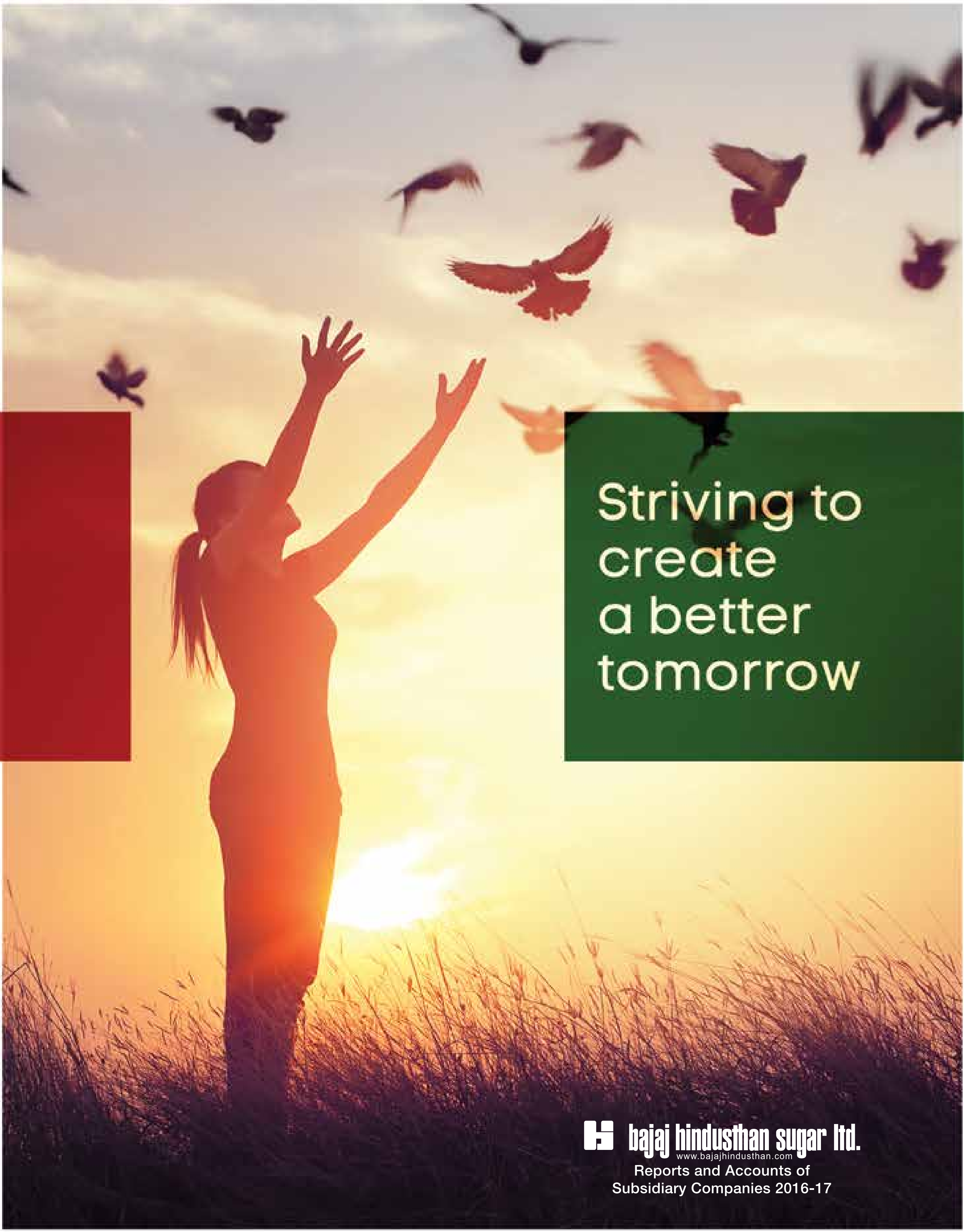

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Reports and Accounts of
Subsidiary Companies 2016-17

CONTENTS

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their Thirteenth annual report and the audited financial statement for the financial year ended March 31, 2017.

OPERATIONS AND STATE OF COMPANY'S AFFAIRS

During the year ended March 31, 2017 your Company continued to provide Air Transport Services through Air Craft – Falcon LX 2000. In addition to this the Company also leased out its Helicopter - Bell 407 to another Company providing Air – Transportation Services.

During the year under review your Company generated a revenue of ₹ 21,91,61,528/- from its operations as compared to ₹ 14,47,63,702/- generated in the previous financial year ended March 31, 2016. The loss after tax is ₹ 5,40,37,677/- as compared to loss of ₹ 9,66,48,692/- in the previous year.

TRANSFER OF AMOUNT TO RESERVES

No amount has been transferred to any reserve during the year under review.

DIVIDEND

In view of loss suffered by the Company, your Directors have not recommended any dividend on the equity shares for the year under review.

HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company is a wholly owned subsidiary of Bajaj Hindusthan Sugar Limited. The Company did not have any Subsidiary/Associate Company during the year under review.

EXTRACT OF THE ANNUAL RETURN

An extract of the Annual Return for the year ended March 31, 2017 as provided under sub-section (3) of Section 92 and prescribed under Rule 12 of Companies (Management & Administration) Rules, 2014 is attached as Annexure-I and forms part of this report.

BOARD MEETINGS

During the financial year 2016-2017, the Board of Directors met eight times on April 11, 2016, April 22, 2016, May 16, 2016, May 30, 2016, July 18, 2016, August 24, 2016, December 15, 2016 & March 2, 2017. The gap between any two meetings has been less than four months.

Details of the Board of Directors and Attendance Record of Directors during the financial year ended March 31, 2017 is as under:

Name	DIN	No. of Board Meetings entitled to attend	No. of Board Meetings attended
Mr. Ved Prakash Agrawal	00306940	8	8
Dr. Sanjeev Kumar	00364416	8	4
Mrs. Kiran Anuj*	02606822	4	4

* Mrs. Kiran Anuj ceased to be Director with effect from June 20, 2016

SHARE CAPITAL

There are no change in issued, subscribed and paid-up capital of the Company during the year under review.

RELATED PARTIES TRANSACTIONS

All the transactions with related parties are in the ordinary course of business and on arm's length basis. The details of Contracts and Arrangements entered into by the Company with related parties, referred to in sub-section (1) of Section 188 of the Companies Act, 2013, is given in AOC-2, attached as Annexure II, and forms part of this report.

INTERNAL FINANCIAL CONTROL

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures. The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013 are provided below:

Sr. No.	Name of the Entity	Particulars of Loan, Guarantee and Investments	Amount in ₹	Key terms & Conditions	Purpose for which the loan or guarantee or security is proposed to be utilized
1.	Ojas Industries Private Limited	Opening balance	7,86,53,699	Loan given @12% p.a., unsecured repayable on demand	Business Purpose
		During the Year 2016-17	47,39,526		
		Outstanding as at March 31,2017	8,33,93,225		

MATERIAL EVENTS THAT HAVE OCCURRED AFTER THE BALANCE SHEET DATE

There has been no material changes and commitments affecting financial position of the Company that have occurred between the balance sheet date and date of this report.

IMPACTING ON GOING CONCERN STATUS AND COMPANY'S OPERATIONS

There has been no significant and material orders passed by any regulators or courts or tribunals impacting the going concern status and Company's operations in future.

DIRECTORS

Mrs. Kiran Anuj (DIN: 02606822) ceased to be the Director of the Company with effect from June 20, 2016. The Board recorded its appreciation for the contribution made by Mrs. Kiran Anuj during her tenure of Directorship.

Mr. Ved Prakash Agrawal (DIN: 00306940) will retire by rotation and being eligible offers himself for re-appointment. The appointment of Mr. Ved Prakash Agrawal is in compliance with the provisions of Section 164(2) of the Companies Act 2013.

The Board of Directors recommend his re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013 with respect to the directors' responsibility statement, it is hereby confirmed that:

(a) in the preparation of the annual accounts for the year ended March 31, 2017 the applicable Accounting standards had been followed along with proper explanation relating to the material departures;

(b) the directors of the Company had 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 March 31, 2017 and loss of the Company for the year ended March 31, 2017.

(c) the directors of the Company had taken proper and sufficient care for the maintenance of proper accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the directors of the Company had prepared the accounts of the Company for the financial year ended March 31, 2017 on a going concern basis and;

(e) the directors of the Company had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RISK MANAGEMENT

The Company, like any other enterprise, is exposed to business risk which can be an internal risks as well as external risks. Any unexpected changes in regulatory framework pertaining to fiscal benefits, fluctuations in fuel prices and foreign currency and other related issue can affect company's operations and profitability. However the Company is well aware of the above risks and as part of business strategy has formulated a Risk Management Policy.

The Risk Policy approved by the Board, lays down the roles and responsibilities of the various functions in relation to risk management covering a range of responsibilities, from the strategic to the operational. These role, inter alia, provide the foundation for your Company's Risk Management Policy and Framework that is endorsed by the Board and is aimed at ensuring formulation of appropriate risk management procedures and their effective implementation. The Company is in the process of implementing the current Risk Management Framework that consists of the following key elements:

- The Corporate Risk Management policy facilitates the identification and prioritization of strategic and operational risks, development of appropriate mitigation strategies and conducts periodic reviews of the progress on the management of identified risks.
- The risk policy brings robustness to the process of ensuring that business risks are effectively addressed.
- Appropriate structures are in place to proactively monitor and manage the inherent risks in businesses with unique / relatively high risk profiles.
- The periodical planning exercise requires the management to clearly identify their top risks and set out a mitigation plan with agreed timelines and accountability.

The combination of policies and processes as outlined above is expected to adequately address the various risks associated with your Company's businesses.

CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR) AND ITS IMPLEMENTATION:

The Company is not required to have and implement CSR Policy.

AUDITORS AND INDEPENDENT AUDITORS' REPORT

M/s. R. S. Dani & Co., Chartered Accountants, Ajmer (Firm Registration Number 000243C), were appointed as Statutory Auditors at the Tenth Annual General Meeting to hold office from the conclusion of the Tenth Annual General Meeting till the conclusion of the Fifteenth Annual General Meeting subject to ratification of such appointment at subsequent Annual General Meetings of the Company.

The Board of Directors recommends to the shareholders to ratify the appointment of M/s. R.S. Dani & Co., as Statutory Auditors of the Company at the ensuing Annual General Meeting of the Company.

The report of the Auditors read together with notes to accounts are self explanatory and hence do not call for any further information and explanation under Section 134(3)(f)(i) of the Companies Act, 2013.

DEPOSITS

The Company has not accepted any deposits within the meaning of Chapter V of The Companies Act, 2013 during the year under review. No deposit remained unpaid or unclaimed as at the end of the year and accordingly there has been no default in repayment of deposits or payment of interest thereon during the year.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as prescribed under sub-section (3) (m) of Section 134 of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 to the extent applicable with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are as under:

(A) Conservation of Energy

- (i) The steps taken or impact on conservation of energy : ------
- (ii) The steps taken by the Company for utilizing alternate sources of energy : ------
- (iii) The capital investment on energy conservation and equipments : ------

(B) Technology Absorption

- (i) The efforts made towards technology absorption : ------
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution : ------
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the year) : ------
  - (a) The details of technology imported
  - (b) The year of import
  - (c) Whether the technology has been fully absorbed
  - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- (iv) The expenditure incurred on research and development : ------

(C) Foreign Exchange Earnings and Outgo

- (i) The Foreign Exchange earned in terms of actual inflows during the Financial Year 2016 – 17 : NIL
- (ii) The Foreign Exchange outgo during the financial year 2016 – 17 in terms of actual outflows. : ₹ 5,62,00,180

ANTI SEXUAL HARASSMENT POLICY

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.

The following is the summary of sexual harassment complaints received and disposed off during the current financial year.

Number of Complaints received : Nil

Number of Complaints disposed off : Nil

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197 of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is attached as 'Annexure III' which forms part of this report.

ACKNOWLEDGEMENTS

Your directors express their appreciation for the sincere co-operation and assistance of Government authorities, bankers, customers and business associates as well as Directors and Employees of its Holding Company.

Your Directors acknowledge with gratitude the support extended by valued shareholders.

For and on behalf of the Board of Directors

Date: May 22, 2017
Place: Noida

Sanjeev Kumar
Director
(DIN: 00364416)

Ved Prakash Agrawal
Director
(DIN: 00306940)

Annexure-I of the Directors' Report

Extract of Annual Return as on the financial year ended on March 31, 2017

[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	U65993MH2005PTC154529
ii)	Registration Date	July 6, 2005
iii)	Name of the Company	Bajaj Aviation Private Limited
iv)	Category / Sub-Category of the Company	Private
v)	Address of the Registered office and contact details	2nd Floor, Bajaj Bhawan, Jamnalal Bajaj Marg, 226 Nariman Point, Mumbai - 400021 Tel.:+91-22-22023626 Website: www.bajajaviation.com
vi)	Whether listed company	~~Yes~~/No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

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	% to total turnover of the Company
1	Transport and Storage - Air Transport	H4	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Bajaj Hindusthan Sugar Limited Golagokarannath, Lakhimpur-Kheri, District: Kheri, Uttar Pradesh – 262802	L15420UP1931PLC065243	Holding	100	2(46)

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	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.*	0	5000000	5000000	100.00	0	5000000	5000000	100.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other….	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):-	0	5000000	5000000	100.00	0	5000000	5000000	100.00	0.00

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	
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
b) Other – Individuals	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
c) Bodies Corp.	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
d) Banks / FI	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
e) Any Other….	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
Sub-total (A) (2):-	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	0	5000000	5000000	100.00	**0**	**5000000**	**5000000**	**100.00**	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
b) Banks / FI	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
c) Central Govt.	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
d) State Govt. (s)	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
e) Venture Capital Funds	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
f) Insurance Companies	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
g) FIIs	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
i) Others (specify)	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
Sub-total (B)(1):-	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
2. Non- Institutions									
a) Bodies Corp.	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
i) Indian	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
ii) Overseas	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
b) Individuals	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
c) Others (specify)	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
Sub-total (B)(2):-	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
Grand Total (A+B+C)	0	5000000	5000000	100.00	**0**	**5000000**	**5000000**	**100.00**	0.00

* includes 1 equity share held by Mr. Kushagra Bajaj with beneficial interest therein being held by Bajaj Hindusthan Sugar Limited.

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	Bajaj Hindusthan Sugar Limited*	5000000	100.00	0.00	**5000000**	**100.00**	**0.00**	0.00
	Total	5000000	100.00	0.00	**5000000**	**100.00**	**0.00**	**0.00**

* includes 1 equity share held by Mr. Kushagra Bajaj with beneficial interest therein being held by Bajaj Hindusthan Sugar Limited.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		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
1.	Bajaj Hindusthan Sugar Limited*				
	At the beginning of the year	5000000	100.00	5000000	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.):	0	0	0	0
	At the End of the year	5000000	100.00	5000000	100.00

* includes 1 equity share held by Mr. Kushagra Bajaj with beneficial interest therein being held by Bajaj Hindusthan Sugar Limited.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0.00	0	0.00
	At the End of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1.	**For Each of the Directors and KMP**	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0.00	0	0.00
	At the End of the year	0	0.00	0	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment — Amount in ₹

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	0	24,40,00,000	0	24,40,00,000
ii)	Interest due but not paid	0	9,84,15,679	0	9,84,15,679
iii)	Interest accrued but not due				
Total (i+ii+iii)		**0**	**34,24,15,679**	**0**	**34,24,15,679**
Change in Indebtedness during the financial year					
	• Addition	0	0	0	0
	• Reduction	0	0	0	0
NetChange					
Indebtedness at the end of the financial year					
i)	Principal Amount	0	24,40,00,000	0	24,40,00,000
ii)	Interest due but not paid	0	12,76,78,111	0	12,76,78,111
iii)	Interest accrued but not due				
Total (i+ii+iii)		**0**	**37,16,78,111**	**0**	**37,16,78,111**

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
		----	---	---	----	
1.	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 (c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	0	0	0	0	0
2.	Stock Option	NA	NA	NA	NA	NA
3.	Sweat Equity	NA	NA	NA	NA	NA
4.	Commission - as % of profit - others, specify	0	0	0	0	0
5.	Others, please specify	0	0	0	0	0
	Total (A)	0	0	0	0	0
	Ceiling as per the Act	₹ 30 Lakhs p.a.	₹ 30 Lakhs p.a.	₹ 30 Lakhs p.a.	₹ 30 Lakhs p.a.	--

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
			-----	----	----
1.	**Independent Directors**	NA	NA	NA	NA
	• Fee for attending board/ committee meetings				
	• Commission				
	• Others, please specify				
	Total (1)				
2.	Other Non-Executive Directors	Sanjeev Kumar (DIN: 00364416)	Ved Prakash Agrawal (DIN: 00306940)	Kiran Anuj** (DIN: 02606822)	
	• Fee for attending board/ committee meetings	0	0	0	0
	• Commission	0	0	0	0
	• Others, please specify	0	0	0	0
	Total (2)	0	0	0	0
	Total (B)=(1+2)	0	0	0	0
	Total Managerial Remuneration	0	0	0	0
	Overall Ceiling as per the Act	NA	NA	NA	NA

** Mrs. Kiran Anuj ceased to be Director of the Company with effect from June 20, 2016

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(In ₹ crore)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	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 (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	NA	--	NA	NA
2.	Stock Option	NA	--	NA	NA
3.	Sweat Equity	NA	--	NA	NA
4.	Commission - as % of profit - others, specify	NA	--	NA	NA
5.	Others, please specify	NA	--	NA	NA
	Total	NA	--	NA	NA

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	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. DIRECTORS					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. OTHER OFFICERS IN DEFAULT					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

For and on behalf of the Board of Directors

Date: May 22, 2017
Place: Noida

Sanjeev Kumar
Director
(DIN: 00364416)

Ved Prakash Agrawal
Director
(DIN: 00306940)

Annexure-II to Directors' Report for the year ended March 31, 2017

FORM AOC-2

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 thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: - NIL
   (a) Name(s) of the related party and nature of relationship
   (b) Nature of contracts/arrangements/transactions
   (c) Duration of the contracts / arrangements/transactions
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any
   (e) Justification for entering into such contracts or arrangements or transactions
   (f) date(s) of approval by the Board
   (g) Amount paid as advances, if any:
   (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
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: Bajaj Hindusthan Sugar Limited (formerly Bajaj Hindusthan Limited) (Holding Company)
   (b) Nature of contracts/arrangements/transactions:
      (1) Lease Rent Paid for Aircraft Falcon LX 2000: Rs.7.56 Crore
   (c) Duration of the contracts / arrangements/transactions: (1) 20 years from the date of Agreement i.e. November 22, 2012.
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
      (1) Lease Rent of ₹ 60,00,000 to be paid by seventh day of the month, in advance.
   (e) Date(s) of approval by the Board, if any: (1) October 17, 2012 and April 23, 2013.
   (f) Amount paid as advances, if any: NIL

For and on behalf of the Board of Directors

Date: May 22, 2017
Place: Noida

Sanjeev Kumar
Director
(DIN: 00364416)

Ved Prakash Agrawal
Director
(DIN: 00306940)

ANNEXURE - III to the Directors' Report for the year ended March 31, 2017

Statement under Section 197(12) of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sr. No.	Name of Employee	Designation/ Nature of Duties	Remuneration received (₹)	Qualification	Age (years)	Experience (No. of years)	Date of Commencement of employment	Last employment held	% of Equity Shares Held	If relative of any director / manager
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**
A. Top 10 (Ten) Employees in terms of remuneration drawn.										
1	Dheeraj Maudgil	Asst. Manager (F & A)	3,20,055	BCom., MCom. & MBA	35	11	01/11/2016	Bajaj Infrastructure Development Co. Ltd.	NA	NA
B. Employee employed throughout the financial year and who was in receipt of the remuneration for that financial year in the aggregate of not less than ₹ 1,02,00,000 per annum.										
Sr. No.	**Name of Employee**	**Designation/ Nature of Duties**	**Remuneration received (₹)**	**Qualification**	**Age (years)**	**Experience (No. of years)**	**Date of Commencement of employment**	**Last employment held**	**% of Equity Shares Held**	**If relative of any director / manager**
- NIL -										
C. Employees employed for a part of the financial year and who were in receipt of the remuneration for that financial year at a rate not less than ₹ 8,50,000 per month.										
Sr. No.	**Name of Employee**	**Designation/ Nature of Duties**	**Remuneration received (₹)**	**Qualification**	**Age (years)**	**Experience (No. of years)**	**Date of Commencement of employment**	**Last employment held**	**% of Equity Shares Held**	**If relative of any director / manager**
- NIL -										
D. Employees employed throughout the financial year or part thereof and in receipt of remuneration for that financial year in aggregate at a rate which is in excess of that drawn by Managing Director or Whole Time Director or Manager and holds by himself or along with spouse and dependent children, not less than two percent of the Equity shares of the Company.										
Sr. No.	**Name of Employee**	**Designation/ Nature of Duties**	**Remuneration received (₹)**	**Qualification**	**Age (years)**	**Experience (No. of years)**	**Date of Commencement of employment**	**Last employment held**	**% of Equity Shares Held**	**If relative of any director / manager**
- NIL -										

Note: Remuneration means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

INDEPENDENT AUDITORS' REPORT

To the Members of Bajaj Aviation Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Bajaj Aviation Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity 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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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 of the Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2017, and its losses (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" 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, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
   e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act;
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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.
      iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the Company.

For R.S. Dani& Co.
Chartered Accountants
ICAI Firm registration number:000243C

C.P. Kothari
Partner
Membership No.: 072229

Place: Noida
Date: May 22, 2017

ANNEXURE 'A'

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, all the fixed assets have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on verification.

(c) Based upon the audit procedure performed and according to the records of the Company, there is no immovable property held by the Company.Accordingly, the provisions of clause 3(i)(c) of the Order is not applicable to the Company and hence not commented upon.

(ii) The Company did not have any inventory during the year. Accordingly, the provision of clause 3(ii) of the Order is not applicable to the Company and hence not commented upon.

(iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to the companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a) to 3(iii)(c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of Act, in respect of loans, investments, guarantees, and security to the extent applicable to it.

(v) According to the information and explanations given to us, the company has not accepted any deposit from the public within the meaning of Section 73 to 76 of the Act and the rules framed thereunder. Therefore, the provision of clause 3(v) of the Order is not applicable to the Company.

(vi) To the best of our knowledge and as explained, the Company is not required to maintained the cost records under sub-section (1) of Section 148 of the Act, read with rule 3 of the Companies (Cost Records and Audit) Rules, 2014, for the services rendered by it. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.

(vii) (a) According to records of the Company, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Income-tax, Service-tax, Custom Duty, Cess and other statutory dues to the extent applicable to it. The provisions of Provident fund, Employees' State Insurance, Excise Duty and Value Added tax are not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Service tax, Customs Duty, Cess and other material statutory dues were 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, there are no dues of income tax, service tax and customs duty which have not been deposited on account of any dispute.

(viii) Based on documents and records produced to us, the Company has not taken any loan from bank or financial institution or Government and has not obtained any borrowings by way of debentures. Accordingly, the provision of clause 3(viii) of the Order is not applicable to the Company and hence not commented upon.

(ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

(xi) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not paid or provided managerial remuneration during the year. Therefore, the provision of clause 3(xi) of the Order is not applicable to the Company and hence not commented upon.

(xii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

(xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.

(xv) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not entered into any non-cash transaction with directors or persons connected with him.

(xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For R.S. Dani & Company
Chartered Accountants
ICAI Firm registration number:000243C

C.P. Kothari
Partner
Membership No.: 072229

Place: Noida
Date : May 22, 2017

ANNEXURE 'B'

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF BAJAJ AVIATION PRIVATELIMITED

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

We have audited the internal financial controls over financial reporting of Bajaj Aviation Private Limited("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For R.S. Dani & Co.
Chartered Accountants
ICAI Firm registration number:000243C

C.P. Kothari
Partner
Membership No.: 072229

Place: Noida
Date : May 22, 2017

Balance Sheet as at March 31, 2017

Amount in ₹

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
Non-current assets				
Property, plant & equipment	3	6,65,81,102	7,18,92,883	7,72,96,744
Financial assets				
Loans	4	56,50,000	56,50,000	56,50,000
		7,22,31,102	7,75,42,883	8,29,46,744
Current assets				
Financial assets				
Trade receivable	5	8,61,01,845	3,34,44,973	3,49,56,402
Cash and cash equivalents	6	79,01,094	80,95,607	69,90,726
Other bank balance	7	4,63,559	-	-
Loans	4	8,33,93,225	7,86,53,699	7,93,48,274
Other current assets	8	54,83,535	29,87,791	1,08,57,773
Current tax assets (net)	9	61,80,364	84,46,855	71,27,120
		18,95,23,622	13,16,28,925	13,92,80,295
Total Assets		26,17,54,724	20,91,71,808	22,22,27,039
EQUITY AND LIABILITIES				
Equity				
Equity share capital	10	5,00,00,000	5,00,00,000	5,00,00,000
Other equity	11	(42,44,35,036)	(37,03,97,359)	(27,37,48,667)
		(37,44,35,036)	(32,03,97,359)	(22,37,48,667)
Liabilities				
Non-current liabilities				
Deferred tax liabilities (net)	12	-	-	-
		-	-	-
Current liabilities				
Financial liabilities				
Borrowings	13	37,16,78,111	34,24,15,679	31,31,50,319
Trade payables	14	25,26,33,073	17,63,01,449	11,02,20,005
Other financial liabilities	15	99,45,458	1,01,41,240	1,73,00,000
Other current liabilities	16	19,33,118	7,10,799	53,05,382
		63,61,89,760	52,95,69,167	44,59,75,706
Total Equity & Liabilities		26,17,54,724	20,91,71,808	22,22,27,039

See accompanying notes (1-31) to the financial statements
As per our Report of even date
For R. S. Dani & Co. For and on behalf of the Board
Chartered Accountants
(Registration No. 000243C)

C. P. Kothari Partner Membership No. 072229
Ved Prakash Agrawal Director (DIN: 00306940)
Sanjeev Kumar Director (DIN: 00364416)

Place: Noida
Date : 22nd May 2017

Statement of Profit & Loss for the Period ended March 31, 2017

Amount in ₹

Particulars	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
Income			
Revenue from operations	17	21,91,61,528	14,47,63,702
Other income	18	52,30,164	50,65,854
Total Income		22,43,91,692	14,98,29,556
Expenses			
Operating expenses	19	24,02,30,751	20,91,64,964
Employee benefits expense	20	3,28,269	65,010
Finance costs	21	2,93,08,391	2,93,27,283
Depreciation and amortisation expense	3	53,11,781	53,92,728
Other expenses	22	23,84,829	25,28,263
Total expenses		27,75,64,021	24,64,78,248
Profit/(Loss) before tax		(5,31,72,329)	(9,66,48,692)
Tax Expense			
Current tax		-	-
Income tax of earlier year		8,65,348	-
Profit/(Loss) for the year		(5,40,37,677)	(9,66,48,692)
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss:		-	-
Items that will be reclassified subsequently to profit or loss:		-	-
Total other comprehensive income, net of tax		-	-
Total comprehensive income for the period		(5,40,37,677)	(9,66,48,692)
Earning Per Equity Share of ₹ 10/- each:			
Basic (₹)	23	(10.81)	(19.33)
Diluted (₹)		(10.81)	(19.33)

See accompanying notes (1-31) to the financial statements

As per our Report of even date
For R. S. Dani & Co. For and on behalf of the Board
Chartered Accountants
(Registration No. 000243C)

C. P. Kothari Partner Membership No. 072229
Ved Prakash Agrawal Director (DIN: 00306940)
Sanjeev Kumar Director (DIN: 00364416)

Place: Noida
Date : 22nd May 2017

Statement of Changes in Equity for the period ended March 31, 2017

		Nos.	Amount in ₹
A	**Equity share capital**		
	Equity share of ₹10 each issued, subscribed and fully paid		
	At April 1, 2015	50,00,000	**5,00,00,000**
	Issue of share capital (Note 10)	-	-
	At March 31, 2016	50,00,000	**5,00,00,000**
	Issue of share capital (Note 10)	-	-
	At March 31, 2017	**50,00,000**	**5,00,00,000**

B Other Equity

Particulars	Reserve & Surplus Retained earnings	Total
As at April 01, 2016	(37,03,97,359)	**(37,03,97,359)**
Profit / (Loss) for the year	(5,40,37,677)	(5,40,37,677)
Other comprehensive income	-	-
As at March 31, 2017	**(42,44,35,036)**	**(42,44,35,036)**

Particulars	Reserve & Surplus Retained earnings	Total
As at April 01, 2015	(27,37,48,667)	(27,37,48,667)
Profit / (Loss) for the year	(9,66,48,692)	(9,66,48,692)
Other comprehensive income	-	-
As at March 31, 2016	**(37,03,97,359)**	**(37,03,97,359)**

See accompanying notes (1-31) to the financial statements
As per our Report of even date
For R. S. Dani & Co. For and on behalf of the Board
Chartered Accountants
(Registration No. 000243C)

C. P. Kothari Partner Membership No. 072229
Ved Prakash Agrawal Director (DIN: 00306940)
Sanjeev Kumar Director (DIN: 00364416)

Place: Noida
Date : 22nd May 2017

Statement of Cash Flow for the year ended March 31, 2017

Amount in ₹

	Particulars	As at March 31, 2017	As at March 31, 2016
A.	**Cash Flow from Operating Activities:**		
	Net Profit Before Tax as per Statement of Profit and Loss	(5,31,72,329)	(9,66,48,692)
	Adjusted for:		
	Depreciation	53,11,781	53,92,728
	Finance costs	2,93,08,391	2,93,27,283
	Profit on sale of property, plant and equipments	-	(1,978)
	Interest Income	(48,69,346)	(48,08,165)
	Operating Profit Before Working Capital Changes	**(2,34,21,503)**	**(6,67,38,824)**
	Movements in Working Capital :		
	Increase/(decrease) in Trade & Other Payable	7,73,58,161	5,43,28,101
	(Increase)/decrease in Trade & Other Receivable	(5,51,52,616)	93,81,411
	Cash generated from/(used in) operations	(12,15,958)	(30,29,312)
	Direct Taxes Paid (Net of Refunds)	14,01,143	(13,19,735)
	Net Cash Flow/ (Used) From Operating Activities (A)	**1,85,185**	**(43,49,047)**
B.	**Cash Flow From Investing Activities:**		
	Sale of property, plant and equipment	-	13,111
	Inter Corporate loans	474	55,00,000
	Interest Received	1,15,787	2,740
	Bank deposits with more than 3 month maturity	(4,50,000)	-
	Net Cash Flow/ (Used) in Investing Activities (B)	**(3,33,739)**	**55,15,851**
C.	**Cash Flow From Financing Activities:**		
	Finance cost	(45,959)	(61,923)
	Net cash from/ (used in) financing activities (C)	(45,959)	(61,923)
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(1,94,513)	11,04,881
	Cash and cash equivalents (opening balance)	80,95,607	69,90,726
	Cash and cash equivalents (closing balance) (refer Note 6)	79,01,094	80,95,607

See accompanying notes (1-31) to the financial statements
Notes:
1. The above cash flow statement has been prepared under the "Indirect Method".
2. Figures in brackets indicate cash outflow and without brackets indicate cash inflow.

For R. S. Dani & Co. For and on behalf of the Board
Chartered Accountants
(Registration No. 000243C)

C. P. Kothari Partner Membership No. 072229
Ved Prakash Agrawal Director (DIN: 00306940)
Sanjeev Kumar Director (DIN: 00364416)

Place: Noida
Date : 22nd May 2017

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

1 Corporate Information

Bajaj Aviation Private Limited is a private limited Company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400021.
The Company is a wholly own subsidiary company of Bajaj Hindustan Sugar Ltd. The Company is engaged in providing non scheduled passenger air transport services. Information on related party relationships of the Company is provided in Note 28.

2 Significant Accounting Policies

a. Basis of preparation of financial statements:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under the Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Refer to note 30 ("First Time Adoption of Ind AS") for information on how the Company adopted Ind AS.

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

b. Significant accounting judgements, estimates and assumptions:

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

c. Operating Cycle:

All asset and liabilities have been classified as current or non-current as per the Company normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act. Based on the nature of services and the time between the acquisition of asset for providing of services and their realisation in cash and cash equivalents, the Company has ascertained it's operating cycle as 12 months for the purpose of current non-current classification of assets and liabilities.

d. Revenue Recognition:

i) Charter income

Revenue is recognised as and when service is rendered and to the extent that it is probable that the economic benefits will flow to the Company and the same can be reliably measured. Amounts received in advance towards travel bookings / reservations are shown under current liabilities as unearned revenue. Revenue is measured at the fair value of the consideration received or receivable.

ii) Interest income

Interest income from financial asset is recognised when it is probable that the economic benefits will flow to the Company and amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

e. Property, Plant & Equipments:

All the property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management.

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method which is in accordance with Schedule II of the Companies Act, 2013.

For the transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipments recognised as of April 1, 2015 (transition date) measured as the previous GAAP and used that carrying value as deemed cost as of the transition date

f. Foreign currency transactions:

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Monetary foreign currency assets and liabilities outstanding at the close of the financial year are revalorized at the exchange rates prevailing on the balance sheet date. Exchange differences arising on account of fluctuation in the rate of exchange is recognised in the Statement of Profit and Loss.

g. Earning Per Share:

Basic earnings per share are calculated by dividing the total comprehensive income for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, total comprehensive income for the period and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

h. Taxation :

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961 enacted in India. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred income taxes reflects the impact of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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 and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws.

Deferred tax assets are recognised 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. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

i. Provisions:

Provisions involving a substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are disclosed in the financial statements, unless possibility of an outflow of resources embodying economic benefit is remote. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

j. Employee retirement benefits:

Liabilities in respect of retirement benefits in the form of Gratuity and Leave Encashment, are determined and accrued on actual basis.

k. Borrowing Cost :

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

l. Leases:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of Profit and Loss .

m. Impairments of non financial assets:

The Carrying amount of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss will be charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

m. Cash and Cash equivalents:

Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

n. Fair Value

Fair value 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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

o. Financial Instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets held by the Company is classified as debt instruments at amortised cost.

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to Loans, bank and other deposits.

(iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset.

(iv) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure.

ECL impairment loss allowance (or reversal) is recognised as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. In balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of financial assets.

b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade payables and borrowings.

(ii) Subsequent measurement

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

c) Offsetting of financial instruments

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

Amount in ₹

		Helicopter (Bell 407)	Computers	Furnitures & Fixtures	Office Equipments	Total
3	**Property, Plant & Equipments:**					
	Cost					
	As of April 1, 2015	7,66,79,104	1,65,003	87,236	3,65,401	7,72,96,744
	Additions	-	-	-	-	-
	Disposals	-	17,328	-	-	17,328
	As of March 31, 2016	**7,66,79,104**	**1,47,675**	**87,236**	**3,65,401**	**7,72,79,416**
	Additions	-	-	-	-	-
	Disposals	-	-	-	-	-
	As of March 31, 2017	**7,66,79,104**	**1,47,675**	**87,236**	**3,65,401**	**7,72,79,416**
	Depreciation and Impairment					
	As of April 1, 2015	-	-	-	-	-
	Depreciation charge for the year	51,86,731	1,05,616	10,611	89,770	53,92,728
	Disposals	-	6,195	-	-	6,195
	As of March 31, 2016	**51,86,731**	**99,421**	**10,611**	**89,770**	**53,86,533**
	Depreciation charge for the year	51,87,853	23,592	10,615	89,721	53,11,781
	Disposals	-	-	-	-	-
	As of March 31, 2017	**1,03,74,584**	**1,23,013**	**21,226**	**1,79,491**	**1,06,98,314**
	Net book value					
	As at April 1, 2015	7,66,79,104	1,65,003	87,236	3,65,401	7,72,96,744
	As at March 31, 2016	7,14,92,373	48,254	76,625	2,75,631	7,18,92,883
	As at March 31, 2017	**6,63,04,520**	**24,662**	**66,010**	**1,85,910**	**6,65,81,102**

Carrying Amount

Amount in ₹

	As At March 31, 2017	As At March 31, 2016	As At April 1, 2015
Property, plant and equipment			
Helicopter (Bell 407)	6,63,04,520	7,14,92,373	7,66,79,104
Computers	24,662	48,254	1,65,003
Furnitures & Fixtures	66,010	76,625	87,236
Office Equipments	1,85,910	2,75,631	3,65,401
Total	**6,65,81,102**	**7,18,92,883**	**7,72,96,744**

		As At March 31, 2017	As At March 31, 2016	As At April 1, 2015
4	**Loans** (Unsecured, considered good, unless otherwise stated)			
	Non Current			
	Security deposits	56,50,000	56,50,000	56,50,000
		56,50,000	**56,50,000**	**56,50,000**
	Current			
	Inter Corporate Loans	8,33,93,225	7,86,53,699	7,93,48,274
		8,33,93,225	**7,86,53,699**	**7,93,48,274**
	Total	**8,90,43,225**	**8,43,03,699**	**8,49,98,274**
5	**Trade Receivable** (Unsecured, considered good, unless otherwise stated)			
	From Related Parties (Refer note 28)	7,55,25,358	2,44,65,986	2,88,21,711
	From Other Parties	1,05,76,487	89,78,987	61,34,691
	Total	**8,61,01,845**	**3,34,44,973**	**3,49,56,402**
6	**Cash and Cash Equivalents**			
	Balances with Banks	38,36,063	80,94,668	69,56,094
	Fixed Deposits with original maturity of less than three months	40,27,738	-	-
	Cash on Hand	37,293	939	34,632
	Total	**79,01,094**	**80,95,607**	**69,90,726**
7	**Other Bank Balances**			
	Fixed deposits maturing within 12 months from reporting date	4,63,559	-	-
	Total	**4,63,559**	**-**	**-**

Amount in ₹

		As At March 31, 2017	As At March 31, 2016	As At April 1, 2015
8	**Other Current Assets**			
	Prepaid Expenses	5,84,293	6,94,695	12,30,895
	Other advances	27,74,429	6,59,658	88,65,363
	Balance with government authorities	21,24,813	16,33,438	7,61,515
	Total	**54,83,535**	**29,87,791**	**1,08,57,773**
9	**Current Tax Assets (Net)**			
	Advance payment of taxes (Net)	61,80,364	84,46,855	71,27,120
	Total	**61,80,364**	**84,46,855**	**71,27,120**
10	**Equity Share Capital**			
A.	**Authorised, issued, subscribed and paid up share capital Authorised:**			
	50,00,000 (March 31,2016: 50,00,000, April 1, 2015: 50,00,000) Equity Shares of ₹10/- each	5,00,00,000	5,00,00,000	5,00,00,000
		5,00,00,000	**5,00,00,000**	**5,00,00,000**
	Issued, Subscribed & Paid up Capital:			
	50,00,000 (March 31,2016: 50,00,000, April 1, 2015: 50,00,000) equity shares of ₹10/- each	5,00,00,000	5,00,00,000	5,00,00,000
		5,00,00,000	**5,00,00,000**	**5,00,00,000**

B. There is no change in the share capital during the current and preceding year.

C. **Terms/ Rights attached to Equity Shares :**
The company has one class of equity shares having par value of ₹10/- per share. All equity shares are ranking pari passu in all respects including dividend. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

D. **Shares held by Holding Company / Shareholders holding more than 5% shares:**

Name of shareholder	% of Holding	Nos of Shares
Bajaj Hindusthan Sugar Limited (Holding Company)*#		
As at March 31, 2017	100%	50,00,000
As at March 31, 2016	100%	50,00,000
As at April 1, 2015	100%	50,00,000

* Name of the holding company has changed from Bajaj Hindusthan Limited to Bajaj Hindusthan Sugar Limited w.e.f. January 30, 2015
# Includes one share of nominee share holder.

		As At March 31, 2017	As At March 31, 2016	As At April 1, 2015
11	**Other Equity**			
	Retained Earnings :			
	Balance at beginning of year	(37,03,97,359)	(27,37,48,667)	(14,78,15,334)
	Profit/ (loss) for the year	(5,40,37,677)	(9,66,48,692)	(12,59,33,333)
	Balance at end of year	**(42,44,35,036)**	**(37,03,97,359)**	**(27,37,48,667)**
12	**Deferred Tax Liabilities (Net)**			
	Deferred tax liabilities :			
	Depreciation	1,99,86,568	2,12,85,712	2,23,92,728
	Deferred tax assets :			
	Carry forward losses and unabsorbed depreciation	1,99,86,568	2,12,85,712	2,23,92,728
	Deferred tax liabilities / (assets) (net) #	-	-	-

In absence of probability that future taxable profit will be available against which the unused tax losses can be utilised, the Company has recognised deferred tax assets for the carry forward of unused tax losses to the extent of deferred tax liability. The unrecognised tax losses has arised in different financial years and will be expire in eight years from the year of actual loss except for unabsorbed depreciation.

		As At March 31, 2017	As At March 31, 2016	As At April 1, 2015
13	**Current Borrowings**			
	Unsecured			
	Loans from related party (refer note 28)	37,16,78,111	34,24,15,679	31,31,50,319
	Total	**37,16,78,111**	**34,24,15,679**	**31,31,50,319**

Amount in ₹

		As At March 31, 2017	As At March 31, 2016	As At April 1, 2015
14	**Trade Payable**			
	Micro and small enterprises (refer note 25)			
	Related parties (refer note 28)	24,14,25,257	16,70,40,797	9,14,78,597
	Others	1,12,07,816	92,60,652	1,87,41,408
	Total	**25,26,33,073**	**17,63,01,449**	**11,02,20,005**
15	**Other financial Liabilities**			
	Security deposit from Related Parties (refer note 28)	75,00,000	1,00,00,000	1,50,00,000
	Security deposit from others	-	-	23,00,000
	Other Payable	24,45,458	1,41,240	-
	Total	**99,45,458**	**1,01,41,240**	**1,73,00,000**
16	**Other current Liabilities**			
	Statutory Liabilities	16,23,619	7,10,799	53,05,382
	Advance from customers	3,09,499	-	-
	Total	**19,33,118**	**7,10,799**	**53,05,382**

Amount in ₹

		Year ended March 31, 2017	Year ended March 31, 2016
17	**Revenue from operations**		
	Income from Aircraft/ Helicopter	21,91,61,528	14,47,63,702
	Total	**21,91,61,528**	**14,47,63,702**
18	**Other Income**		
	Interest income on		
	- Short term loan	47,40,000	48,05,425
	- Bank deposits	1,29,346	2,740
	- Income tax refund	3,60,818	-
	Profit on sale of Property, plant & equipment	-	1,978
	Miscellaneous Income	-	2,55,711
		52,30,164	**50,65,854**
19	**Operating Expenses**		
	Lease rent (Refer note 27)	7,56,00,000	7,56,00,000
	Fuel expenses	2,01,93,910	1,83,55,224
	ESP engine charges	1,18,96,638	88,01,482
	Retainership fees (Crews)	3,31,80,382	3,66,77,968
	Handling expenses	99,41,906	64,91,811
	Landing & parking charges	1,93,47,890	1,42,88,884
	Training expenses	42,66,156	55,52,650
	Repair & Maintenance	5,70,59,758	3,61,95,402
	Travelling and conveyance	46,65,530	46,43,590
	Rates & Taxes	15,61,304	14,43,245
	Miscellaneous expenses	25,17,277	11,14,708
		24,02,30,751	**20,91,64,964**
20	**Employee Benefits Expense**		
	Salaries and wages (including stipend)	3,20,055	49,000
	Employee's welfare expenses	8,214	16,010
		3,28,269	**65,010**
21	**Finance Costs**		
	Interest expenses on borrowing	2,92,80,000	2,92,80,000
	Other Interest and borrowing costs	28,391	47,283
		2,93,08,391	**2,93,27,283**
22	**Other Expenses**		
	Insurance	9,34,762	11,51,138
	Payment to auditors (refer note 22.1)	40,200	40,000
	Administrative expenses	14,09,867	13,37,125
		23,84,829	**25,28,263**

Amount in ₹

		Year ended March 31, 2017	Year ended March 31, 2016
22.1	**Payment to Auditors :**		
	As auditor:		
	Statutory audit fees	20,100	20,000
	Tax audit fees	20,100	20,000
		40,200	**40,000**
23	**Earning Per Share:**		
	(i) Total comprehensive income for the year	(5,40,37,677)	(9,66,48,692)
	(ii) Weighted average number of equity shares outstanding	50,00,000	50,00,000
	(iii) Basic earning per share	(10.81)	(19.33)
	(iv) Diluted earning per share	(10.81)	(19.33)

24 Segment reporting

As the company's business activity falls within a single segment viz. "Aviation" and the services rendered are substantially being in the domestic market, the disclosure requirements of the Ind AS - 108 "Operating Segment" are not applicable. However it does not have any impact on the true and fair view of the state of affairs in case of Balance Sheet and Statement of Profit and Loss.

25 Based on information available with Company, there are no supplier registered as micro and small enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at March 31, 2017 March 31, 2016 and April 1, 2015 and hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.

26 Details of Specified Bank Notes (SBN)

Amount in ₹

	SBN	Other Denomination Notes #	Total
Closing cash in hand as on 08.11.2016	**1,13,500**	**23,614**	**1,37,114**
Add: Permitted receipts*	-	3,12,000	3,12,000
Less: Permitted payments	-	2,71,825	2,71,825
Less: Amount deposited in Banks	1,13,500	-	1,13,500
Closing cash in hand as on 30.12.2016	**-**	**63,789**	**63,789**

* All receipts shown above are withdrawal from various bank accounts across India.
# Above cash includes USD 355 @65.9432 = ₹ 23,410/-
Amount deposited in denomination : 1000 x 55 and 500 x117

27 Leases

The Company's leasing arrangements are in respect of cancellable operating leases of Aircraft for the period of 20 years from its parent company which can be further renewed by mutually consent at mutually agreed term.

The aggregate lease rentals payable are charged as rent in the statement of profit and loss (Refer note 19).

28 Related party transactions

A Related parties and relationships:

Description of relationships	Name of Related Parties
(i) Holding Company	Bajaj Hindusthan Sugar Limited*
(ii) Entities controlled or jointly controlled by persons who are member of the KMP of the reporting entity or of a parent of the reporting entity	Lalitpur Power Generation Company Limited Bajaj Infrastructure Development Company Limited Bajaj Energy Limited

* Name of the holding company has changed from Bajaj Hindusthan Limited to Bajaj Hindusthan Sugar Limited w.e.f January 30, 2015

B Related Party Transactions:

		Holding Company	Other entities as per (ii) above
Transactions during the year:	**Year ended**		
Interest paid / credited	March 31, 2017	2,92,80,000	-
	March 31, 2016	2,92,80,000	-
Lease rent paid / credited	March 31, 2017	7,56,00,000	-
	March 31, 2016	7,56,00,000	-
Loan taken (including interest)	March 31, 2017	2,92,62,432	-
	March 31, 2016	2,92,65,360	-
Sale of services	March 31, 2017	-	17,72,29,169
	March 31, 2016	-	12,66,30,108
Outstanding at year end	**As at**		
Loans taken	March 31, 2017	37,16,78,111	-
	March 31, 2016	34,24,15,679	-
	April 1, 2015	31,31,50,319	-
Trade payables	March 31, 2017	24,14,25,257	-
	March 31, 2016	16,70,40,797	-
	April 1, 2015	9,14,78,597	-
Trade receivables	March 31, 2017	-	7,55,25,358
	March 31, 2016	-	2,44,65,986
	April 1, 2015	-	2,88,21,711
Security deposit taken	March 31, 2017	-	75,00,000
	March 31, 2016	-	1,00,00,000
	April 1, 2015	-	1,50,00,000

Note:

Related party relationship is as identified by the management based on the available information and relied upon by the auditors.

29 Financial Instruments

29.1 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company is not subject to any externally imposed capital requirements. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company does not have any long term debts hence there is no capital gearing ratio.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

29.2 Categorization of financial instruments

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(i)	**Financial Assets**			
	Measured at amortised cost			
	Trade receivable (note 5)	8,61,01,845	3,34,44,973	3,49,56,402
	Cash and cash equivalents (note 6)	79,01,094	80,95,607	69,90,726
	Loans (note 4)	8,90,43,225	8,43,03,699	8,49,98,274
	Others bank balance (note 7)	4,63,559	-	-
		18,35,09,723	**12,58,44,279**	**12,69,45,402**
(ii)	Financial Liabilities			
	Measured at amortised cost			
	Borrowings (note 13)	37,16,78,111	34,24,15,679	31,31,50,319
	Trade Payables (note 14)	25,26,33,073	17,63,01,449	11,02,20,005
	Other Financial Liabilities (note 15)	99,45,458	1,01,41,240	1,73,00,000
		63,42,56,642	**52,88,58,368**	**44,06,70,324**

29.3 Financial risk management objectives and policies

The management conducts and operates the business in a prudent manner, taking into account the significant risks to which the business is or could be exposed. The primary risk to which the business is exposed, which are unchanged from the previous year, comprise credit risks, liquidity risks and market risks.

Management continuously monitors its cash flows to determine its cash requirements and makes arrangements with its parent company in order to manage exposure to liquidity risk.

Exposure to aforementioned risks are detailed below:

Credit risk
Financial assets that potentially expose the Company to concentration of credit risk comprises trade receivables, loans, bank account and deposits. Credit risk is managed by assessing the credit worthiness of potential customers and the potential for exposure to the market in which they operate, combined with regular monitoring and follow-up. Credit risk on cash and cash equivalents is minimum as the Company's bank accounts are with high credit rated schedule and private banks.

Interest rate risk
The Company is not subject to any significant interest risk. Since, the loan is taken from its parent company. There will be no impact to group as a whole, due to change in rate of interest.

Foreign currency risk management
The Company procure spares parts, training and maintenance services for Aircraft and Helicopter in foreign currency. Consequently, it exposures to exchange rate fluctuations.

The carrying amounts of the company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended April 1, 2015
USD $	46,384.88	67,190.20	1,28,615.58
Euro €	4,426.00	-	-

Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity of profit before tax to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant.

		Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended April 1, 2015
Increase by 5%	USD	1,50,377	2,22,836	4,02,508
Decrease by 5%	USD	(1,50,377)	(2,22,836)	(4,02,508)
Increase by 5%	Euro	15,324	-	-
Decrease by 5%	Euro	(15,324)	-	-

29.4 Fair value measurement

Fair value 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 fair value of the Company's financial assets and financial liabilities which are required to be stated at cost or at amortised cost approximately to their carrying values.

30 First time adoption of Ind AS

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

Deemed cost of property, plant and equipment

The Company has elected to continue with the carrying value of all its property, plant and equipments recognised as of April 1, 2015 (transition date) measured as the previous GAAP and used that carrying value as deemed cost as of the transition date. Considering the nature of business and volume of transactions, there is no material impact of Ind AS adoption on Company's financial statements except for presentation and disclosure changes.

31 The financial statements were approved for issue by the board of directors on 22nd May 2017.

As per our Report of even date

For R. S. Dani & Co.
Chartered Accountants
(Registration No. 000243C)

For and on behalf of the Board

C. P. Kothari
Partner
Membership No. 072229

Ved Prakash Agrawal
Director
(DIN: 00306940)

Sanjeev Kumar
Director
(DIN: 00364416)

Place: Noida
Date : 22nd May 2017

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their Eleventh annual report and the audited financial statement for the financial year ended March 31, 2017.

OPERATIONS AND STATE OF COMPANY'S AFFAIRS

Uttar Pradesh Power Corporation Limited (UPPCL) had granted permission to change the location of the Company's 1980 MW (3 X 660 MW) power project from Bargarh district Chitrakoot to Mirchwara, District Lalitpur, subject to receipt of approval from Uttar Pradesh Electricity Regulatory Commission.

The Company is in the process of obtaining requisite approvals for shifting its project.

During the year under review, the Company had incurred an aggregate expenditure of ₹ 63,48,84,094/- towards net interest and Finance Charges and ₹ 50,207/- towards administrative purpose. Pending Commencement of commercial activities by the Company, these have been considered as pre-operative expenses.

DIVIDEND

Your Directors have not recommended any dividend on the equity shares for the year under review.

TRANSFER OF AMOUNT RESERVES

No amount has been transferred to any reserves during the year under review.

HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company is a wholly owned subsidiary of Bajaj Hindusthan Sugar Limited.

The Company did not have any Subsidiary/Associate Company during the period under review.

EXTRACT OF THE ANNUAL RETURN

An extract of the Annual Return for the year ended March 31, 2017 as provided under sub-section (3) of Section 92 and prescribed under Rule 12 of Companies (Management & Administration) Rules, 2014 is attached as Annexure-I and forms part of this report.

BOARD MEETINGS

During the financial year 2016-2017, the Board of Directors met four times on May 2, 2016, August 24, 2016, December 13, 2016 and March 22, 2017. The gap between any two meetings has been less than four months.

Details of the Board of Directors and Attendance Record of Directors during the financial year ended March 31, 2017 is as under:

Name	DIN	Board Meetings entitled to attend	Board Meetings attended
Mr. D.K. Shukla	00025409	4	3
Dr. Sanjeev Kumar	00364416	4	2
Mr. Pradeep Parakh	00008805	4	2
Mr. Surat Narainmani Tripathi	03350006	4	1

CONSTITUTION OF AUDIT COMMITTEE AND NOMINATION AND REMUNERATION COMMITTEE

Pending appointment of Independent Directors, the Board is yet to constitute an Audit Committee and Nomination and Remuneration Committee as stipulated under Section 177 and Section 178 of the Companies Act, 2013, respectively

SHARE CAPITAL

There are no change in issued, subscribed and paid-up capital of the Company during the year under review.

RELATED PARTIES TRANSACTIONS

The Company has not entered into any contracts or arrangements with Related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013.

INTERNAL FINANCIAL CONTROL

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures. The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013 are provided below:

Sr. No.	Name of the Entity	Particulars of Loan, Guarantee and Investments	Amount in ₹	Key terms & Conditions	Purpose for which the loan or guarantee or security is proposed to be utilized
1	Lambodar Projects Private Limited*	Outstanding as at March 31, 2017	2,66,85,00,000	Investment in Debentures	For Business Purposes.
2	Ojas Industries Private Limited	Outstanding as at March 31, 2017	4,88,36,42,159	Loan given @12% p.a., unsecured; repayable on demand	For Business Purposes.
3	Parakkott Investments India Private Limited	Outstanding as at March 31, 2017	12,87,61,643	Loan given @12% p.a., unsecured; repayable on demand	For Business Purposes.
4	Lambodar Projects Private Limited	Outstanding as at March 31, 2017	2,48,00,00,000	Advance	Advance given for purchase of Land for setting up of power plant.

* Name of "Lambodar Projects Pvt. Ltd." has been changed to "Lambodar Stocks Pvt. Ltd." with effect from 25th April 2017.

MATERIAL EVENTS THAT HAVE OCCURRED AFTER THE BALANCE SHEET DATE

There has been no material changes and commitments affecting financial position of the Company that have occurred between the balance sheet date and date of this report.

IMPACTING ON GOING CONCERN STATUS AND COMPANY'S OPERATIONS

There has been no significant and material orders passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future.

DIRECTORS

Mr. Surat Narainmani Tripathi (DIN: 03350006) will retire by rotation and being eligible, offer himself for re-appointment. The appointment of Mr. Surat Narainmani Tripathi (DIN: 03350006) is in Compliance with provisions of Section 164(2) of the Companies Act,2013. The Board of Directors recommends their re-appointment.

Pursuant to the provision of Section 161 of the Companies Act, 2013, the Board of Directors had appointed Ms. Shalu Bhandari (DIN: 00012556) as an Additional Director on the Board of the Company with effect from March, 22 2017 . In accordance with the provisions of aforesaid Section, Ms. Shalu Bhandari (DIN: 00012556) holds office upto date of the Eleventh Annual General Meeting of the Company. Notice has been received from a member proposing the aforesaid Director as candidate for the office of Independent Director. In the opinion of the Board, aforesaid person fulfil the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as Independent Director of the Company and in independent of the Management. Accordingly, the Board recommends appointment of Ms. Shalu Bhandari (DIN: 00012556) as Independent Director, for approval by the shareholders of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013 with respect to the directors' responsibility statement, it is hereby confirmed that:

(a) in the preparation of the annual accounts for the year ended March 31, 2017 the applicable Accounting standards had been followed along with proper explanation relating to the material departures;

(b) the directors of the Company had 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 March 31, 2017

(c) the directors of the Company had taken proper and sufficient care for the maintenance of proper accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the directors of the Company had prepared the accounts of the Company for the financial year ended March 31, 2017 on a going concern basis and;

(e) the directors of the Company had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RISK MANAGEMENT

The Company, like any other enterprise, is exposed to business risk which can be an internal risks as well as external risks. Any unexpected changes in regulatory framework pertaining to fiscal benefits and other related issue can affect company's operations and profitability. However the Company is well aware of the above risks and as part of business strategy has formulated a Risk Management Policy

The Risk Policy approved by the Board, lays down the roles and responsibilities of the various functions in relation to risk management covering a range of responsibilities, from the strategic to the operational. These role, inter alia, provide the foundation for your Company's Risk Management Policy and Framework that is endorsed by the Board and is aimed at ensuring formulation of appropriate risk management procedures and their effective implementation. The Company is in the process of implementing the current Risk Management Framework that consists of the following key elements:

- The Corporate Risk Management policy facilitates the identification and prioritization of strategic and operational risks, development of appropriate mitigation strategies and conducts periodic reviews of the progress on the management of identified risks.
- The risk policy brings robustness to the process of ensuring that business risks are effectively addressed.
- Appropriate structures are in place to proactively monitor and manage the inherent risks in businesses with unique / relatively high risk profiles.
- The periodical planning exercise requires the management to clearly identify their top risks and set out a mitigation plan with agreed timelines and accountability.

The combination of policies and processes as outlined above is expected to adequately address the various risks associated with your Company's businesses.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY AND ITS IMPLEMENTATION:

The Company is not required to have and implement CSR Policy.

AUDITORS AND INDEPENDENT AUDITORS' REPORT

M/s. R. S. Dani & Co., Chartered Accountants, Ajmer (Firm Registration Number 000243C), were appointed as Statutory Auditors at the Eighth Annual General Meeting to hold office from the conclusion of the Eighth Annual General Meeting till the conclusion of the Thirteenth Annual General Meeting subject to ratification of such appointment at subsequent Annual General Meetings of the Company.

The Board of Directors recommends to the shareholders to ratify the appointment of M/s. R.S. Dani & Co., as Statutory Auditors of the Company.

The report of the Auditors read together with notes to accounts are self explanatory and hence do not call for any further information and explanation under Section 134(3)(f)(i) of the Companies Act, 2013.

DEPOSITS

The Company has not accepted any deposits within the meaning of Chapter V of The Companies Act, 2013 during the year under review. No deposit remained unpaid or unclaimed as at the end of the year and accordingly there has been no default in repayment of deposits or payment of interest thereon during the year.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as prescribed under sub-section (3) (m) of Section 134 of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 to the extent applicable with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are as under:

(A) Conservation of Energy

(i) The steps taken or impact on conservation of energy : ------

(ii) The steps taken by the Company for utilizing alternate sources of energy : ------

(iii) The capital investment on energy conservation and equipments : ------

(B) Technology Absorption

(i) The efforts made towards technology absorption : ------

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution : ------

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the year) : ------

(a) The details of technology imported

(b) The year of import

(c) Whether the technology has been fully absorbed

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and :

(iv) The expenditure incurred on research and development ------

(C) Foreign Exchange Earnings and Outgo :

(i) The Foreign Exchange earned in terms of actual inflows during the Financial Year 2016 – 17 : ------

(ii) The Foreign Exchange outgo during the financial year 2016 – 17 in terms of actual outflows. ------

PARTICULARS OF EMPLOYEES

Since the Company does not have any employee during the year under review, disclosure as required to be made as prescribed under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable.

ACKNOWLEDGEMENTS

Your directors express their appreciation for the sincere co-operation and assistance of Government authorities, bankers, and business associates as well as Directors and Employees of its Holding Company.

Your Directors acknowledge with gratitude the support extended by valued shareholder.

For and on behalf of the Board of Directors

Place: Mumbai	**Shalu Bhandari**	**Pradeep Parakh**
Date: May 26, 2017	Director	Director
	(DIN: 00012556)	(DIN: 00008805)

Annexure-I of the Directors' Report

Extract of Annual Return as on the financial year ended on March 31, 2017

[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	U40102UP2006PTC045331
ii)	Registration Date	June 16, 2006
iii)	Name of the Company	Bajaj Power Generation Private Limited
iv)	Category / Sub-Category of the Company	Private
v)	Address of the Registered office and contact details	Bajaj Bhawan, Jamnalal Bajaj Marg, B-10, Sector 3, Noida, Uttar Pradesh -201301 Tel: 91-120-4045100/555
vi)	Whether listed company	~~Yes~~ / No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

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	% to total turnover of the company
1	Electric Power Generation, Transmission and Distribution	D1	0.00%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Bajaj Hindusthan Sugar Limited Golagokaranath, Lakhimpur-Kheri, District: Kheri, Uttar Pradesh – 262802	L15420UP1931PLC065243	Holding	100	2(46)

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	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.**	0	20000	20000	100.00	0	20000	20000	100.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other….	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):-	0	20000	20000	100.00	0	20000	20000	100.00	0.00

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	
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
b) Other – Individuals	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
c) Bodies Corp.	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
d) Banks / FI	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
e) Any Other….	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
Sub-total (A) (2):-	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	0	20000	20000	100.00	**0**	**20000**	**20000**	**100.00**	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
b) Banks / FI	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
c) Central Govt.	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
d) State Govt. (s)	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
e) Venture Capital Funds	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
f) Insurance Companies	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
g) FIIs	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
i) Others (specify)	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
Sub-total (B)(1):-	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
2. Non- Institutions									
a) Bodies Corp.	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
i) Indian	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
ii) Overseas	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
b) Individuals	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
c) Others (specify)	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
Sub-total (B)(2):-	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	**0**	**0**	**0**	**0.00**	0.00
Grand Total (A+B+C)	0	20000	20000	100.00	**0**	**20000**	**20000**	**100.00**	0.00

* * including 10 equity shares held by 6 individuals jointly with Bajaj Hindusthan Sugar Limited in the following manner:

Mr. Balkishan Muchhal (5 Equity Shares), Mr. Akash Sharma (1 Equity Share), Mr. Suresh Majeshwari (1 Equity Share), Mr. Pradeep Parakh (1 Equity Share), Mr. Praveen Bansal (1 Equity Share) and Mr. Narendra Soni (1 Equity Share).

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	Bajaj Hindusthan Sugar Limited**	20000	100.00	0.00	**20000**	**100.00**	**0.00**	0.00
	Total	20000	100.00	0.00	**20000**	**100.00**	**0.00**	0.00

* * including 10 equity shares held by 6 individuals jointly with Bajaj Hindusthan Sugar Limited in the following manner:

Mr. Balkishan Muchhal (5 Equity Shares), Mr. Akash Sharma (1 Equity Share), Mr. Suresh Majeshwari (1 Equity Share), Mr. Pradeep Parakh (1 Equity Share), Mr. Praveen Bansal (1 Equity Share) and Mr. Narendra Soni (1 Equity Share).

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		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
1	Bajaj Hindusthan Sugar Limited**				
	At the beginning of the year	20000	100.00	20000	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.):	0	0	0	0
	At the End of the year	20000	100.00	20000	100.00

* * including 10 equity shares held by 6 individuals jointly with Bajaj Hindusthan Sugar Limited in the following manner:

Mr. Balkishan Muchhal (5 Equity Shares), Mr. Akash Sharma (1 Equity Share), Mr. Suresh Majeshwari (1 Equity Share), Mr. Pradeep Parakh (1 Equity Share), Mr. Praveen Bansal (1 Equity Share) and Mr. Narendra Soni (1 Equity Share).

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		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
1.	**For Each of the Top 10 Shareholders**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0.00	0	0.00
	At the End of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1.	**For Each of the Directors and KMP**	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0.00	0	0.00
	At the End of the year	0	0.00	0	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Amount in ₹

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	0	8,70,60,00,000	0	8,70,60,00,000
ii)	Interest due but not paid	0	3,96,57,46,415	0	3,96,57,46,415
iii)	Interest accrued but not due	0	0	0	0
Total (i+ii+iii)		**0**	**12,67,17,46,415**	**0**	**12,67,17,46,415**
Change in Indebtedness during the financial year					
	• Addition	0	0	0	0
	• Reduction	0	0	0	0
Net Change		**0**	**0**	**0**	**0**
Indebtedness at the end of the financial year					
i)	Principal Amount	0	8,70,60,00,000	0	8,70,60,00,000
ii)	Interest due but not paid	0	5,00,98,39,583	0	5,00,98,39,583
iii)	Interest accrued but not due	0	0	0	0
Total (i+ii+iii)		**0**	**13,71,58,39,583**	**0**	**13,71,58,39,583**

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
		----	---	---	----	
1.	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 (c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	0	0	0	0	0
2.	Stock Option	NA	NA	NA	NA	NA
3.	Sweat Equity	NA	NA	NA	NA	NA
4.	Commission - as % of profit - others, specify	0	0	0	0	0
5.	Others, please specify	0	0	0	0	0
	Total (A)	0	0	0	0	0
	Ceiling as per the Act	₹ 30 lakh per annum	₹ 30 lakh per annum	₹ 30 lakh per annum	₹ 30 lakh per annum	NA

B. Remuneration to other directors:

Sl. No.	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	Pradeep Parakh (DIN: 00008805)	D.K. Shukla (DIN: 00025409)	Dr. Sanjeev Kumar (DIN: 00364416)	Surat Narainmani Tripathi (DIN: 03350006)	Ms. Shalu Bhandari (DIN: 00012556)	
	• Fee for attending board/ committee meetings	0	0	0	0	0	0
	• Commission	0	0	0	0	0	0
	• Others, please specify						
	Total (2)	0	0	0	0	0	0
	Total (B)=(1+2)	0	0	0	0	0	0
	Total Managerial Remuneration	0	0	0	0	0	0
	Overall Ceiling as per the Act	NA	NA	NA	NA	NA	NA

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(In ₹ crore)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	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 (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	NA	NA	NA	NA
2.	Stock Option	NA	NA	NA	NA
3.	Sweat Equity	NA	NA	NA	NA
4.	Commission - as % of profit - others, specify	NA	NA	NA	NA
5.	Others, please specify	NA	NA	NA	NA
	Total	NA	NA	NA	NA

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	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. DIRECTORS					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. OTHER OFFICERS IN DEFAULT					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 26, 2017

Shalu Bhandari
Director
(DIN: 00012556)

Pradeep Parakh
Director
(DIN: 00008805)

Independent Auditors' Report

To the Members of Bajaj Power Generation Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Bajaj Power Generation Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity 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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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 of the Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2017, and its profit / losses (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" 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, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
   e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act;
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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.
      iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the Company.

For R.S. Dani & Company
Chartered Accountants
ICAI Firm registration number:000243C

C. P. Kothari
Partner
Membership No.: 072229

Place: Mumbai
Date: May 19, 2017

ANNEXURE 'A'

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, all the fixed assets have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on verification.

(c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties are held in the name of the company.

(ii) The Company did not have any inventory during the year. Accordingly, the provision of clause 3(ii) of the Order is not applicable to the Company and hence not commented upon.

(iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to the companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a) to 3(iii)(c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of Act, in respect of loans, investments, guarantees, and security to the extent applicable to it.

(v) According to the information and explanations given to us, the company has not accepted any deposit from the public within the meaning of Section 73 to 76 of the Act and the rules framed thereunder. Therefore, the provision of clause 3(v) of the Order is not applicable to the Company.

(vi) To the best of our knowledge and as explained, the Company is in the process of setup of power plant and has not commenced commercial generation and supply of power. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.

(vii) (a) According to records of the Company, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Income-tax, Service-tax, Custom Duty, Cess and other statutory dues to the extent applicable to it. The provisions of Provident fund, Employees' State Insurance, Excise Duty and Value Added tax are not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Service tax, Customs Duty, Cess and other material statutory dues were 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, there are no dues of income tax, service tax and customs duty which have not been deposited on account of any dispute.

(viii) Based on documents and records produced to us, the Company has not taken any loan from bank or financial institution or Government and has not obtained any borrowings by way of debentures. Accordingly, the provision of clause 3(viii) of the Order is not applicable to the Company and hence not commented upon.

(ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

(xi) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not paid or provided managerial remuneration during the year. Therefore, the provision of clause 3(xi) of the Order is not applicable to the Company and hence not commented upon.

(xii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

(xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.

(xv) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not entered into any non-cash transaction with directors or persons connected with him.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For R.S. Dani & Company
Chartered Accountants
ICAI Firm registration number:000243C

C. P. Kothari
Partner
Membership No.: 072229

Place: Mumbai
Date :May 19, 2017

ANNEXURE 'B'

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF BAJAJ POWER GENERATION PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of Bajaj Power Generation Private Limited("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For R.S. Dani & Company
Chartered Accountants
ICAI Firm registration number:000243C

C. P. Kothari
Partner
Membership No.: 072229

Place: Mumbai
Date :May 19, 2017

Bajaj Power Generation Private Limited (2016-17)

Balance Sheet as at March 31, 2017

Amount in ₹

Particulars	Note	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
ASSETS				
Non-Current Assets				
Property, Plant and Equipments	3	1,02,35,439	1,02,35,439	1,02,35,439
Capital Work-in-Progress	3	3,40,04,65,976	2,76,55,31,675	2,12,67,78,850
Other Non-Current Assets	4	2,48,00,00,000	2,48,00,00,000	2,48,00,00,000
Sub total		**5,89,07,01,415**	**5,25,57,67,114**	**4,61,70,14,289**
Current Assets				
Financial Assets				
Investments	5	2,66,85,00,000	2,66,85,00,000	2,66,85,00,000
Cash and Cash Equivalents	6	47,75,120	50,22,301	34,04,287
Other Bank Balance	7	1,84,17,640	-	-
Loans	8	5,01,24,03,802	4,64,69,75,002	4,29,15,46,202
Current Tax Assets	9	12,19,54,794	9,63,13,086	5,57,09,886
Sub total		7,82,60,51,356	7,41,68,10,389	7,01,91,60,375
Total Assets		**13,71,67,52,771**	**12,67,25,77,503**	**11,63,61,74,664**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	10	2,00,000	2,00,000	2,00,000
Other Equity	11	(40,044)	(40,044)	(40,044)
Sub total		**1,59,956**	**1,59,956**	**1,59,956**
Liabilities				
Current Liabilities				
Financial Liabilities				
Borrowings	12	13,71,58,39,583	12,67,17,46,415	11,62,75,48,775
Other Financial Liabilities	13	1,26,400	1,48,772	25,872
Other Current Liabilities	14	6,26,832	5,22,360	84,40,061
Sub total		13,71,65,92,815	12,67,24,17,547	11,63,60,14,708
Total		**13,71,67,52,771**	**12,67,25,77,503**	**11,63,61,74,664**

See accompanying notes (1 to 26) to the financial statements
As per our attached report of even date

For R. S. Dani & Co.
Chartered Accountants
Firm Registration No.000243C

For and on behalf of the Board

C.P. Kothari
Partner
Membership No. 072229

Shalu Bhandari Director (DIN : 00012556)
Pradeep Parakh Director (DIN : 00008805)

Place : Mumbai
Date : 19.05.2017

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

Amount in ₹

Particulars	Note	As at March 31, 2017	As at March 31, 2016
REVENUES		-	-
I. Revenue from Operations	15	40,98,38,348	40,60,32,000
II. Other Income			
Total Revenue		**40,98,38,348**	**40,60,32,000**
EXPENSES			
Finance Costs	16	40,98,38,348	40,60,32,000
Total Expenses		**40,98,38,348**	**40,60,32,000**
Profit/(Loss) before Tax		-	-
Tax Expenses:		-	-
Current Tax		-	-
Deferred Tax		-	-
Profit/(Loss) after Tax		-	-
Other Comprehensive Income			
(a) Items that will not be reclassified to profit or loss		-	-
(b) Items that will be reclassified to profit or loss		-	-
Total Other Comprehensive Income		-	-
Total Comprehensive Income for the period		-	-
Earnings per Equity Share:	17		
Basic and Diluted (₹)		-	-

See accompanying notes (1 to 26) to the financial statements
As per our attached report of even date

For R. S. Dani & Co.
Chartered Accountants
Firm Registration No.000243C

For and on behalf of the Board

C.P. Kothari
Partner
Membership No. 072229

Shalu Bhandari Director (DIN : 00012556)
Pradeep Parakh Director (DIN : 00008805)

Place : Mumbai
Date : 19.05.2017

Cash Flow Statement for the year ended MARCH 31, 2017

Amount in ₹

Particulars	As at March 31, 2017	As at April 01, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before Tax	-	-
Adjustments		
Finance Costs	40,98,38,348	40,60,32,000
Other Income	(40,70,51,600)	(40,60,32,000)
Operating profit/(Loss) before working capital changes	27,86,748	-
Changes in working Capital:		
Trade and other Receivables	-	-
Trade and other Payables	82,100	(77,94,801)
Cash generation from Operation	28,68,848	(77,94,801)
Payment of direct taxes	(2,56,41,708)	(4,06,03,200)
Net Cash generated/ (used) - Operating Activities	**(2,27,72,860)**	**(4,83,98,001)**
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Property, Plant and Equipments (Including CWIP)	(52,649)	(64,825)
Deposit with original maturity of more than three months	(1,73,98,040)	-
Proceeds / Repayment of Loans to Body Corporate (Net)	4,06,03,200	5,06,03,200
Net Cash Generated/ (Used) - Investing Activities	**2,31,52,511**	**5,05,38,375**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/ Repayment of Current Borrowings (Net)	(6,26,832)	(5,22,360)
Net Cash Generated/ (Used) - Financing Activities	(6,26,832)	(5,22,360)
Net Increase/ (Decrease) in Cash and Cash Equivalents	(2,47,181)	16,18,014
Add : Opening Cash and Cash Equivalents	50,22,301	34,04,287
Closing Cash and Cash Equivalents (refer note 6)	**47,75,120**	**50,22,301**

Notes:
1. The Cash Flow Statement has been prepared under the indirect method as set out in Ind AS -7.
2. Figures in brackets indicate cash outflow and without brackets indicate cash inflow.

As per our attached report of even date

For R. S. Dani & Co.
Chartered Accountants
Firm Registration No.000243C

For and on behalf of the Board

C.P. Kothari
Partner
Membership No. 072229

Shalu Bhandari Director (DIN : 00012556)
Pradeep Parakh Director (DIN : 00008805)

Place : Mumbai
Date : 19.05.2017

Statement of changes in Equity for the year ended March 31, 2017

Particulars	(Nos.)	(₹)
A. EQUITY SHARE CAPITAL		
Equity shares of ₹ 10 each issued, subscribed and fully paid	-	-
As at April 1, 2015	20,000	2,00,000
Change in equity share capital during the year	-	-
As at March 31, 2016	20,000	2,00,000
Change in equity share capital during the year	-	-
As at March 31, 2017	**20,000**	**2,00,000**

B. OTHER EQUITY

For the year ended March 31, 2017 Amount in ₹

	Reserves and surplus Retained earnings	Total equity
As at April 1, 2016	(40,044)	(40,044)
Profit for the year	-	-
Other comprehensive income	-	-
As at March 31, 2017	**(40,044)**	**(40,044)**

For the year ended March 31, 2016

	Reserves and surplus Retained earnings	Total equity
As at April 1, 2015	(40,044)	(40,044)
Profit for the year	-	-
Other comprehensive income	-	-
As at March 31, 2016	**(40,044)**	**(40,044)**

See accompanying notes (1 to 26) to the financial statements
As per our attached report of even date

For R. S. Dani & Co.
Chartered Accountants
Firm Registration No.000243C

For and on behalf of the Board

C.P. Kothari
Partner
Membership No. 072229

Shalu Bhandari Director (DIN : 00012556)
Pradeep Parakh Director (DIN : 00008805)

Place : Mumbai
Date : 19.05.2017

Notes to Financial statements for the year ended March 31, 2017

1 Corporate Information

Bajaj Power Generation Private Limited ('the Company') (CIN U40102UP2006PTC045331) is a private limited company incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is situated at Bajaj Bhawan, Jamnalal Bajaj Marg, B-10, Sector-3, Noida, Uttar Pradesh - 201301.

The Company is a wholly owned subsidiary company of Bajaj Hindusthan Sugar Ltd and engaged in setting up of power project. There have been no significant changes in the nature of Company's activities during the period.

2 Accounting Policies

2.01 Basis of preparation and presentation:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Refer to note 25 ("First Time Adoption of Ind AS") for information on how the Company adopted Ind AS.

The financial statements have been prepared on the historical cost basis except for certain financial instrument measured at fair value.

2.02 Operating cycle:

All assets and liabilities have been classified as current and non-current as per the company's normal operating cycle and other criteria set out above which are in accordance with the schedule III to the Act. Based on the nature of services and time between the acquisition of assets for providing of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities

2.03 Property, plant and equipment:

Property, plant and equipment are stated at cost or acquisition or construction cost, net of accumulated depreciation (except freehold land) and accumulated impairment losses, if any. Such cost includes purchase price, taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

Expenditure during construction period incurred on the projects under implementation are treated as pre-operative expenses pending allocation to the assets, and are included under "Capital Work in Progress". These expenses are apportioned to fixed assets on commencement of commercial production. Capital Work in Progress is stated at the amount incurred up to the date of Balance Sheet.

Depreciation on property, plant and equipment is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 in the manner stated therein. Depreciation on assets added, sold or discarded during the year is provided on pro rata basis.

2.04 Impairment of non-financial Assets:

The Carrying amount of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss will be charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

2.05 Cash and cash equivalents:

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

2.06 Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) 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 amount of the obligation.

Contingent liabilities are disclosed in the financial statements, unless possibility of an outflow of resources embodying economic benefit is remote. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

2.07 Taxation:

Provision for current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rates and laws that are enacted or substantively enacted at the Balance sheet date. The tax is recognised in statement of profit and loss, except to the extent that it related to items recognised in the other comprehensive income (OCI) or in other equity. In this case, the tax is also recognised in other comprehensive income and other equity.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred tax assets on unused tax losses and unused tax credit are recognised, if it is probable that there would be future taxable income against which such deferred tax assets can be realised, or to the extent of deferred tax liabilities. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity)

2.08 Borrowing Cost:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

2.09 Earning per share (EPS):

Basic earnings per share are calculated by dividing the total comprehensive income for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, total comprehensive income for the period and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.10 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, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.11 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets:

Initial recognition:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets held by the Company is classified as financial assets at fair value through profit or loss and debt instruments at amortised cost.

<u>Financial assets at fair value through profit or loss (FVTPL)</u>

Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

<u>Financial assets at amortised cost</u>

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to Loans, bank and other deposits.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets:

The company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure:

ECL impairment loss allowance (or reversal) is recognised as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. In balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of financial assets.

b) **Financial liabilities:**

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in statement of profit and loss as finance cost.

Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance cost in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

c) **Offsetting of financial instruments:**

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

2.12 Fair value of financial instruments:

In determining the fair value of its financial instruments, the company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realisation on future date.

2.13 Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

i **Depreciation and useful lives of property, plant and equipment:**

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

ii **Material uncertainty about going concern:**

In preparing financial statements, management has made an assessment of Company's ability to continue as a going concern. Financial statements are prepared on a going concern basis. The Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Amount in ₹

	Particulars	Freehold land	Computers	Capital work in progress	Total
3	**Property, plant and equipments**				
	Cost				
	As at April 1, 2015	1,02,30,994	4,445	2,12,67,78,850	2,13,70,14,289
	Additions	-	-	63,87,52,825	63,87,52,825
	Disposals	-	-	-	-
	As at March 31, 2016	**1,02,30,994**	**4,445**	**2,76,55,31,675**	**2,77,57,67,114**
	Additions	-	-	63,49,34,301	63,49,34,301
	Disposals	-	-	-	-
	As at March 31, 2017	**1,02,30,994**	**4,445**	**3,40,04,65,976**	**3,41,07,01,415**
	Depreciation and impairment				
	As at April 1, 2015	-	-	-	-
	Depreciation for the year	-	-	-	-
	Disposals	-	-	-	-
	As at March 31, 2016	-	-	-	-
	Depreciation for the year	-	-	-	-
	Disposals	-	-	-	-
	As at March 31, 2017	-	-	-	-
	Net book value				
	As at April 1, 2015	1,02,30,994	4,445	2,12,67,78,850	2,13,70,14,289
	As at March 31, 2016	1,02,30,994	4,445	2,76,55,31,675	2,77,57,67,114
	As at March 31, 2017	**1,02,30,994**	**4,445**	**3,40,04,65,976**	**3,41,07,01,415**

Net book value	**As At March 31, 2017**	**As At March 31, 2016**	**As At April 1, 2015**
Property, plant and equipment	**1,02,35,439**	1,02,35,439	1,02,35,439
Capital work in progress (i)	**3,40,04,65,976**	2,76,55,31,675	2,12,67,78,850

(i) Capital Work-in-Progress consist of the following:

	As At March 31, 2017	**As At March 31, 2016**	**As At April 1, 2015**
Construction Work-in-Progress	-	-	-
Expenditure during Construction pending allocation - (a)	**3,40,04,65,976**	2,76,55,31,675	2,12,67,78,850
	3,40,04,65,976	2,76,55,31,675	2,12,67,78,850

(a) Detail of expenditure during construction pending allocation are given below:

Expenditure during the year:			
Depreciation and Amortization Expenses	-	-	73,880
Other Expenses:			
Legal and Professional Expenses	**23,000**	32,830	18,000
Interest and Finance Charges	**63,48,84,094**	63,86,90,095	64,63,96,573
Miscellaneous Expenses	**27,207**	29,900	42,342
	63,49,34,301	63,87,52,825	64,65,30,795
Add: Balance brought forward from previous year	**2,76,55,31,675**	2,12,67,78,850	1,48,02,48,055
	3,40,04,65,976	2,76,55,31,675	2,12,67,78,850
Less: Amount allocated to Property, Plant and Equipments	-	-	-
Balance (pending allocation)	**3,40,04,65,976**	2,76,55,31,675	2,12,67,78,850

Amount in ₹

		As At March 31, 2017	As At March 31, 2016	As At April 1, 2015
4	**Other non current assets**			
	(Unsecured and considered good)	**2,48,00,00,000**	2,48,00,00,000	2,48,00,00,000
	Advance for purchase of land (Refer note 20 & 22)	**2,48,00,00,000**	2,48,00,00,000	2,48,00,00,000
5	**Current Investments**			
	Non-trade investments			
	Investments at fair value through profit or loss			
	In Debentures of other company			
	Unquoted, fully paid up			
	2,66,85,000 (March 31, 2016 : 2,66,85,000, April 1, 2015 : 2,66,85,000) Zero Coupon Optionally Convertible Debentures of Lambodar Projects Private Ltd.* of ₹ 100/- each	**2,66,85,00,000**	2,66,85,00,000	2,66,85,00,000
		2,66,85,00,000	2,66,85,00,000	,66,85,00,000

*Name of Lambodar Projects Pvt. Ltd. has been changed to Lambodar Stocks Pvt. Ltd. with effect from 25th April 2017

		As At March 31, 2017	As At March 31, 2016	As At April 1, 2015
6	**Cash and cash equivalent**			
	Balance with Banks	47,75,120	50,20,094	34,02,080
	Cash on hand	-	2,207	2,207
		47,75,120	50,22,301	34,04,287
7	**Other bank balances**			
	Deposits maturing within 12 months	1,84,17,640	-	-
		1,84,17,640	-	-
8	**Current loans**			
	(Unsecured and considered good)			
	Loan to others (refer note 20)	5,01,24,03,802	4,64,69,75,002	4,29,15,46,202
		5,01,24,03,802	4,64,69,75,002	4,29,15,46,202
9	**Current tax assets**			
	Advance Income tax (Net)	12,19,54,794	9,63,13,086	5,57,09,886
		12,19,54,794	9,63,13,086	5,57,09,886
10	**Share capital**			
A.	**Authorised, issued, subscribed and paid-up share capital**			
	Authorised:			
	50,00,000 (March 31, 2016: 50,00,000, April 1, 2015 : 50,00,000) Equity Shares of ₹ 10/- each	**5,00,00,000**	5,00,00,000	5,00,00,000
		5,00,00,000	5,00,00,000	**5,00,00,000**
	Issued, Subscribed and Paid up:			
	20,000 (March 31, 2016 : 20,000, April 1, 2015 : 20,000) Equity Shares of ₹ 10/- each	**2,00,000**	2,00,000	2,00,000
		2,00,000	2,00,000	2,00,000

B. There is no change in the share capital during the current and preceding year.

C. Terms/ rights of equity shares

The company has one class of equity shares having par value of ₹ 10/- per share. All equity shares are ranking pari passu in all respects including dividend. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

D. Shares held by the holding company / Shareholders holding more than 5% shares:

Name of shareholder	% Holding	Nos of shares
Bajaj Hindusthan Sugar Limited (Holding Company)*#		
As at March 31, 2017	100.00%	20,000
As at March 31, 2016	100.00%	20,000
As at April 1, 2015	100.00%	20,000

* The name of Holding Company has been changed from Bajaj Hindusthan Limited to Bajaj Hindusthan Sugar Limited w.e.f. January 30, 2015

\# Includes ten shares of nominee shareholders

Amount in ₹

		As At March 31, 2017	As At March 31, 2016	As At April 1, 2015
11	**Other equity**			
	Retained earnings	**(40,044)**	(40,044)	(40,044)
		(40,044)	(40,044)	(40,044)
12	**Current borrowings**			
	Unsecured			
	Loan from related party* (Refer Note 22)	**13,71,58,39,583**	12,67,17,46,415	11,62,75,48,775
		13,71,58,39,583	12,67,17,46,415	11,62,75,48,775

* The loan is repayable on demand and carry interest @ 12% per annum.

		As At March 31, 2017	As At March 31, 2016	As At April 1, 2015
13	**Other financial liabilities**			
	Other liabilities	1,26,400	1,48,772	25,872
		1,26,400	1,48,772	25,872
14	**Other current liabilities**			
	Statutory liabilities	**6,26,832**	5,22,360	84,40,061
		6,26,832	5,22,360	84,40,061

Amount in ₹

		Year ended March 31, 2017	Year ended March 31, 2016
15	**Other Income:**		
	Interest income on financial assets - carried at amortised cost		
	- on bank deposits	**10,19,600**	-
	- on loans	**40,60,32,000**	40,60,32,000
	- others	**27,86,748**	-
		40,98,38,348	40,60,32,000
16	**Finance Costs:**		
	Interest Expenses	**1,04,47,20,000**	1,04,47,20,000
	Other Borrowing Cost/ Finance Charges	**2,442**	2,095
		1,04,47,22,442	1,04,47,22,095
	Less: Transfer to Capital Work-in-Progress (Refer note 3)	**63,48,84,094**	63,86,90,095
		40,98,38,348	40,60,32,000
17	**Earning per Share (EPS)**		
	(i) Net profit/(loss) after tax as per statement of profit and loss	**-**	-
	(ii) Weighted average number of equity shares outstanding	**20,000**	20,000
	(iii) Basic earning per share	**-**	-
	(iv) Diluted earning per share	**-**	-
18	**Payment to Auditors' as :**		
	Statutory Auditors:		
	Audit Fees*	**23,000**	22,900

* Included in Miscellaneous expenses under the head Capital Work-in-Progress. (refer note 3)

19 Based on information available with Company, there are no supplier registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at March 31, 2017, March 31, 2016 and April 1, 2015 and hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.

20 Details of Loans given, investment made and guarantee given covered under section 186(4) of the Companies Act, 2013.

- Investment made are given under note 5
- Loans given to others given by the Company as at March 31, 2017 are as under

Amount in ₹

Name of the Company	Nature	As At March 31, 2017	As At March 31, 2016	As At April 1, 2015
Ojas Industries Private Ltd.	Loan for business purposes	**4,88,36,42,159**	4,52,90,13,359	4,17,43,84,559
Parakott Investments India Pvt Ltd	Loan for business purposes	**12,87,61,643**	11,79,61,643	11,71,61,643

Amount in ₹

Name of the Company	Nature	As At March 31, 2017	As At March 31, 2016	As At April 1, 2015
Lambodar Projects Pvt Ltd*	Advance for purchase of land	**2,48,00,00,000**	2,48,00,00,000	2,48,00,00,000

21 Segment reporting

The Company operates only in one segment and there are no reportable segments in accordance with IND-AS 108 on "Operating Segments".

22 Related Party Disclosures:

A. List of Related Parties:

Description of relationship	Name of Related Parties
(i) Parent Company	Bajaj Hindusthan Sugar Limited
(ii) Entities controlled or jointly controlled by persons who are member of the KMP of the reporting entity or of a parent of the reporting entity	Lambodar Projects Pvt Ltd

* Name of the Bajaj Hindusthan Limited has been changed to Bajaj Hindusthan Sugar Limited w.e.f January 30, 2015

* Name of Lambodar Projects Pvt. Ltd. has been changed to Lambodar Stocks Pvt. Ltd. with effect from 25th April 2017

B. Disclosure of transactions as required under Ind AS-24 in between the Company and Related Parties during the year in the ordinary course of business and status of outstanding balances at year end:

Amount in ₹

Particulars		Holding Company	Other entities as per (ii) above
Transactions during the year	**Year ended**		
Interest on loan taken	March 31, 2017	1,04,47,20,000	-
	March 31, 2016	1,04,47,20,000	-
Outstanding balances as at year end	**As at**		
Loans taken	**March 31, 2017**	**13,71,58,39,583**	**-**
	March 31, 2016	12,67,17,46,415	-
	April 1, 2015	11,62,75,48,775	-
Advance given	**March 31, 2017**	**-**	**2,48,00,00,000**
	March 31, 2016	-	2,48,00,00,000
	April 1, 2015	-	2,48,00,00,000
Investment made	**March 31, 2017**	**-**	**2,66,85,00,000**
	March 31, 2016	-	2,66,85,00,000
	April 1, 2015	-	2,66,85,00,000

Notes:

1. Related Party relationship is as identified by the Company based on the available information and relied upon by the Auditors.
2. No amount has been written off or written back during the year in respect of debts due from or to related parties.

23 Financial Instruments

23.1 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company is not subject to any externally imposed capital requirements. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company does not have any long term debts hence there is no capital gearing ratio.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

23.2 Categorization of financial instruments Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(i) Financial Assets			
Measured at fair value through profit or loss			
Current Investment (Refer note 5)	**2,66,85,00,000**	2,66,85,00,000	2,66,85,00,000
Measured at amortised cost			
Cash and cash equivalents (Refer note 6)	**47,75,120**	50,22,301	34,04,287
Other bank balance (Refer note 7)	**1,84,17,640**	-	-
Loans (Refer note 8)	**5,01,24,03,802**	4,64,69,75,002	4,29,15,46,202
	7,70,40,96,562	7,32,04,97,303	6,96,34,50,489
(ii) Financial Liabilities			
Measured at amortised cost			
Current borrowings (Refer note 12)	**13,71,58,39,583**	12,67,17,46,415	11,62,75,48,775
Other financial liabilities (Refer note 13)	**1,26,400**	1,48,772	25,872
	13,71,59,65,983	12,67,18,95,187	11,62,75,74,647

23.3 Financial risk management objectives and policies

The management conducts and operates the business in a prudent manner, taking into account the significant risks to which the business is or could be exposed. The primary risk to which the business is exposed, which are unchanged from the previous year, comprise credit risks, liquidity risks and market risks.

Management continuously monitors its cash flows to determine its cash requirements and makes arrangements with its parent company in order to manage exposure to liquidity risk.

Exposure to aforementioned risks are detailed below:

Credit risk

Financial assets that potentially expose the Company to concentration of credit risk comprises loans, bank account and deposits. Credit risk is managed by assessing the credit worthiness of parties and the potential for exposure to the market in which they operate, combined with regular monitoring and follow-up. Credit risk on cash and cash equivalents and bank deposits are minimum as the Company's bank accounts are with high credit rated schedule and private banks.

Interest rate risk

The Company is not subject to any significant interest risk. Since, the loan is taken from its parent company. There will be no impact to group as a whole, due to change in rate of interest.

Foreign currency risk

There are no currency risk as all financial assets and financial liabilities are denominated in Indian Rupees.

23.4 Fair value

Fair value 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 management assessed that fair value of investments, loans, cash and cash equivalents and other financial liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

24 Details of Specified Bank Notes (SBN) Amount in ₹

	SBN	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	-	2,207	2,207
Add: Permitted receipts*	-	-	-
Less: Permitted payments	-	-	-
Less: Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	**-**	**2,207**	**2,207**

* All receipts shown above are withdrawal from various bank accounts.

25 First time adoption of Ind AS

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

Deemed cost of property, plant and equipment

The Company has elected to continue with the carrying value of all its property, plant and equipments recognised as of April 1, 2015 (transition date) measured as the previous GAAP and used that carrying value as deemed cost as of the transition date.

Considering the nature of business and volume of transactions, there is no material impact of Ind AS adoption on Company's financial statements except for presentation and disclosure changes.

26 The financial statements were approved for issue by the board of directors on May 19, 2017

Signatures to Notes "1" to 26"

As per our attached report of even date

For R. S. Dani & Co.
Chartered Accountants
Firm Registration No.000243C

For and on behalf of the Board

C.P. Kothari
Partner
Membership No. 072229

Shalu Bhandari
Director
(DIN : 00012556)

Pradeep Parakh
Director
(DIN : 00008805)

Place : Mumbai
Date : 19.05.2017

DIRECTORS' STATEMENT

The directors present their statement to the member together with the audited financial statements of BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED (the "Company") for the financial year ended 31 March 2017.

OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the accompanying financial statements of the Company together with notes thereto are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2017 and of its financial performance, changes in equity and cash flows of the Company for the financial year then ended; and

(b) at the date of this statement, on the understanding that the holding company has undertaken not to recall the amount owing by the Company and to provide continuing financial support to enable the Company to meet its financial obligations until such time the Company is able to operate on its own financial resources, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

DIRECTORS

The directors of the Company in office at the date of this statement are as follows:

Pradeep Parakh

Gowri Saminathan Mrs Wade

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 was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

According to the register of directors' shareholdings kept by the Company for the purpose of Section 164 of the Singapore Companies Act, Cap. 50, none of the directors holding office at the end of the financial year had any interests in shares and debentures of the Company and its related corporations, except as detailed below:

	Holdings registered in the name of director	
	As at 01.04.2016	As at 31.03.2017
Ordinary shares In holding company Bajaj Hindusthan Sugar Limited Pradeep Parakh	4,000	4,000

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

SHARE OPTIONS

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

INDEPENDENT AUDITOR

The independent auditor, Messrs JBS Practice PAC, Chartered Accountants, Singapore, has expressed its willingness to accept re-appointment.

Pradeep Parakh
Director

Gowri Saminathan Mrs Wade
Director

23 May 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED

(Incorporated in Singapore)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED (the "Company") as set out on pages 8 to 29, which comprise the statement of financial position of the Company as at 31 March 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2017 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the General Information set out on page 1, the Directors' Statement set out on pages 2 to 3, and the accompanying Schedule of Other Operating Expenses.

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

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

Responsibilities of Management and Directors 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 Act and FRSs, 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 financial statements and to maintain accountability of assets.

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

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit 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 Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.

JBS PRACTICE PAC
PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS

Singapore
23 May 2017

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017

	Note	2017 US$	2017 ₹ Million	2016 US$	2016 ₹ Million
ASSETS					
Current assets					
Cash and cash equivalents	4	**17,954**	**1.16**	1,409,933	93.52
Other receivables	5	**4,114**	**0.27**	4,114	0.28
Loan to subsidiaries	6	**700,000**	**45.39**	450,000	29.85
Prepayments		**7,724**	**0.50**	7,787	0.52
Income tax recoverable		**1,073,115**	**69.58**	-	-
		1,802,907	**116.90**	1,871,834	124.17
Non-current assets					
Investments in subsidiaries	7	**15,941,480**	**1,033.62**	15,941,480	1,057.44
Deferred tax asset	8	**796,439**	**51.64**	796,439	52.83
		16,737,919	**1,085.26**	16,737,919	1,110.27
Total assets		**18,540,826**	**1,202.16**	18,609,753	1,234.44
LIABILITIES					
Current liabilities					
Amount owing to holding company	9	**1,778,400**	**115.31**	1,778,400	117.97
Other payables	10	**1,640,255**	**106.35**	1,646,486	109.22
Total liabilities		**3,418,655**	**221.66**	3,424,886	227.19
NET ASSETS		**15,122,171**	**980.50**	15,184,867	1,007.25
SHAREHOLDER'S EQUITY					
Share capital	11	**19,899,714**	**1,290.27**	19,899,714	1,320.00
Accumulated losses		**(4,777,543)**	**(309.77)**	(4,714,847)	(312.75)
TOTAL EQUITY		**15,122,171**	**980.50**	15,184,867	1,007.25

Note :

1. Figures for the year ended March 31, 2017 are converted at the exchange rate prevailing as on 31.03.2017 i.e US$= ₹ 64.8386.
2. Figures for the year ended March 31, 2016 are converted at the exchange rate prevailing as on 31.03.2016 i.e US$=₹ 66.3329.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	Note	2017 US$	2017 ₹ Million	2016 US$	2016 ₹ Million
REVENUE					
Other income	**12**	-		11,082	0.74
		-	-	11,082	0.74
EXPENSES					
Legal and professional fees		**11,349**	**0.74**	7,900	0.52
Other operating expenses		**51,347**	**3.33**	9,770	0.65
Total Expenses		**62,696**	**4.07**	17,670	1.17
Loss before income tax		**(62,696)**	**(4.07)**	(6,588)	(0.43)
Income tax benefit	13			11,500	0.76
Net Profit / (Loss), representing total comprehensive income/ (loss) for the financial year		**(62,696)**	**(4.07)**	4,912	0.33

Note :

1. Figures for the year ended March 31, 2017 are converted at the exchange rate prevailing as on 31.03.2017 i.e US$=₹ 64.8386.
2. Figures for the year ended March 31, 2016 are converted at the exchange rate prevailing as on 31.03.2016 i.e US$=₹ 66.3329.

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	Share Capital US$	Accumulated Losses US$	Translation reserve US$	Total US$	Share Capital ₹ Million	Accumulated Losses ₹ Million	Translation reserve ₹ Million	Total ₹ Million
2017								
Balance as at 01 April 2016	19,899,714	(4,714,847)	-	15,184,867	1,290.27	(305.70)	-	984.57
Total comprehensive loss for the financial year	-	(62,696)	-	(62,696)	-	(4.07)	-	(4.07)
Balance as at 31 March 2017	**19,899,714**	**(4,777,543)**	-	15,122,171	1,290.27	(309.77)	-	980.50
2016								
Balance as at 01 April 2015	19,899,714	(4,719,759)	-	15,179,955	1,320.00	(313.08)	-	1006.92
Total comprehensive income for the financial year	-	4,912	-	4,912	-	0.33	-	0.33
Balance as at 31 March 2016	**19,899,714**	**(4,714,847)**	-	15,184,867	1,320.00	(312.75)	-	1,007.25

Note :

1. Figures for the year ended March 31, 2017 are converted at the exchange rate prevailing as on 31.03.2017 i.e US$=₹ 64.8386.
2. Figures for the year ended March 31, 2016 are converted at the exchange rate prevailing as on 31.03.2016 i.e US$=₹ 66.3329.

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	Note	2017 US$	2017 ₹ Million	2016 US$	2016 ₹ Million
Cash Flow From Operating Activities					
Profit /(loss) before income tax		**(62,696)**	**(4.07)**	(6,588)	(0.43)
Adjustment:					
Exchange gain		**-**	**-**	32,160	2.13
Operating cash flows before changes in working capital		**(62,696)**	**(4.07)**	25,572	1.70
Changes in working capital:					
Prepayments		**63.00**	**0.00**	(2,132)	(0.14)
Other payables		**(6,231.00)**	**(0.40)**	8,188	0.54
Cash generated from/ (used) in operations		**(68,864)**	**(4.47)**	31,628	2.10
Income Tax Paid		**(1,073,115)**	**(69.58)**	-	
Net cash generated from/ (used) in operating activities		**(1,141,979)**	**(74.04)**	31,628	2.10
Cash Flow From Investing Activities					
Loan to subsidiaries		**(250,000)**	**(16.21)**	-	-
Bank balance		**-**		1,375,560	91.24
Net cash used in operating activity		**(250,000)**	**(16.21)**	1,375,560	91.24
Net increase/(decrease) in cash and cash equivalents		**(1,391,979)**	**(90.25)**	1,407,188	93.34
Cash and cash equivalents at beginning of the year		**1,409,933**	**91.42**	2,745	0.18
Cash and cash equivalents at end of the year	4	**17,954**	**1.16**	1,409,933	93.52

Note :

1. Figures for the year ended March 31, 2017 are converted at the exchange rate prevailing as on 31.03.2017 i.e US$=₹ 64.8386.
2. Figures for the year ended March 31, 2016 are converted at the exchange rate prevailing as on 31.03.2016 i.e US$=₹ 66.3329.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

1. GENERAL INFORMATION

Bajaj Hindusthan (Singapore) Private Limited [the "Company"] (Company Registration No.: 200709334R) is domiciled in Singapore. The Company's registered office is at 160 Robinson Road, #17-01 SBF Center, Singapore 068914.

The principal activities of the Company are those relating to investment holding and trading of commodities. There have been no significant changes in the nature of Company's activities during the financial year.

The financial statements of the Company for the financial year ended 31 March 2017 were authorised and approved by the directors for issuance on 23 May 2017.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements, which are expressed in the United States dollars, are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below.

In the current financial year, the Company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are mandatory for application. The adoption of these new and revised FRSs and INT FRSs have no material effect on the financial statements.

These financial statements are separate financial statements of Bajaj Hindusthan (Singapore) Private Limited. The Company is exempted from the preparation of consolidated financial statements as Bajaj Hindusthan Sugar Ltd., its holding company, produces consolidated financial statements available for public use. The subsidiaries of the Company and the basis of which the subsidiaries are accounted for is disclosed in Note 7. The registered office of its holding company is located at Golagokarannath, Lakhimpur Kheri, District: Kheri, Uttar Pradesh-262802, India.

As at 31 March 2017, the Company is in a net current liabilities of US$1,615,748 (2016: US$1,553,052). The directors have reviewed the projected cash flows and business outlook of the Company and are of the opinion that the basis upon which the financial statements are prepared is appropriate in the circumstances. Notwithstanding the same, the Company's financial statements have been prepared on a going concern basis as the holding company has undertaken not to recall the amount owing by the Company and to provide continuing financial support to enable the Company to meet its obligations as and when they fall due.

b) Foreign currency translation

The financial statements of the Company are presented in United States dollars, which is the functional currency of the Company.

In preparing the financial statements of the Company, monetary assets and liabilities in foreign currencies are translated into United States dollars at rates of exchange closely approximating to those ruling at the end of the reporting period and transactions in foreign currencies during the financial year are translated at rates ruling on transaction dates. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the financial year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in other comprehensive income.

c) Financial assets

(i) Classification

Financial assets are classified into the following specified categories: financial assets "at fair value through profit or loss", "loans and receivables", "held to maturity investments" and "available-for-sale" financial assets. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the end of the reporting period which are presented as non-current assets. Loans and receivables are presented as "cash and cash equivalents" and "other receivables" and "loan to subsidiaries" on the statement of financial position.

(ii) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(iii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss.

(iv) Initial measurement

Loans and receivables are initially recognised at fair value plus transaction costs.

(v) Subsequent measurement

Loans and receivables are subsequently carried at amortised cost using the effective interest method less allowance for impairment.

(vi) Impairment

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence arises.

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The allowance for impairment loss account is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(vii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

d) Investment in subsidiaries

Unquoted equity investments in subsidiaries are stated at cost less any impairment. On disposal of investment in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investment is taken to profit or loss.

e) Impairment of non-financial assets

Investments in subsidiaries

Non-financial assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

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 generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss. An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

A reversal of impairment loss for an asset is recognised in profit or loss.

f) Financial liabilities

Financial liabilities comprise of amount owing to holding company and other payables.

Financial liabilities are initially measured at fair value, and subsequently carried at amortised cost, using the effective interest method.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled and expired.

g) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

h) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

i) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks which are subject to an insignificant risk of change in value.

j) Income tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when it affects neither the taxable profit nor the accounting profit at the time of the transaction.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and

(ii) based on the tax consequence that will follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

k) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Company's activities. Revenue is presented, net of goods and services tax, rebates and discounts.

The Company recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria of the Company's activities are met.

l) Related parties

A related party is defined as follows:

(i) A person or a close member of that person's family is related to the Company if that person:

(a) Has control or joint control over the Company;

(b) Has significant influence over the Company; or

(c) Is a member of the key management personnel of the Company or of a parent of the Company.

(ii) An entity is related to the Company if any of the following conditions applies:

(a) 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);

(b) 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);

(c) Both entities are joint ventures of the same third party;

(d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(e) 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;

(f) The entity is controlled or jointly controlled by a person identified in (a);

(g) A person identified in (i)(a) 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); or

(h) 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.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The presentation of financial statements in conforming with FRS requires the use of certain critical accounting estimates, assumptions and judgements in applying the accounting policies. These estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The following are the critical accounting estimates, assumptions and judgements for the preparation of financial statements:

a) Critical judgements in applying the entity's accounting policies

In the process of applying the Company's accounting policies which are described in Note 2 above, management is of the opinion that there are no critical judgements involved, apart from those involving estimations that have a significant effect on the amounts recognised in the financial statements.

b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Impairment of non-financial assets

Investment in subsidiaries is tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

Determining whether the investment in subsidiaries is impaired requires an estimation of value-in-use of the investments in subsidiaries. The value-in-use calculation requires management to estimate the future cash flows and appropriate discount rate in order to calculate the present value of future cash flows. Management has evaluated such estimates and is confident that no allowance for impairment is necessary.

The carrying amount of the Company's investment in subsidiaries at the end of the reporting period is disclosed in Note 7 to the financial statements.

(ii) Income taxes

Significant judgement is involved in determining the provision for income taxes. There are certain transactions and computation for which the ultimate tax determination is uncertain during the course of business. The Company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from the amounts that were initially recognised, such differences will impact income tax liabilities in the period in which such determination is made.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management estimation and judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. At 31 March 2017, the carrying amount of deferred tax asset and income tax recoverable is disclosed on the statement of financial position.

4. CASH AND CASH EQUIVALENTS

	2017		2016	
	US$	₹ Million	US$	₹ Million
Cash at Banks	17,954	1.16	1,409,933	93.52
Bank balance under Escrow account	-	-	-	-
	17,954	1.16	1,409,933	93.52

Cash and cash equivalents are denominated in Singapore dollars.

5. OTHER RECEIVABLES

	2017		2016	
	US$	₹ Million	US$	₹ Million
Refundable deposits	3,572	0.23	3,572	0.24
Other receivable	542	0.04	542	0.04
	4,114	0.27	4,114	0.28

Other receivables are denominated in Singapore dollars.

6. LOAN TO SUBSIDIARIES

Loan to subsidiaries which is denominated in United States dollars, is non-trade in nature, unsecured, interest-free and repayable on demand.

7. INVESTMENT IN SUBSIDIARIES

	2017		2016	
	US$	**₹ Million**	US$	₹ Million
Unquoted equity investment, at cost				
Balance at the beginning and end of the financial year	**15,941,480**	**1,033.62**	15,941,480	1,057.44

The details of the subsidiaries are as follows:

Name of company	Country of incorporation	Financial year end	Principal activity	Percentage equity held by the Company	
				2017 %	2016 %
PT Batu Bumi Persada	Indonesia	31 December	Providing mining support	99.00	99.00
PT Jangkar Prima	Indonesia	31 December	Coal mining	99.88	99.88

8. DEFERRED TAX ASSET

	2017		2016	
	US$	**₹ Million**	US$	₹ Million
Beginning of financial year	**796,439**	**51.64**	784,939	52.07
Charged to profit or loss (Note 13)	-	-	11,500	0.76
End of financial year	**796,439**	**51.64**	796,439	52.83

The above represents unabsorbed tax losses which in the view of the directors, there will be future taxable profits available against which these unabsorbed tax losses can be utilised.

9. AMOUNT OWING TO HOLDING COMPANY

Amount owing to holding company which is denominated in Singapore dollars, is non-trade in nature, unsecured, interest-free and repayable on demand.

10. OTHER PAYABLES

	2017		2016	
	US$	**₹ Million**	US$	₹ Million
Accruals for operating expenses	**8,412**	**0.55**	14,463	0.97
Other payables - Related Party	**258,443**	**16.76**	258,443	17.14
- Third Party	**1,373,400**	**89.05**	1,373,400	91.11
	1,640,255	**106.35**	1,646,486	109.22

Amount due to third party is non-trade in nature, interest-free, unsecured and repayable on demand.

Amount due to related party is non-trade in nature, interest-free, unsecured and repayable on demand.

Other payables are denominated in the following currencies:

	2017	2016
	US$	US$
Singapore dollars	**8,412**	1,482
United States dollars	**1,631,843**	1,645,004
	1,640,255	1,646,486

11. SHARE CAPITAL

	2017		2016	
	US$	**₹ Million**	US$	₹ Million
As at beginning and end of financial year				
27,001,000 (P.Y. 27,001,000) ordinary shares	**19,899,714**	**1,290.27**	19,899,714	1,320.00

All issued ordinary shares are fully paid. There are no par values for these ordinary shares.

The holder of ordinary shares is entitled to receive dividends as declared from time to time and is entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

12. OTHER INCOME

	2017		2016	
	US$	**₹ Million**	US$	₹ Million
Foreign exchange gain	-	-	11,082	0.74
	-	-	11,082	0.74

13. INCOME TAX BENEFIT

	2017		2016	
	US$	**₹ Million**	US$	₹ Million
Deferred income tax (Note 8)	-	-	11,500	0.76

The current year's income tax varied from the amount of income tax determined by applying the applicable Singapore statutory income tax rate of 17% (2016: 17%) to the loss before income tax as a result of the following differences:

	2017		2016	
	US$	**₹ Million**	US$	₹ Million
Loss before income tax	**(62,696)**	**(4.07)**	(6,588)	(0.43)
Income tax at statutory rate	**(10,658)**	**(0.69)**	1,120	0.07
Non-taxable income	-	-	1,884	0.13
Non-deductible expenses	**10,658**	**0.69**		
Under provision of deferred tax assets in prior year	-	-	8,496	0.56
	-	-	11,500	0.76

In 2011, the holding company, Bajaj Hindusthan Sugar Limited ("BHSL"), had planned to import 850,000 MT (metric tonnes) of raw sugar comprising 700,000 MT meant for reprocessing and sale in India and 150,000 MT meant for the Company for leveraging on global price movement by tapping on the international market. Accordingly, BHSL had ordered 150,000 MT of raw sugar on behalf of the Company. However, due to drastic fall in sugar prices globally, the Company had to cancel the contract and bear the contract cancellation cost of US$16,300,000. The Company had claimed the loss on cancellation of the contract in the tax computation for YA2012. During the course of assessment proceedings, the Company has provided all the details of the contract cancellation as requested by the tax authorities.

In November 2016, the tax authorities informed the Company that the contract cancellation cost of US$16,300,000 claimed in YA2012 was not tax deductible and consequently raised an additional tax assessment for US$1,599,752 (S$2,236,133) inclusive of US$1,073,115 (S$1,500,000) that had since been collected from the Company as at the reporting date.

In February 2017, the Company had filed an objection against the additional tax assessment raised by the tax authorities. The tax authorities had requested for further information on the contract cancellation which had been replied by the Company in May 2017. The Company is confident that the objection will be resolved in their favour and accordingly any liability is contingent in nature and hence not recognised in the financial statements.

14. IMMEDIATE AND ULTIMATE HOLDING COMPANY

The Company's immediate and ultimate holding company is Bajaj Hindusthan Sugar Limited, a company incorporated in India.

15. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities expose it to market risks (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Company's financial performance.

(a) Market risks

(i) Foreign currency risk

The Company is exposed to foreign currency risk on transactions that are denominated in currency other than the United States dollars such as Singapore dollars. However, the Company does not use any hedging instruments to protect against the volatility associated with foreign currency purchases and other assets and liabilities created in the normal course of business. The Company's currency exposure to the Singapore dollars based on the information provided to key management is as follows:

	2017		2016	
	US$	**₹ Million**	US$	₹ Million
Cash and cash equivalents	**17,954**	**1.16**	1,409,933	93.52
Other receivables	**4,114**	**0.27**	4,114	0.28
	22,068	**1.43**	1,414,047	93.80

	2017		2016	
	US$	**₹ Million**	US$	₹ Million
Financial liabilities				
Amount owing to holding company	**1,778,400**	**115.31**	1,778,400	117.97
Other payables	**8,412**	**0.55**	1,482	0.10
	1,786,812	**115.85**	1,779,882	118.07
Net Currency exposure of financial asset	**(1,764,744)**	**(114.42)**	(365,835)	(24.27)

If against United States dollars, the Singapore dollars had strengthened/weakened by 3% (2016: 2%) with all other variables including tax rate being held constant, the Company's net loss for the financial year would have been higher/lower by approximately US$53,000 (2016: US$7,300) as a result of currency translation losses/gains.

(ii) Interest rate risk

The Company has no significant exposure to market risk for changes in interest rates. No sensitivity analysis has been made as no variable interest rate borrowing.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The major class of financial assets of the Company is cash and cash equivalents, other receivables and loan to subsidiaries. For bank balances, they are placed with regulated banks. For other financial assets, the Company minimise their credit risk by dealing with exclusively high credit rating counterparties.

As the Company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

(c) Liquidity risk

The Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to meet its liquidity requirement. Management believes that the Company will have sufficient funding from its holding company to meet its financial obligations as and when they fall due.

Non-derivative financial liabilities

The following table details the remaining contractual maturity for non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

	2017		2016	
	US$	**₹ Million**	US$	₹ Million
Less than 1 year				
Amounts owing to holding company	**1,778,400**	**115.31**	1,778,400	117.97
Other payables	**1,640,255**	**106.35**	1,646,486	109.22
	3,418,655	**221.66**	3,424,886	227.19

(d) Fair value measurement

The carrying amounts of cash and cash equivalents, other receivables, loan to subsidiaries, amounts owing to holding company and other payables approximate their fair values due to their short-term nature.

(e) Categories of financial instruments

The following table sets out the Company's financial instruments as at the end of the reporting period:

	2017		2016	
	US$	**₹ Million**	US$	₹ Million
Financial Assets				
Loans and receivables:				
Cash and cash equivalents	**17,954**	**1.16**	1,409,933	93.52
Other receivables	**4,114**	**0.27**	4,114	0.28
Loan to subsidiaries	**700,000**	**45.39**	450,000	29.85
Financial liability				
Amortised cost:				
Amount owing to holding company	**1,778,400**	**115.31**	1,778,400	117.97
Other payables	**1,640,255**	**106.35**	1,646,486	109.22

16. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares or obtain new borrowings.

The capital structure of the Company comprises issued capital and amount owing to holding company.

The Company is not subject to externally imposed capital requirements. There have been no changes to the Company's overall strategies during the financial years ended 31 March 2017 and 2016.

17. STANDARDS ISSUED BUT NOT YET EFFECTIVE

At the date of authorisation of these financial statements, the following FRS and amendments to FRS that are relevant to the Company were issued but not yet effective.

Description	Effective for annual periods beginning on or after
Amendments to FRS 7: Disclosure Initiative	1 January 2017
Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
FRS 115 Revenue from Contracts with Customers	1 January 2018
FRS 109 Financial Instruments	1 January 2018
Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers	1 January 2018
FRS 116 Leases	1 January 2019

The Company expects the adoption of the above standards will have no financial effect on the financial statements in the period of initial application.

THE ACCOMPANYING SCHEDULE OF OTHER OPERATING EXPENSES HAS BEEN PREPARED FOR MANAGEMENT PURPOSES ONLY AND DOES NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS.

SCHEDULE OF OTHER OPERATING EXPENSES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	2017	2016
	US$	US$
Accounting fees	**737**	741
Auditor's remuneration - current year	**6,580**	6,000
- under-provision in prior year	**-**	1,000
Bank charges	**505**	619
Foreign exchange loss	**43,342**	-
General expenses	**-**	861
Printing and stationery	**183**	549
	51,347	1,410

Independent Auditors' Report

Report No.: 52/BBP/IV/17

Shareholders and Directors

PT. BATU BUMI PERSADA

We have audited the accompanying financial statements of PT. Batu Bumi Persada ("the Company"), which comprise the statement of financial position as of December 31, 2016, and the statement of comprehensive income, statement of changes in equity, and statement of the cash flows for the year then ended, and a summary of significant accounting policies.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of such financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is 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 such financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such 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 auditors' 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 auditors consider 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 accompanying financial statements present fairly, in all material respects, the financial position of PT. Batu Bumi Persada as of December 31, 2016, and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Gideon Adi Siallagan, M.Acc.,CA.,CPA
Public Accountant Registration No. AP.0460
Jakarta, April 3, 2017

STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2016 AND 2015

Particulars	Note	2016		2015	
		Amount in Indonesia Rupiah	Amount in (₹ Million)	Amount in Indonesia Rupiah	Amount in (₹ Million)
Assets					
Current Assets					
Cash and bank	4	**132,731,787**	**0.65**	150,663,965	0.75
Telecommunication deposit		**3,000,000**	**0.01**		
Total current assets		**135,731,787**	**0.66**	150,663,965	0.75
Non-current assets					
Fixed assets	5	**245,000,000**	**1.19**	245,000,000	1.22
Exploration and evaluation assets	6	**5,816,283,563**	**28.32**	5,816,283,563	29.07
Total non-current assets		**6,061,283,563**	**29.51**	6,061,283,563	30.29
TOTAL ASSETS		**6,197,015,350**	**30.17**	6,211,947,528	31.04
Liabilities and Equity					
Current liabilities					
Due to related party	7	**5,808,388,126**	**28.28**	5,823,800,411	29.10
Accrued expenses	8	**49,540,658**	**0.24**	27,500,000	0.14
Total current liabilities		**5,857,928,784**	**28.53**	5,851,300,411	29.24
Equity					
Share capital	9	**5,000,000,000**	**24.35**	5,000,000,000	24.98
Deficits		**(4,660,913,434)**	**(22.70)**	(4,639,352,883)	(23.18)
Total equity		**339,086,566**	**1.65**	360,647,117	1.80
TOTAL LIABILITIES AND EQUITY		**6,197,015,350**	**30.17**	6,211,947,528	31.04

The financial statements are translated at the exchange rate as on 31.03.2017 i.e. 1USD =IDR 13,315 and 1 USD = INR 64.8386 and as on 31.03.2016 i.e. 1USD= IDR 13,276 and 1USD = INR 66.3329.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2016 AND 2015

Particulars	Note	2016		2015	
		Amount in Indonesia Rupiah	Amount in (₹ Million)	Amount in Indonesia Rupiah	Amount in (₹ Million)
Operating expense	10	**160,983,454**	**1.78**	31,456,599	0.16
Total operating expenses		**160,983,454**	**1.78**	31,456,599	0.16
Operating loss		**160,983,454**	**1.78**	31,456,599	0.16
Other expenses / (income)					
Foreign exchange		**139,422,902**	**0.68**	525,789,419	2.62
Total other expenses / (income)		**139,422,902**	**0.68**	525,789,419	2.62
Loss before income tax		**(21,560,551)**	**(0.10)**	(557,246,018)	(2.78)
Income tax					
Current		**-**	**-**	-	-
Deferred		**-**	**-**	-	-
Net Profit/(Loss)		**(21,560,551)**	**(0.10)**	(557,246,018)	(2.78)

The financial statements are translated at the exchange rate as on 31.03.2017 i.e. 1USD =IDR 13,315 and 1 USD = INR 64.8386 and as on 31.03.2016 i.e. 1USD= IDR 13,276 and 1USD = INR 66.3329.

STATEMENTS OF CHANGES IN EQUITYFOR THE YEAR ENDED DECEMBER 31, 2016 AND 2015

Particulars	Amount in Indonesia Rupiah			Amount in (₹ Million)		
	Share Capital	Deficits	Total Equity	Share Capital	Deficits	Total Equity
Balance December 31, 2014	5,000,000,000	(4,082,106,865)	917,893,135	24.98	(20.40)	4.58
Net Profit/(Loss) current year		(557,246,018)	(557,246,018)	-	(2.78)	(2.78)
Balance December 31, 2015	5,000,000,000	(4,639,352,883)	360,647,117	24.98	(23.18)	1.80
Balance January 01, 2016	**5,000,000,000**	**(4,639,352,883)**	**360,647,117**	**24.35**	**(22.60)**	**1.75**
Net Profit/(Loss) current year		**(21,560,551)**	**(21,560,551)**	**-**	**(0.10)**	**(0.10)**
Balance December 31, 2016	**5,000,000,000**	**(4,660,913,434)**	**339,086,566**	**24.35**	**(22.70)**	**1.65**

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2016 AND 2015

Particulars	Note	2016		2015	
		Amount in Indonesia Rupiah	Amount in (₹ Million)	Amount in Indonesia Rupiah	Amount in (₹ Million)
Cash flow from operating activities					
Net Profit/ (Loss)		**(21,560,551)**	**(0.10)**	(557,246,018)	(2.78)
Decrease / (Increase) in current assets					
Telecommunication deposit		**(3,000,000)**	**(0.01)**		
Accrued expenses		**22,040,658**	**0.11**	2,500,000	0.01
Net cash used by operating activities		**(2,519,893)**	**(0.01)**	(554,746,018)	(2.77)
Cash flow from financing activities					
Due to related parties		**(15,412,285)**	**(0.08)**	543,700,000	2.72
Net Cash Flows provided by financing activities		**(15,412,285)**	**(0.08)**	543,700,000	2.72
Net increase/(decrease) in cash and bank		**(17,932,178)**	**(0.09)**	(11,046,018)	(0.05)
Cash and bank beginning of year		**150,663,965**	**0.73**	161,709,983	0.80
Cash and bank at end of year		**132,731,787**	**0.65**	150,663,965	0.75

The financial statements are translated at the exchange rate as on 31.03.2017 i.e. 1USD =IDR 13,315 and 1 USD = INR 64.8386 and as on 31.03.2016 i.e. 1USD= IDR 13,276 and 1USD = INR 66.3329.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2016

1. **GENERAL**

PT. BATU BUMI PERSADA (referred as the "company") domiciled with headquarters in Jakarta, Springhill Office Tower Lt 8G, Jl. Benyamin Suaeb Ruas 07 Blok D6, Pademangan Timur, Jakarta Utara 14410 was established in Republic of Indonesia on January 3, 2005 based on the notarial deed of Ny. Masneri, SH. No. 01. The Company's articles of Association was approved by the Minister of Justice in a decision letter No. C-01913.HT.01.01.TH.2005 dated January 24, 2005.

The Company's Articles of Association has been amended for several times the latest amendment to the Deed of Shareholder Decision No. 10 dated 27 April 2011 prepared by Tintin Surtini, SH, replacement of notary Surjadi, SH Notarial in Jakarta, This changes had been approved by the Minister of Justice and Human Rights Republic of Indonesia in his Decree No. AHU-45912.AH.01.02. TH 2011 dated September 21, 2011.

The purpose and objective of the Company as per Memorandum of Association (MoA) and Articles of Association (AoA) (as amended till date) is to engage in the business of mining services, including consulting, planning, implementation and testing of equipment in the field of construction of mining (open pit, commissioning mine, mine ventilation, processing and purification, and the road mine), transport for mining and consultation, planning, and testing equipment in field of mining (stripping, loading and removal of rock cover, giving / demolition, excavation, loading and removal of coal or iron ore, nickel and manganese) and processing and purification, (coal processing iron ore, nickel and manganese).

Based on notarial deed of Tintin Surtini, SH, replacement of Surjadi, SH, Notarial in Jakarta No.01 dated April 27, 2011, and was changed with notarial deed of Suwanda, S.H., Notarial in Bogor No.24 dated October 17, 2016, composition of board of commissioners and the director of the Company as of December 31, 2016 and 2015 are as follows :

Pradeep Parakh	President Commissioners
Alok Kumar Vaish	Commissioners
Praveen Bansal	Board of Director
Chandan Jain	Directors

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Significant accounting policies applied by the Company in preparing the financial statements are as follows :

a. **Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Indonesian Financial Accounting Standards in Indonesia (SAK) comprising of the Statements of Financial Accounting Standards (PSAK) and interpretation Financial Accounting Standards (ISAK) issued by the Board of Financial Accounting Standards of the Indonesian Institute of Accountants.

The Financial statements, except for the statements of cash flows, are prepared under the accrual basis of accounting. The measurement basis used is the historical cost, except for certain accounts which are measured on the bases described in the related accounting policies of each account.

The statements of cash flows have been prepared using indirect method by classifying cash flows into operating, investing and financing activities.

The reporting currency used in the financial statements is Rupiah

Effective January 1, 2011, the Company have adopted PSAK No. 1 (Revised 2009) regulates presentation of financial statements as to, among others, the objective, component of financial statements, fair presentation, materiality and aggregate, offsetting, distinction between current and non-current assets and short-term and long-term liabilities, comparative information, presentation consistency and introduces new disclosures such as, among others, key estimations and judgements, capital management, other comprehensive income, deviation from accounting standards and statement of compliance.

b. **Transaction with Related Parties**

The related parties are as follows:

1. Indirectly through one or more intermediaries, controls or is controlled by, or under the control along with the company;
2. Associated companies
3. Individuals owning, directly or indirectly, any voting rights in a company that has significant influence, and close relatives of such individuals who can affect or be affected by such individuals in their transactions with the company;
4. Key management persons having authority and responsibility for planning, directing and controlling the activities of which include members of the Board of Commissioners, Directors and Managers of companies and close family members of such individuals;
5. Companies in which a substantial interest in voting power is owned, directly or indirectly by any person described in clause (c) and (d), or the individuals have significant influence over these companies. This includes enterprises owned by members of the Board of Commissioners, Directors, Substantial Shareholders of the company, and companies that have a member of key management in common with the Company.

All transactions with related parties which are related either done or not interest rates or prices, terms and conditions as those conducted by outside parties. Parties that have a special relationship disclosed in the Financial Statements.

c. **Allowance for Doubtful Account**

The Company has not made any allowance for doubtful account. The uncollectible receivable, if any, will be charged directly to the current year statement of income.

d. **Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation. Fixed assets, except land, are depreciated using the straight line method over their estimated useful lives as follows:

	Years
Building	10 – 20
Machinery and equipment	10
Transportation equipment	5
Tools and inventory	5

The cost of maintenance and repairs is charged to statements of income as incurred. Significant renewals and betterment are capitalised. When assets are retired or otherwise disposed, the carrying value and the related accumulated depreciation are removed from the accounts and any resulting gains or loss is reflected in the statement of income.

e. **Exploration and Evaluation Assets**

The Company applied PSAK No. 64, "Exploration and Evaluation Assets". Exploration and evaluation assets represent the expenses incurred in relation with the process of exploring coal mining concession.

f. **Foreign Currency Translation**

Transactions during the year related to foreign currencies are recorded at the exchange rate at the transaction date. At balance sheet date, all assets and liabilities denominated in foreign currencies are translated into the value of the rupiah exchange rate of Bank Indonesia prevailing on the balance sheet date. Profit or loss on foreign exchange are credited or charged to current operations.

On December 31, 2016 and 2015, Bank Indonesia middle rate used for

Rp 13,436 and Rp 13,795 to US$ 1. Profit or loss on foreign exchange are credited or charged to current operations.

g. **Net Sales and Expenses Recognised**

Effective from January 1, 2011, the Company adopted SFAS No. 23 (Revised 2010), "Revenue'. The revised SFAS identifies the circumstances in which the criteria on revenue recognition will be met and, therefore, revenue may be recognised, and prescribes the accounting treatment of revenue arising from certain types of transactions and events, and also provides practical guidance on the application of the criteria on revenue recognition. There is no significant impact of these amended accounting standards on the financial statements.

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. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and sales taxes (VAT).

Expenses are recognised as incurred on an accrual basis.

h. Income Tax

Income tax expense represents the sum of the corporate income tax currently payable and deferred tax.

i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statements of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The Company's liability for current corporate income tax is calculated using tax rates based on tax laws that have been enacted or substantively enacted as at the reporting dates.

ii) Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of a deferred tax asset is reviewed at each reporting date and reduced if the taxable income is not sufficient to compensate all or part of the benefit that deferred tax utilized. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable income will allow the deferred tax assets 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 realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted as at the reporting dates. The related tax effects of the provisions for and/or reversals of all temporary differences during the period, including effect of the change in tax rates, are included in the statement of comprehensive income of the current year.

Deferred tax assets and deferred tax liabilities are offset when a legally enforceable right exists to offset current tax assets against current tax liabilities or the deferred fax assets and the deferred tax liabilities relate to the same taxable entity, or the Company intends to settle its current assets and liabilities on a net basis.

i. Post Employment Benefits

Pension benefit obligation is the present value of the defined benefit obligation at the balance sheet date less the adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

Company is required to provide a minimum pension benefit as stipulated in Law No. 13/2003, which represents an underlying defined benefit obligation. If the pension benefits based on Law No. 13/2003 are higher than the existed pension plan, the difference is recorded as part of the overall pension benefits obligation.

Provisions made pertaining to past service costs are deferred and amortized over the expected average remaining service years of the qualified employees. On the other hand, provisions for current service costs are directly charged to operations of the current period. Actuarial gains or losses arising from adjustments and changes in actuarial assumptions are recognised as income or expense when the net cumulative unrecognised actuarial gains or losses at the end of the previous reporting period exceed 10% of the present value of the defined benefit obligations at that date.

The actuarial gains or losses in excess of the said 10% threshold are recognised on a straight-line method over the expected average remaining service years of the qualified employees.

i) Other post-employment obligations

The Company also provides other post-employment benefits, such as service pay. The service pays benefit vests when the employees reach their retirement age. These benefits have been accounted for using the same methodology as for the defined pension benefit plan.

ii) Termination benefits

Termination benefits are payable when ever an employee's employment is terminated before the normal retirement date. The Company recognizes termination benefits when it is demonstrably committed to terminate the employment of current employees according to a detailed formal plan and the possibility to withdraw the plan is low. Benefits falling due more than 12 months after the balance sheet date are discounted at present value.

iii) Other long-term benefits

Other benefits such as long service leave is calculated in accordance with the Company regulations, using the projected unit credit method and discounted to present value.

The Company did not record provision for post employeement benefit since the Company has no permanent staff.

j. Use of Estimates

The preparation of financial statements in conformity with general accepted accounting principles requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of the revenues and expenses during the reporting. Actual result could differ from those estimates.

k. Impairment of Assets

Management reviews any indication of impairment (recovery) value of assets on the balance sheet date and the possible reduction in the recoverable amount whenever events indicate impairment of assets.

The recoverable value is calculated based on value in use or net selling value, whichever is higher.

The impairment loss is recognised if the carrying amount exceeds the recoverable value. On the other hand, the recovery of impairment loss is recognised when there is indication that the impairment is no longer the case.

Impairment (recovery) value of assets is recognised as an expense (income) in the income statement for the year.

l. Financial Instruments

Effective from January 1, 2010, the Company adopted SFAS No. 50 (Revised 2006), "Financial Instruments: Presentation and Disclosures", and SFAS No. 55 (Revised 2006), "Financial Instruments: Recognition and Measurement".

SFAS No. 50 (Revised 2006) manages the requirements in how to present the financial instruments, and the necessary information that should be disclosed in the financial statements, while SFAS No. 55 (Revised 2006) establishes the principles for recognizing and measuring financial assets, financial liabilities, and some contracts to buy or sell non-financial items. This standard provides the definitions and characteristics of a derivative, the categories of financial instruments, recognition and measurement, hedge accounting and determination of hedging relationships, among others.

i) Financial assets

Initial recognition and measurement

Financial assets within the scope of SFAS No. 55 (Revised 2006) are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or available-for-sale financial asset. The Company determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates them at each financial year-end.

The Company's financial assets consist of cash on hand and in banks, and other receivables from third parties which are classified and accounted under SFAS No. 55 (Revised 2006).

When financial assets are recognised initially, they are measured at fair value, and in the case of financial assets not at fair value through statements of comprehensive income, plus directly attributable transaction costs with acquisition of that financial assets.

Subsequent measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, such financial assets are carried at amortized cost using the effective interest method, and the related gains and losses are recognised in the statements of comprehensive income when the loans and receivables are derecognised or impaired, as well as through the amortization process.

An allowance is made for uncollectible amounts when there is objective evidence that the Company will not be able to collect the debt Bad debts are written off when identified.

The detail of the accounting policies concerning the impairment of financial assets are disclosed as below.

De-recognition

The financial assets, or which applicable as part of financial assets or part of a Company of similar financial assets, will be de-recognised at the time of:

- The contractual rights to receive cash flows from the financial asset have expired; or
- The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement and either (a) has transferred all the risks and rewards of the financial asset substantially, or (b) has neither substantially transferred nor retained all the risks and rewards of the financial asset, but has transferred control of the financial asset.

Continuing involvement that fakes the form of a guarantee over the transferred asset is measured at the lowest of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of (i) the consideration received, including any new asset obtained less any new liability assumed; and (ii) any cumulative gain or loss that has been recognised directly in equity is recognised in the statements of comprehensive income.

Impairment

The Company assesses at each statement of financial position date whether there is any objective evidence that a financial asset or a Company of financial assets is impaired. A financial asset or a Company of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event), and that loss event has an impact on the estimated future cash flows of the financial asset or the Company of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a Company of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and when observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortized cost

For loans and receivables carried at amortized cost, the Company firstly assesses individually whether objective evidence relating impairment for individually significant assets exists, or collectively for financial assets that are not individually significant.

When there is objective evidence that an impairment loss 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 (excluding future credit losses that have not been incurred). The carrying amount of the asset is reduced through the use of an allowance for impairment account and the amount of the loss is directly recognised in the statements of comprehensive income.

Interest income continues to be accrued on the reduced carrying amount based on the original effective interest rate of asset. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral, if any, has been realized or has been transferred to the Company.

If, in the subsequent year, the amount of the estimated impairment loss increases or decreases because of event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance for impairment account. The reversal shall not result in an excessive amount of carrying amount of the financial assets over what the amortized cost would have been had the impairment not been recognised at the date the impairment is reversed. The recovery of financial assets is recognised in the statements of comprehensive income.

The present value of the estimated future cash flows is discounted at the financial assets' original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the prevailed effective interest rate.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of SFAS No. 55 (Revised 2006) are classified as financial liabilities at fair value through statements of comprehensive income or loans and borrowings. The Company determines the classification of its financial liabilities at initial recognition.

Financial liabilities are initially recognised at their fair values, and in case of loans and borrowings, include directly attributable transaction costs.

As at the statements of financial position date, the Company has no other financial liabilities other than those classified as loans and borrowings.

Subsequent measurement

The Company's financial liabilities include others payable to third parties and accrued expenses.

Liabilities for others payable to third parties and accrued expenses was stated at carrying amounts (notional amounts), which approximate their fair values.

De-recognition

A financial liability is derecognised when it is extinguished, that is when the obligation specified in the contract is discharged or cancelled or expires.

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

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

iv) Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by referring to quoted market prices at the end of the reporting period, without any deduction for transaction costs.

For financial instruments where there is no active market, the fair value is determined using the appropriate valuation techniques permitted by SFAS No. 55 (Revised 2006) such as using recent arm's length market transactions; referring to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

3. REVISED ACCOUNTING STANDARDS

New standards, amendments and interpretations issued and effective for the financial year beginning 1 January 2015 are as follows:

Presentation of financial statements	SFAS	1	(revised 2013)
Separate financial statements	SFAS	4	(revised 2013)
Investment in associates and joint ventures	SFAS	15	(revised 2013)
Employee benefits	SFAS	24	(revised 2013)
Income taxes	SFAS	46	(revised 2014)
Impairment of assets	SFAS	48	(revised 2014)
"Financial instruments: Presentation	SFAS	50	(revised 2014)
Financial instruments: Recognition and measurement	SFAS	55	(revised 2014)
Financial instruments: Disclosures	SFAS	60	(revised 2014)
Consolidated financial statements	SFAS	65	
Joint arrangements	SFAS	66	
Disclosure of interests in other entities	SFAS	67	
Fair value measurement	SFAS	68	
Reassessment of embedded derivatives	ISFAS	26	(revised 2014)

4. CASH AND BANK BALANCES

	2016		2015	
	Amount in Indonesia Rupiah	**Amount in (₹ Million)**	Amount in Indonesia Rupiah	Amount in (₹ Million)
This account consists of:				
Cash and cash equivalent				
Cash on hand	**132,731,787**	**0.65**	122,717	-
Bank Standard Chartered	-	-	150,541,248	0.75
Total cash and bank balances	**132,731,787**	**0.65**	150,663,965	0.75

5. FIXED ASSET

Amount in Indonesia Rupiah

	2016			
	Beginning balance	**Addition**	**Disposal**	**Ending balance**
This account consists of:				
At cost				
Land of coal stockpile (jetty land)	**245,000,000**	-	-	**245,000,000**
Book value	**245,000,000**	-	-	**245,000,000**

Amount in (₹ Million)

	2016			
	Beginning balance	**Addition**	**Disposal**	**Ending balance**
At cost				
Land of coal stockpile (jetty land)	**1.19**			**1.19**
Book value	**1.19**	-	-	**1.19**

Amount in Indonesia Rupiah

	2015			
	Beginning balance	**Addition**	**Disposal**	**Ending balance**
At cost				
Land of coal stockpile (jetty land)	245,000,000	-	-	245,000,000
Book value	245,000,000	-	-	245,000,000

Amount in (₹ Million)

	2015			
	Beginning balance	**Addition**	**Disposal**	**Ending balance**
At cost				
Land of coal stockpile (jetty land)	1.22	-	-	1.22
Book value	1.22	-	-	1.22

6. EXPLORATION AND EVALUATION ASSETS

	2016		2015	
	Amount in Indonesia Rupiah	**Amount in (₹ Million)**	Amount in Indonesia Rupiah	Amount in (₹ Million)
This account consists of:				
Operational cost at site & geologist	**1,231,050,000**	**5.99**	1,231,050,000	6.15
Boring	**1,108,456,555**	**5.40**	1,108,456,555	5.54
Topography and geology	**1,074,863,500**	**5.23**	1,074,863,500	5.37
Rental Office	**1,004,135,714**	**4.89**	1,004,135,714	5.02
Consession's handling	**595,575,000**	**2.90**	595,575,000	2.98
Boring and exploration	**391,503,225**	**1.91**	391,503,225	1.96
Travel on duty	**177,982,676**	**0.87**	177,982,676	0.89
Renovation	**101,244,000**	**0.49**	101,244,000	0.50
Overhead	**11,634,000**	**0.06**	11,634,000	0.06
Others	**119,838,893**	**0.58**	119,838,893	0.60
Total	**5,816,283,563**	**28.32**	5,816,283,563	29.07

Exploration and evaluation assets represent the expenses incurred during the exploration stage of the mining concession.

7. DUE TO RELATED PARTY

	2016		2015	
	Amount in Indonesia Rupiah	**Amount in (₹ Million)**	Amount in Indonesia Rupiah	Amount in (₹ Million)
This account consists of:				
Bajaj Hindusthan (Singapore) Pte. Ltd.	**5,374,400,000**	**26.17**	5,518,000,000	27.57
PT Jangkar Prima	**433,988,126**	**2.11**	305,800,411	1.53
Total	**5,808,388,126**	**28.28**	5,823,800,411	29.10

As of December 31, 2016 and 2015, the company has a loan from related party, Bajaj Hindusthan (Singapore) Pte. Ltd, amounted to US$ 400,000.

Loan from related party, PT Jangkar Prima, amounting to Rp 433,988,126 and

Rp 305,800,411 as of December 31, 2016 dan 2015, respectively.

8. ACCRUED EXPENSES

	2016		2015	
	Amount in Indonesia Rupiah	**Amount in (₹ Million)**	Amount in Indonesia Rupiah	Amount in (₹ Million)
This account consists of:				
Professional fee	**44,344,546**	**0.22**	27,500,000	0.14
Electricity and Service charges	**5,196,112**	**0.03**		
	49,540,658	**0.24**	27,500,000	0.14

9. SHARE CAPITAL

Based State Gazette No. 62075 dated October 25, 2012, the composition of the shareholder as of December 31, 2016 and 2015 are as follows:

	2016			
Name of Share Holders	**Stock**	**% of ownership**	**Nominal value in Indonesia Rupiah)**	**Amount (in Indonesia Rupiah)**
Bajaj Hindusthan (Singapore) Pte. Ltd.	**49,500**	**99.00%**	**100,000**	**4,950,000,000**
Global Power Projects Singapore Pte. Ltd	**500**	**1.00%**	**100,000**	**50,000,000**
Total	**50,000**	**100.00%**		**5,000,000,000**

	2016			
Name of Share Holders	**Stock**	**% of ownership**	**Nominal value in Indonesia Rupiah)**	**Amount in (₹ Million)**
Bajaj Hindusthan (Singapore) Pte. Ltd.	**49,500**	**99.00%**	**100,000.00**	**24.10**
Global Power Projects Singapore Pte. Ltd.	**500**	**1.00%**	**100,000.00**	**0.25**
Total	**50,000**	**100.00%**		**24.35**

	2015			
Name of Share Holders	Stock	% of ownership	Nominal value in Indonesia Rupiah)	Amount (in Indonesia Rupiah)
Bajaj Hindusthan (Singapore) Pte. Ltd.	49,500	99.00%	100,000	4,950,000,000
Global Power Projects Singapore Pte. Ltd	500	1.00%	100,000	50,000,000
Total	**50,000**	**100.00%**		**5,000,000,000**

	2015			
Name of Share Holders	Stock	% of ownership	Nominal value in Indonesia Rupiah)	Amount in (₹ Million)
Bajaj Hindusthan (Singapore) Pte. Ltd.	49,500	99.00%	100,000.00	24.73
Global Power Projects Singapore Pte. Ltd.	500	1.00%	100,000.00	0.25
Total	**50,000**	**100.00%**		**24.98**

10. OPERATING EXPENSE

	2016		2015	
	Amount in Indonesia Rupiah	**Amount in (₹ Million)**	Amount in Indonesia Rupiah	Amount in (₹ Million)
This account consists of:				
Rent expenses	**77,600,000**	**0.38**	2,500,000	0.01
Professional services	**55,407,547**	**0.27**	27,500,000	0.14
Office expenses	**27,445,826**	**0.13**	-	-
Bank charges	**114,857**	**-**	184,179	-
Others	**415,223**	**-**	1,272,420	0.01
Total	**160,983,454**	**0.78**	31,456,599	0.16

The financial statements are translated at the exchange rate as on 31.03.2017 i.e. 1USD =IDR 13,315 and 1 USD = INR 64.8386 and as on 31.03.2016 i.e. 1USD= IDR 13,276 and 1USD = INR 66.3329.

11. FINANCIAL RISK MANAGEMENT

The Company principal financial assets comprise cash on hand and in banks. The Company also has various financial liabilities such payable to related party and accrued expenses.

The Company policy is not to undertake hedging transactions for its financial instruments.

The main risks arising from the Company's financial instruments are foreign currency risk and liquidity risk. The Director reviews and approves policies for managing each of these risks, which are described in more details as follows:

Fair value and cash flow interest rate risk

Currently, the Company does not have a formal hedging policy for interest rate exposures.

As of December 31, 2016 and 2015, the Company does not have financial liabilities that are exposed to interest rate risk.

Foreign currency risk

The Company's reporting currency is in Rupiah. The Company faces foreign exchange risk as its cash on hand and in banks, and payables to related parties are either denominated in foreign currency (mainly the US Dollar) or whose price is significantly influenced by their benchmark price movements in foreign currencies. Currently, the Company does not have a formal hedging policy for foreign currency exposures. As of December 31, 2016 and 2015, the Company has net liabilities position of monetary assets and liabilities denominated in foreign currency.

Liquidity risk

The Company manages its liquidity profile to be able to finance its capital expenditures and service its maturing debts by maintaining sufficient cash and cash equivalents, and the availability of funding through an adequate amount of committed credit facilities.

The Company regularly evaluates its projected and actual cash flow information and continuously assesses conditions in the financial markets for opportunities.

12. APPROVALS OF FINANCIAL STATEMENTS

The accompanying financial statements have been approved by the Management Company to be issued on April 3, 2017.

Independent Auditors' Report

Report No.: 53/JP/IV/17

Shareholders and Directors

PT JANGKAR PRIMA

We have audited the accompanying financial statements of PT Jangkar Prima ("the Company"), which comprise the statement of financial position as of December 31, 2016, and the statement of comprehensive income, statement of capital deficiency, and statement of the cash flows for the year then ended, and a summary of significant accounting policies.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of such financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is 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 such financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such 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 auditors' 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 auditors consider 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 accompanying financial statements present fairly, in all material respects, the financial position of PT Jangkar Prima as of December 31, 2016, and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Gideon Adi Siallagan, M.Acc., CA., CPA
Registrasi Akuntan Publik No. AP.0460/Public Accountant Registration No. AP.0460
Jakarta, April 3, 2017

STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2016 AND 2015

Particulars	Note	2016		2015	
		Amount in Indonesia Rupiah	**Amount in (₹ Million)**	Amount in Indonesia Rupiah	Amount in (₹ Million)
ASSETS					
Current assets					
Cash and bank	4	**1,700,332,684**	**8.28**	2,122,955,289	10.61
Due from related partries	5	**433,988,126**	**2.11**	305,800,411	1.53
Advance operation	6	**622,592**	**0.00**	322,288	0.00
Other receivable		**25,000,000**	**0.12**	-	-
Total current assets		**2,159,943,402**	**10.52**	2,429,077,988	12.14
Non current assets					
Fixed assets	7	**23,694,573**	**0.12**	18,163,740	0.08
Exploration and evaluation assets	8	**1,586,004,060**	**7.72**	1,586,004,060	7.93
Total non-current assets		**1,609,698,633**	**7.84**	1,604,167,800	8.01
TOTAL ASSETS		**3,769,642,035**	**18.36**	4,033,245,788	20.15
LIABILITIES AND CAPITAL DEFICIENCY					
Current liabilities					
Taxes Payable	9	**-**	**-**	292,800	0.00
Due to related party	10	**10,077,000,000**	**49.07**	6,897,500,000	34.47
Accrued expenses	11	**188,530,988**	**0.92**	966,749,080	4.83
Other Payables		**13,000,000**	**0.06**	8,500,000	0.04
Total current liabilities		**10,278,530,988**	**50.05**	7,873,041,880	39.34
Capital deficiency					
Share capital	12	**5,000,000,000**	**24.35**	5,000,000,000	24.98
Deficits		**(11,508,888,953)**	**(56.04)**	(8,839,796,092)	(44.17)
Total equity		**(6,508,888,953)**	**(31.70)**	(3,839,796,092)	(19.19)
TOTAL LIABILITIES AND CAPITAL DEFICIENCY		**3,769,642,035**	**18.36**	4,033,245,788	20.15

The financial statements are translated at the exchange rate as on 31.03.2017 i.e. 1USD =IDR 13,315 and 1 USD = INR 64.8386 and as on 31.03.2016 i.e. 1USD= IDR 13,276 and 1USD = INR 66.3329.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2016 AND 2015

Particulars	Note	2016		2015	
		Amount in Indonesia Rupiah	**Amount in (₹ Million)**	Amount in Indonesia Rupiah	Amount in (₹ Million)
Operating expenses	13	**2,705,973,186**	**13.18**	3,373,682,463	16.85
Total operating expenses		**2,705,973,186**	**13.18**	3,373,682,463	16.85
Other expenses/ (income)					
Others		**(36,880,325)**	**(0.18)**	310,409,732	1.55
Total other expenses/ (income)		**(36,880,325)**	**(0.18)**	310,409,732	1.55
Profit/ (Loss) before income tax		**(2,669,092,861)**	**(13.00)**	(3,684,092,195)	(18.40)
Income tax		**-**	**-**	-	-
Net Profit/ (Loss)		**(2,669,092,861)**	**(13.00)**	(3,684,092,195)	(18.40)

The financial statements are translated at the exchange rate as on 31.03.2017 i.e. 1USD =IDR 13,315 and 1 USD = INR 64.8386 and as on 31.03.2016 i.e. 1USD= IDR 13,276 and 1USD = INR 66.3329.

STATEMENTS OF CAPITAL DEFICIENCY FOR THE YEAR ENDED DECEMBER 31, 2016 AND 2015

Particulars	Amount in Indonesia Rupiah			Amount in (₹ Million)		
	Share Capital	**Deficits**	**Total Equity**	**Share Capital**	**Deficits**	**Total Equity**
Balance December 31, 2014	5,000,000,000	(5,155,703,897)	(155,703,897)	24.98	(25.77)	(0.79)
Profit/ (Loss) for the year		(3,684,092,195)	(3,684,092,195)	-	(18.40)	(18.40)
Balance December 31, 2015	5,000,000,000	(8,839,796,092)	(3,839,796,092)	24.98	(44.17)	(19.19)
Balance January 01, 2016	**5,000,000,000**	**(8,839,796,092)**	**(3,839,796,092)**	**24.35**	**(43.05)**	**(18.70)**
Profit/ (Loss) for the year		**(2,669,092,861)**	**(2,669,092,861)**	**-**	**(13.00)**	**(13.00)**
Balance December 31, 2016	**5,000,000,000**	**(11,508,888,953)**	**(6,508,888,953)**	**24.35**	**(56.05)**	**(31.70)**

The financial statements are translated at the exchange rate as on 31.03.2017 i.e. 1USD =IDR 13,315 and 1 USD = INR 64.8386 and as on 31.03.2016 i.e. 1USD= IDR 13,276 and 1USD = INR 66.3329.

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2016 AND 2015

Particulars	2016		2015	
	Amount in Indonesia Rupiah	Amount in (₹ Million)	Amount in Indonesia Rupiah	Amount in (₹ Million)
Cash flow from operating activities				
Net Profit/ (Loss)	**(2,669,092,861)**	**(13.00)**	(3,684,092,195)	(18.40)
Depreciation	**10,604,167**	**0.05**	8,995,800	0.05
Decrease / (Increase) in current assets	**-**	**-**	-	-
Advances	**(300,304)**	**(0.00)**	481,697	-
Other receivable	**(25,000,000)**	**(0.12)**	2,480,000	0.01
Accrued expenses	**(778,510,892)**	**(3.79)**	758,627,359	3.79
Tax Payable	**-**	**-**	(17,704,534)	(0.09)
Other Payables	**4,500,000**	**0.02**	8,500,000	0.04
Net Cash used by operating activities	**(3,457,799,890)**	**(16.84)**	(2,922,711,873)	(14.60)
Cash flows from investing activities				
Purchase of fixed assets	**(16,135,000)**	**(0.08)**	-	-
Net Cash flows used by investing activities	**(16,135,000)**	**(0.08)**	-	-
Cash flows from financing activities				
Due to related parties	**3,179,500,000**	**15.48**	4,409,500,000	22.03
Due from related parties	**(128,187,715)**	**(0.62)**	(1,700,000)	(0.01)
Capital Stock	**-**	**-**	-	-
Net Cash flows provided by financing activities	**3,051,312,285**	**14.86**	4,407,800,000	22.02
Net increase in cash and bank	**(422,622,605)**	**(2.06)**	1,485,088,127	7.42
Cash and bank beginning of the year	**2,122,955,289**	**10.34**	637,867,162	3.19
Cash and bank at end of the year	**1,700,332,684**	**8.28**	2,122,955,289	10.61

The financial statements are translated at the exchange rate as on 31.03.2017 i.e. 1USD =IDR 13,315 and 1 USD = INR 64.8386 and as on 31.03.2016 i.e. 1USD= IDR 13,276 and 1USD = INR 66.3329.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2016

1. GENERAL

PT. JANGKAR PRIMA (referred as the "company") domiciled with headquarters in Jl Pelita V RT 035 RW 04 Gg. 35-II Buntok Kota, Kec Dusun Selatan, Barito Selatan, Central Borneo was established based on the notarial deed No. 5 dated April 20, 2002, of Tini Rusdhihatie, S.H., a notary in Buntok and are registered in the southern district court Buntok with Number. 86/CV/2004 dated August 30, 2008.

The Company's Articles of Association has been amended for several times the latest amendment to the Deed of Shareholder Decision No. 11 dated 11 February 2011 of Notary Tintin Surtini, S.H., Substitute Notary Surjadi, S.H., in Jakarta and was approved by the Minister of Justice and Human Rights Republic of Indonesia in his Decree No. AHU-16148.AH.01.01. TH 2011 dated September 21, 2011.

The company is engaged in mining. Under Decree No. 343 , 2004 Regent Barito. The Company has obtained permission in mining exploration, transport, mining, washing / processing, storage, transportation, and marketing of all products from the mining area of 4.148 Ha of mining area located in Kecamatan Gunung Bintang Awai, South Barito District.

Deed No. 38 of the Notary Surjadi, SH. Notary in Jakarta on 13 January 2012 and has obtained approval from the Minister of Justice and Human Rights Republic of Indonesia. AHU-0558.AH.01.02 2012 on February 2, 2012, concerning paid-in capital and change management.

Composition of Board of Commissioners and Board of Directors in accordance with notarial deed of Suwanda, S.H., Notarial in Bogor, No. 7 dated January 19, 2016, are as follows:

Pradeep Parakh	President Commissioners
Alok Kumar Vaish	Commissioners
Praveen Bansal	President of Director
Chandan Jain	Directors

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies applied by the Company in preparing the financial statements are as follows :

a. Basis of preparation of financial statements

The financial statements have been prepared in accordance with Indonesian Financial Accounting Standards in Indonesia (SAK) comprising of the Statements of Financial Accounting Standards (PSAK) and interpretation Financial Accounting Standards (ISAK) issued by the Board of Financial Accounting Standards of the Indonesian Institute of Accountants.

The Financial statements, except for the statements of cash flows, are prepared under the accrual basis of accounting. The measurement basis used is the historical cost, except for certain accounts which are measured on the bases described in the related accounting policies of each account.

The statements of cash flows have been prepared using indirect method by classifying cash flows into operating, investing and financing activities.

The reporting currency used in the financial statements is Rupiah

Effective January 1, 2011, the Company have adopted PSAK No. 1 (Revised 2009) regulates presentation of financial statements as to, among others, the objective, component of financial statements, fair presentation, materiality and aggregate, offsetting, distinction between current and non-current assets and short-term and long-term liabilities, comparative information, presentation consistency and introduces new disclosures, among others, key estimations and judgements, capital management, other comprehensive income, deviation from accounting standards and statement of compliance.

b. Transaction with Related Parties

The related parties are as follows:

1. Indirectly through one or more intermediaries, controls or is controlled by, or under the control along with the company;
2. Associated companies
3. Individuals owning, directly or indirectly, any voting rights in a company that has significant influence, and close relatives of such individuals who can affect or be affected by such individuals in their transactions with the company;
4. Key management persons having authority and responsibility for planning, directing and controlling the activities of which include members of the Board of Commissioners, Directors and Managers of companies and close family members of such individuals;
5. Companies in which a substantial interest in voting power is owned, directly or indirectly by any person described in clause (c) and (d), or the individuals have significant influence over these companies. This includes enterprises owned by members of the Board of Commissioners, Directors, Substantial Shareholders of the company, and companies that have a member of key management in common with the Company.

All transactions with related parties which are related either done or not interest rates or prices, terms and conditions as those conducted by outside parties. Parties that have a special relationship disclosed in the Financial Statements.

c. Fixed Assets and Depreciation

Fixed assets are stated at cost less accumulated depreciation. Fixed assets, except land, are depreciated using the straight line method over their estimated useful lives as follows:

	Years
Building	10 – 20
Machinery and equipment	10
Transportation equipment	5
Tools and inventory	5

The cost of maintenance and repairs is charged to statements of income as incurred. Significant renewals and betterment are capitalised. When assets are retired or otherwise disposed, the carrying value and the related accumulated depreciation are removed from the accounts and any resulting gains or loss is reflected in the statement of income.

d. Exploration and Evaluation Assets

The Company applied PSAK No. 64, "Exploration and Evaluation Assets". Exploration and evaluation assets represent the expenses incurred in relation with the process of exploring coal mining concession.

e. Foreign Currency Translation

Transactions during the year related to foreign currencies are recorded at the exchange rate at the transaction date. At balance sheet date, all assets and liabilities denominated in foreign currencies are translated into the value of the rupiah exchange rate of Bank Indonesia prevailing on the balance sheet date.

On December 31, 2016 and 2015, Bank Indonesia middle rate used for Rp 13,436 and Rp 13,795 to US$ 1. Profit or loss on foreign exchange are credited or charged to current operations.

f. Revenue and Expenses Recognised

Effective from January 1, 2011, the Company adopted SFAS No. 23 (Revised 2010), "Revenue'. The revised SFAS identifies the circumstances in which the criteria on revenue recognition will be met and, therefore, revenue may be recognised, and prescribes the accounting treatment of revenue arising from certain types of transactions and events, and also provides practical guidance on the application of the criteria on revenue recognition. There is no significant impact of these amended accounting standards on the financial statements.

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. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and sales taxes (VAT).

Expenses are recognised as incurred on an accrual basis.

g. Income Tax

Income tax expense represents the sum of the corporate income tax currently payable and deferred tax.

i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statements of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The Company's liability for current corporate income tax is calculated using tax rates based on tax laws that have been enacted or substantively enacted as at the reporting dates.

ii) Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of a deferred tax asset is reviewed at each reporting date and reduced if the taxable income is not sufficient to compensate all or part of the benefit that deferred tax utilized. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable income will allow the deferred tax assets 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 realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted as at the reporting dates. The related tax effects of the provisions for and/or reversals of all temporary differences during the period, including effect of the change in tax rates, are included in the statement of comprehensive income of the current year.

Deferred tax assets and deferred tax liabilities are offset when a legally enforceable right exists to offset current tax assets against current tax liabilities or the deferred fax assets and the deferred tax liabilities relate to the same taxable entity, or the Company intends to settle its current assets and liabilities on a net basis.

h. Post Employment Benefits

Pension benefit obligation is the present value of the defined benefit obligation at the balance sheet date less the adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

Company is required to provide a minimum pension benefit as stipulated in Law No. 13/2003, which represents an underlying defined benefit obligation. If the pension benefits based on Law No. 13/2003 are higher than the existed pension plan, the difference is recorded as part of the overall pension benefits obligation.

Provisions made pertaining to past service costs are deferred and amortized over the expected average remaining service years of the qualified employees. On the other hand, provisions for current service costs are directly charged to operations of the current period. Actuarial gains or losses arising from adjustments and changes in actuarial assumptions are recognised as income or expense when the net cumulative unrecognised actuarial gains or losses at the end of the previous reporting period exceed 10% of the present value of the defined benefit obligations at that date.

The actuarial gains or losses in excess of the said 10% threshold are recognised on a straight-line method over the expected average remaining service years of the qualified employees.

i) Other post-employment obligations

The Company also provides other post-employment benefits, such as service pay. The service pays benefit vests when the employees reach their retirement age. These benefits have been accounted for using the same methodology as for the defined pension benefit plan.

ii) Termination benefits

Termination benefits are payable when ever an employee's employment is terminated before the normal retirement date. The Company recognizes termination benefits when it is demonstrably committed to terminate the employment of current employees according to a detailed formal plan and the possibility to withdraw the plan is low. Benefits falling due more than 12 months after the balance sheet date are discounted at present value.

iii) Other long-term benefits

Other benefits such as long service leave is calculated in accordance with the Company regulations, using the projected unit credit method and discounted to present value.

The Company did not record provision for post employeement benefit since the Company has no permanent staff.

i. Use of Estimates

The preparation of financial statements in conformity with general accepted accounting principles requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of the revenues and expenses during the reporting. Actual result could differ from those estimates.

j. Impairment of Assets

Management reviews any indication of impairment (recovery) value of assets on the balance sheet date and the possible reduction in the recoverable amount whenever events indicate impairment of assets.

The recoverable value is calculated based on value in use or net selling value, whichever is higher.

The impairment loss is recognised if the carrying amount exceeds the recoverable value. On the other hand, the recovery of impairment loss is recognised when there is indication that the impairment is no longer the case.

Impairment (recovery) value of assets is recognised as an expense (income) in the income statement for the year.

k. Financial Instruments

Effective from January 1, 2010, the Company adopted SFAS No. 50 (Revised 2006), "Financial Instruments: Presentation and Disclosures", and SFAS No. 55 (Revised 2006), "Financial Instruments: Recognition and Measurement".

SFAS No. 50 (Revised 2006) manages the requirements in how to present the financial instruments, and the necessary information that should be disclosed in the financial statements, while SFAS No. 55 (Revised 2006) establishes the principles for recognizing and measuring financial assets, financial liabilities, and some contracts to buy or sell non-financial items. This standard provides the definitions and characteristics of a derivative, the categories of financial instruments, recognition and measurement, hedge accounting and determination of hedging relationships, among others.

i) Financial assets

Initial recognition and measurement

Financial assets within the scope of SFAS No. 55 (Revised 2006) are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or available-for-sale financial asset. The Company determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates them at each financial year-end.

The Company's financial assets consist of cash in hand and in banks, and other receivables from third parties which are classified and accounted under SFAS No. 55 (Revised 2006).

When financial assets are recognised initially, they are measured at fair value, and in the case of financial assets not at fair value through statements of comprehensive income, plus directly attributable transaction costs with acquisition of that financial assets.

Subsequent measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, such financial assets are carried at amortized cost using the effective interest method, and the related gains and losses are recognised in the statements of comprehensive income when the loans and receivables are derecognised or impaired, as well as through the amortization process.

An allowance is made for uncollectible amounts when there is objective evidence that the Company will not be able to collect the debt Bad debts are written off when identified.

The detail of the accounting policies concerning the impairment of financial assets are disclosed as below.

De-recognition

The financial assets, or which applicable as part of financial assets or part of a Company of similar financial assets, will be de-recognised at the time of:

- The contractual rights to receive cash flows from the financial asset have expired; or
- The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement and either (a) has transferred all the risks and rewards of the financial asset substantially, or (b) has neither substantially transferred nor retained all the risks and rewards of the financial asset, but has transferred control of the financial asset.

Continuing involvement that fakes the form of a guarantee over the transferred asset is measured at the lowest of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of (i) the consideration received, including any new asset obtained less any new liability assumed; and (ii) any cumulative gain or loss that has been recognised directly in equity is recognised in the statements of comprehensive income.

Impairment

The Company assesses at each statement of financial position date whether there is any objective evidence that a financial asset or a Company of financial assets is impaired. A financial asset or a Company of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event), and that loss event has an impact on the estimated future cash flows of the financial asset or the Company of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a Company of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and when observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortized cost

For loans and receivables carried at amortized cost, the Company firstly assesses individually whether objective evidence relating impairment for individually significant assets exists, or collectively for financial assets that are not individually significant.

When there is objective evidence that an impairment loss 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 (excluding future credit losses that have not been incurred). The carrying amount of the asset is reduced through the use of an allowance for impairment account and the amount of the loss is directly recognised in the statements of comprehensive income.

Interest income continues to be accrued on the reduced carrying amount based on the original effective interest rate of asset. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral, if any, has been realized or has been transferred to the Company.

If, in the subsequent year, the amount of the estimated impairment loss increases or decreases because of event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance for impairment account. The reversal shall not result in an excessive amount of carrying amount of the financial assets over what the amortized cost would have been had the impairment not been recognised at the date the impairment is reversed. The recovery of financial assets is recognised in the statements of comprehensive income.

The present value of the estimated future cash flows is discounted at the financial assets' original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the prevailed effective interest rate.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of SFAS No. 55 (Revised 2006) are classified as financial liabilities at fair value through statements of comprehensive income or loans and borrowings. The Company determines the classification of its financial liabilities at initial recognition.

Financial liabilities are initially recognised at their fair values, and in case of loans and borrowings, include directly attributable transaction costs.

As at the statements of financial position date, the Company has no other financial liabilities other than those classified as loans and borrowings.

Subsequent measurement

The Company's financial liabilities include others payable to third parties and accrued expenses.

Liabilities for others payable to third parties and accrued expenses was stated at carrying amounts (notional amounts), which approximate their fair values.

De-recognition

A financial liability is derecognised when it is extinguished, that is when the obligation specified in the contract is discharged or cancelled or expires.

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

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

iv) Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by referring to quoted market prices at the end of the reporting period, without any deduction for transaction costs.

For financial instruments where there is no active market, the fair value is determined using the appropriate valuation techniques permitted by SFAS No. 55 (Revised 2006) such as using recent arm's length market transactions; referring to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

3. REVISED ACCOUNTING STANDARDS

New standards, amendments and interpretations issued and effective for the financial year beginning 1 January 2015 are as follows:

Presentation of financial statements	SFAS 1	(revised 2013)
Separate financial statements	SFAS 4	(revised 2013)
Investment in associates and joint ventures	SFAS 15	(revised 2013)
Employee benefits	SFAS 24	(revised 2013)
Income taxes	SFAS 46	(revised 2014)
Impairment of assets	SFAS 48	(revised 2014)
"Financial instruments: Presentation	SFAS 50	(revised 2014)
Financial instruments: Recognition and measurement	SFAS 55	(revised 2014)
Financial instruments: Disclosures	SFAS 60	(revised 2014)
Consolidated financial statements	SFAS 65	
Joint arrangements	SFAS 66	
Disclosure of interests in other entities	SFAS 67	
Fair value measurement	SFAS 68	
Reassessment of embedded derivatives	ISFAS 26	(revised 2014)

4. CASH AND BANK

	2016		2015	
	Amount in Indonesia Rupiah	**Amount in (₹ Million)**	Amount in Indonesia Rupiah	Amount in (₹ Million)
This account consists of:				
Cash on hand	**4,238,830**	**0.02**	1,050,499	0.01
Banks				
-Bank Standard Chartered	**-**	**-**	2,061,521,489	10.30
-Bank Mandiri	**344,951,824**	**1.68**	60,383,301	0.30
-Bank Mandiri	**1,351,142,030**	**6.58**	-	-
Total	**1,700,332,684**	**8.28**	2,122,955,289	10.61

5. DUE FROM RELATED PARTY

	2016		2015	
	Amount in Indonesia Rupiah	**Amount in (₹ Million)**	Amount in Indonesia Rupiah	Amount in (₹ Million)
This account consists of:				
PT Batu Bumi Persada	**433,988,126**	**2.11**	305,800,411	1.53
Total	**433,988,126**	**2.11**	305,800,411	1.53

6. ADVANCE

	2016		2015	
	Amount in Indonesia Rupiah	**Amount in (₹ Million)**	Amount in Indonesia Rupiah	Amount in (₹ Million)
This account consists of:				
Advance operation	**622,592**	**-**	322,288	-
Total	**622,592**	**-**	322,288	-

7. FIXED ASSET

Amount in Indonesia Rupiah

	2016			
	Beginning balance	**Addition**	**Disposal**	**Ending balance**
This account consists of:				
At Cost				
Motor cycle	**18,122,000**	**-**	**-**	**18,122,000**
Office equipment	**26,857,000**	**16,135,000**	**-**	**42,992,000**
Total	**44,979,000**	**16,135,000**	**-**	**61,114,000**
Accumulated Depreciation				
Motor cycle	**9,599,763**	**3,624,400**	**-**	**13,224,163**
Office equipment	**17,215,497**	**6,979,767**	**-**	**24,195,264**
	26,815,260	**10,604,167**	**-**	**37,419,427**
Book value	**18,163,740**			**23,694,573**

Amount in (₹ Million)

	2016			
	Beginning balance	**Addition**	**Disposal**	**Ending balance**
At Cost				
Motor cycle	**0.09**	**-**	**-**	**0.09**
Office equipment	**0.13**	**0.08**	**-**	**0.21**
	0.22	**0.08**	**-**	**0.30**
Accumulated Depreciation				
Motor cycle	**0.05**	**0.02**	**-**	**0.07**
Office equipment	**0.08**	**0.03**	**-**	**0.11**
	0.13	**0.05**	**-**	**0.18**
Book value	0.09			0.12

Amount in Indonesia Rupiah

	2015			
	Beginning balance	Addition	Disposal	Ending balance
Motor cycle	18,122,000	-	-	18,122,000
Office equipment	26,857,000	-	-	26,857,000
	44,979,000	-	-	44,979,000
Accumulated Depreciation				
Motor cycle	5,975,363	3,624,400	-	9,599,763
Office equipment	11,844,097	5,371,400	-	17,215,497
	17,819,460	8,995,800	-	26,815,260
Book value	27,159,540			18,163,740

Amount in (₹ Million)

	2015			
	Beginning balance	Addition	Disposal	Ending balance
Motor cycle	0.09	-	-	0.09
Office equipment	0.13	-	-	0.13
	0.22	-	-	0.22
Accumulated Depreciation				
Motor cycle	0.03	0.02	-	0.05
Office equipment	0.06	0.03	-	0.09
	0.09	0.05	-	0.14
Book value	0.13			0.08

8. EXPLORATION AND EVALUATION ASSETS

	2016		2015	
	Amount in Indonesia Rupiah	**Amount in (₹ Million)**	Amount in Indonesia Rupiah	Amount in (₹ Million)
This account consists of:				
Lease assets	**625,000,000**	**3.04**	625,000,000	3.12
License/ permit	**609,805,760**	**2.97**	609,805,760	3.05
Overheads	**135,200,000**	**0.66**	135,200,000	0.68
Travelling	**90,898,300**	**0.44**	90,898,300	0.45
Exploration	**23,800,000**	**0.12**	23,800,000	0.12
Others	**101,300,000**	**0.49**	101,300,000	0.51
Total	**1,586,004,060**	**7.72**	**1,586,004,060**	**7.93**

Exploration and evaluation assets represent the expenses incurred during the exploration stage of the mining concession.

9. TAXES PAYABLES

	2016		2015	
	Amount in Indonesia Rupiah	**Amount in (₹ Million)**	Amount in Indonesia Rupiah	Amount in (₹ Million)
Withholding tax art 21	-	-	292,800	-
Withholding tax art 23	-	-	-	-
Total	-	-	292,800	-

10. DUE TO RELATED PARTY

	2016		2015	
	Amount in Indonesia Rupiah	**Amount in (₹ Million)**	Amount in Indonesia Rupiah	Amount in (₹ Million)
This account consists of:				
Global Power Projects Singapore Pte. Ltd.	**6,046,200,000**	**29.44**	6,207,750,000	31.02
Bajaj Hindusthan (Singapore) Pte Ltd.	**4,030,800,000**	**19.63**	689,750,000	3.45
Total	**10,077,000,000**	**49.07**	6,897,500,000	34.47

On December 31, 2016, the company has a loan from related party, Global Power Projects Singapore Pte. Ltd amounted to US$ 450,000 Bajaj Hindusthan (Singapore) Pte. Ltd, amounted to US$ 300,000.

On December 31, 2015, the company has a loan from related party, Global Power Projects Singapore Pte. Ltd amounted to US$ 450,000 Bajaj Hindusthan (Singapore) Pte. Ltd, amounted to US$ 50,000.

11. ACCRUED EXPENSES

	2016		2015	
	Amount in Indonesia Rupiah	**Amount in (₹ Million)**	Amount in Indonesia Rupiah	Amount in (₹ Million)
This account consists of:				
Professional fee	**159,838,255**	**0.78**	966,749,080	4.83
Salary Expenses	**28,692,733**	**0.14**	-	-
Total	**188,530,988**	**0.92**	966,749,080	4.83

12. SHARE CAPITAL

Based State Gazette No. 62076 dated October 25, 2012, the composition of shareholder and percentage of ownership of the Company as of December 31, 2016 and 2015 are as follow:

	2016			
Name of Share Holders	**Stock**	**% of ownership**	**Nominal value (in Indonesia Rupiah)**	**Amount (in Indonesia Rupiah)**
Bajaj Hindusthan (Singapore) Pte. Ltd.	**49,940**	**99.88%**	**100,000**	**4,994,000,000**
Global Power Projects Singapore Pte. Ltd.	**60**	**0.12%**	**100,000**	**6,000,000**
Total	**50,000**	**100.00%**		**5,000,000,000**

	2016			
Name of Share Holders	**Stock**	**% of ownership**	**Nominal value (in Indonesia Rupiah)**	**Amount in (₹ Million)**
Bajaj Hindusthan(Singapore) Pte. Ltd.	**49,940**	**99.88%**	**100,000**	**24.32**
Global Power Projects Singapore Pte. Ltd.	**60**	**0.12%**	**100,000**	**0.03**
Total	**50,000**	**100.00%**		**24.35**

	2015			
Name of Share Holders	**Stock**	**% of ownership**	Nominal value (in Indonesia Rupiah)	Amount (in Indonesia Rupiah)
Bajaj Hindusthan(Singapore) Pte. Ltd.	**49,940**	**99.88%**	100,000	4,994,000,000
Global Power Projects Singapore Pte. Ltd.	**60**	**0.12%**	100,000	6,000,000
Total	**50,000**	**100.00%**		5,000,000,000

	2015			
Name of Share Holders	**Stock**	**% of ownership**	Nominal value (in Indonesia Rupiah)	Amount in (₹ Million)
Bajaj Hindusthan(Singapore) Pte. Ltd.	**49,940**	**99.88%**	100,000	24.95
Global Power Projects Singapore Pte. Ltd.	**60**	**0.12%**	100,000	0.03
Total	**50,000**	**100.00%**		24.98

13. OPERATING EXPENSES

	2016		2015	
	Amount in Indonesia Rupiah	**Amount in (₹ Million)**	Amount in Indonesia Rupiah	Amount in (₹ Million)
This account consists of:				
Technical services	**1,886,229,282**	**9.19**	2,386,503,420	11.92
Salaries	**374,289,726**	**1.82**	206,784,779	1.03
Office rental	**37,777,778**	**0.18**	62,174,071	0.31
Professional services	**39,750,000**	**0.19**	43,500,000	0.22
General expense	**28,110,030**	**0.14**	29,320,890	0.15
Travelling	**34,040,800**	**0.17**	24,636,340	0.12
Internet, electricity and office phone	**13,385,141**	**0.07**	9,413,100	0.05
Depreciation	**10,604,167**	**0.05**	8,995,800	0.04
Others	**281,786,262**	**1.37**	602,354,063	3.01
Total	**2,705,973,186**	**13.18**	3,373,682,463	16.85

The financial statements are translated at the exchange rate as on 31.03.2017 i.e. 1USD =IDR 13,315 and 1 USD = INR 64.8386 and as on 31.03.2016 i.e. 1USD= IDR 13,276 and 1USD = INR 66.3329.

15. FINANCIAL RISK MANAGEMENT

The Company principal financial assets comprise cash in hand and in banks and receivables from related party. The Company also has various financial liabilities such as payable to related party and accrued expenses.

The Company policy is not to undertake hedging transactions for its financial instruments.

The main risks arising from the Company's financial instruments are foreign currency risk and liquidity risk. The Director reviews and approves policies for managing each of these risks, which are described in more details as follows:

Fair value and cash flow interest rate risk

Currently, the Company does not have a formal hedging policy for interest rate exposures.

As of December 31, 2016 and 2015, the Company does not have financial liabilities that are exposed to interest rate risk.

Foreign currency risk

The Company's reporting currency is in Rupiah. The Company faces foreign exchange risk as its cash in hand and in banks, receivables and payables to related parties are either denominated in foreign currency (mainly the US Dollar) or whose price is significantly influenced by their benchmark price movements in foreign currencies. Currently, the Company does not have a formal hedging policy for foreign currency exposures. As of December 31, 2016 and 2015, the Company has net assets position of monetary assets and liabilities denominated in foreign currency.

Liquidity risk

The Company manages its liquidity profile to be able to finance its capital expenditures and service its maturing debts by maintaining sufficient cash and bank, and the availability of funding through an adequate amount of committed credit facilities.

The Company regularly evaluates its projected and actual cash flow information and continuously assesses conditions in the financial markets for opportunities.

16. APPROVAL OF FINANCIAL STATEMENTS

The accompanying financial statements have been approved by the Management Company to be issued on April 3, 2017.

bajaj hindusthan sugar ltd.

www.bajajhindusthan.com

Reports and Accounts of
Subsidiary Companies 2016-17