

NDPL INFRA LIMITED

INDEPENDENT AUDITOR'S REPORT To The Members of NDPL INFRA LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **NDPL INFRA LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 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 Ind AS 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 financial position, 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.

In conducting 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 obtained by us 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, of the state of affairs of the Company as at 31 March, 2017, and its profit, total 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 Section 143(3) of the Act, we report, to the extent applicable 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 including Other Comprehensive Income, 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 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company does not have any pending litigations which would impact its financial position – Refer Note 25 to the Ind AS financial statements.
 - 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 did not have any holdings or dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated 8 November, 2016 of the Ministry of Finance, during the period from 8 November, 2016 to 30 December, 2016 – Refer Note 24 to the Ind AS financial statements.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order / CARO 2016") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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



A handwritten signature in black ink that reads "Alka Chadha".

Alka Chadha
Partner
(Membership No. 93474)

Place: Gurugram
Date: 1 May, 2017

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

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

We have audited the internal financial controls over financial reporting of NDPL INFRA LIMITED ("the Company") as of 31 March, 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 Companies Act, 2013.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

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



A handwritten signature in black ink that reads "Alka Chadha".

Alka Chadha
Partner
(Membership No. 93474)

Place: Gurugram
Date: 1 May, 2017

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

- i. The Company does not have any fixed assets (property, plant and equipment) and hence reporting under clause (i) of the Order is not applicable.
- ii. The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the Order is not applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public. The Company does not have any unclaimed deposits and accordingly the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.

- vii. According to the information and explanations given to us, in respect of statutory dues:
 - a. The Company has generally been regular in depositing undisputed statutory dues, including Income-tax, Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

We are informed that the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948 are not applicable to the Company and that the operations of the Company during the year do not give rise to any liability for Sales Tax, Customs Duty, Excise Duty and Value Added Tax.

- b. There were no undisputed amounts payable in respect of Income-tax, Service Tax, Cess and other material statutory dues in arrears as on 31 March, 2017 for a period of more than six months from the date they became payable.

We are informed that the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948 are not applicable to the Company and the operations of the Company during the year do not give rise to any liability for Sales Tax, Customs Duty, Excise Duty and Value Added Tax.

- c. There are no dues of Income-tax and Service Tax which have not been deposited as on 31 March, 2017 on account of disputes.

We are informed that the operations of the Company do not give rise to any liability for Sales Tax, Customs Duty, Excise Duty and Value Added Tax.

- viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of the Order is not applicable to the Company.



**Deloitte
Haskins & Sells**

- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. The Company has not paid / provided any managerial remuneration and accordingly reporting under this clause (xi) of CARO 2016 is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements etc. as required by the applicable accounting standards.
- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company, as applicable, or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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



Alka Chadha

Alka Chadha
Partner
(Membership No. 93474)

Place: Gurugram
Date: 1 May, 2017

NDPL INFRA LIMITED
BALANCE SHEET AS AT 31 MARCH, 2017

	Notes	As at 31.03.2017 Rs.'000s	As at 31.03.2016 Rs.'000s	As at 01.04.2015 Rs.'000s
ASSETS				
(1) Non-current assets				
(a) Non-current tax assets (net)	18.3	6,363.66	3,709.79	-
(b) Deferred tax assets (net)	4	-	-	1.65
(c) Other non-current assets	5	10,214.51	9,954.71	5,736.79
Total non-current assets		16,578.17	13,664.50	5,738.44
(2) Current assets				
(a) Financial assets				
(i) Investments	6	97,585.86	10,995.84	-
(ii) Trade receivables	7	-	7,452.84	5,624.77
(iii) Cash and cash equivalents	8	58.22	50,029.47	39,429.26
(iv) Other financial assets	9	8,106.25	8,425.30	3,919.40
(b) Other current assets	10	53.88	52.31	92.40
Total current assets		105,804.21	76,955.76	49,065.83
TOTAL ASSETS		122,382.38	90,620.26	54,804.27
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital	11	500.00	500.00	500.00
(b) Other equity	12	112,705.54	80,988.36	39,313.44
Total equity		113,205.54	81,488.36	39,813.44
LIABILITIES				
(1) Non-current liabilities				
(a) Deferred tax liabilities (net)	4	363.65	24.90	-
Total non-current liabilities		363.65	24.90	-
(2) Current liabilities				
(a) Financial liabilities				
(i) Trade payables	13	7,538.55	8,227.64	13,944.27
(b) Other current liabilities	14	915.89	870.86	956.98
(c) Current tax liabilities (net)	18.3	358.75	8.50	89.58
Total current liabilities		8,813.19	9,107.00	14,990.83
Total liabilities		9,176.84	9,131.90	14,990.83
TOTAL EQUITY AND LIABILITIES		122,382.38	90,620.26	54,804.27

See accompanying notes forming part of the financial statements 1 to 28

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Alka Chadha

Alka Chadha
Partner



Place : Gurugram
Date : 1 May, 2017

For and on behalf of the Board of Directors

Praveer Sinha

Praveer Sinha
Director

Ajay Kapoor
Director

Place : New Delhi
Date : 1 May, 2017

NDPL INFRA LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2017

	<u>Notes</u>	<u>Year ended 31.03.2017 Rs.'000s</u>	<u>Year ended 31.03.2016 Rs.'000s</u>
I Revenue from operations			
- Sale of services		100,404.90	99,052.46
II Other income	15	5,331.97	3,687.43
III Total income (I + II)		105,736.87	102,739.89
IV Expenses			
(1) Cost of outsourced services		34,600.83	28,038.95
(2) Finance costs	16	605.08	542.68
(3) Other expenses	17	10,588.51	7,042.21
Total expenses (IV)		45,794.42	35,623.84
V Profit before tax (III - IV)		59,942.45	67,116.05
VI Tax expense:	18.1		
(1) Current tax		27,886.52	25,414.58
(2) Deferred tax		338.75	26.55
		28,225.27	25,441.13
VII Profit for the year (V - VI)		31,717.18	41,674.92
VIII Other comprehensive income			
IX Total comprehensive income for the year (VII + VIII)		31,717.18	41,674.92
Earnings per equity share (face value of Rs. 10/- each)	21		
(1) Basic (Rs. / share)		634.34	833.50
(2) Diluted (Rs. / share)		634.34	833.50

See accompanying notes forming part of the financial statements

1 to 28

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Alka Chadha
Alka Chadha
Partner



Place : Gurugram
Date : 1 May, 2017

For and on behalf of the Board of Directors

Praveer Sinha

Praveer Sinha
Director

Ajay Kapoor

Ajay Kapoor
Director

Place : New Delhi
Date : 1 May, 2017

NDPL INFRA LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2017

A. Equity share capital

Rs.'000s		
Balance at the beginning of 1 April, 2015	Changes in equity share capital during the year	Balance at the end of 31 March, 2016
500.00	-	500.00

Rs.'000s		
Balance at the beginning of 1 April, 2016	Changes in equity share capital during the year	Balance at the end of 31 March, 2017
500.00	-	500.00

B. Other equity

Particulars	Rs.'000s	
	Reserves and surplus Retained earnings	Total
Balance as at 1 April, 2015	39,313.44	39,313.44
Total comprehensive income for the year	41,674.92	41,674.92
Balance at the end of 31 March, 2016	80,988.36	80,988.36

Particulars	Rs.'000s	
	Reserves and surplus Retained earnings	Total
Balance as at 1 April, 2016	80,988.36	80,988.36
Total comprehensive income for the year	31,717.18	31,717.18
Balance at the end of 31 March, 2017	112,705.54	112,705.54

See accompanying notes forming part of the financial statements

1 to 28

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Alka Chadha
Alka Chadha
Partner



Place : Gurugram
Date : 1 May, 2017

For and on behalf of the Board of Directors

Praveer Sinha
Praveer Sinha
Director

Ajay Kapoor
Ajay Kapoor
Director

Place : New Delhi
Date : 1 May, 2017

NDPL INFRA LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2017

	<u>Notes</u>	<u>Year ended 31.03.2017</u> Rs.'000s	<u>Year ended 31.03.2016</u> Rs.'000s
A. Cash flows from operating activities			
Profit for the year		31,717.18	41,674.92
Adjustments for :			
Tax expense		28,225.27	25,441.13
Interest income on demand deposits		(840.98)	(374.72)
Gain on current investments in mutual funds		(4,490.99)	(3,312.71)
Interest on delayed payment of current tax		605.08	542.68
Net unrealised foreign exchange loss		-	110.42
		<u>55,215.56</u>	<u>64,081.72</u>
Movements in working capital :			
Adjustments for (increase) / decrease in assets:			
Other non-current assets		(259.80)	(4,217.92)
Trade receivables		7,452.84	(1,938.49)
Other financial assets		174.69	(4,374.85)
Other current assets		(1.57)	40.09
Adjustments for increase / (decrease) in liabilities:			
Trade payables		(689.09)	(5,716.63)
Other current liabilities		45.03	(86.12)
Cash generated from operations		<u>61,937.66</u>	<u>47,787.80</u>
Income taxes paid		(30,795.22)	(29,748.13)
Net cash generated by operating activities	(A)	<u><u>31,142.44</u></u>	<u><u>18,039.67</u></u>
B. Cash flows from investing activities			
Purchase of current investments in mutual funds		(283,876.43)	(283,549.99)
Proceeds from sale of current investments in mutual funds		201,777.40	275,866.86
Interest received on demand deposits		985.34	243.67
Net cash used in investing activities	(B)	<u><u>(81,113.69)</u></u>	<u><u>(7,439.46)</u></u>
Net increase / (decrease) in cash and cash equivalents	(A+B)	<u><u>(49,971.25)</u></u>	<u><u>10,600.21</u></u>
Cash and cash equivalents at the beginning of the year	8	50,029.47	39,429.26
Cash and cash equivalents at the end of the year	8	<u><u>58.22</u></u>	<u><u>50,029.47</u></u>

See accompanying notes forming part of the financial statements

1 to 28

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board of Directors

Alka Chadha

Alka Chadha
Partner



Place : Gurugram
Date : 1 May, 2017

Praveer Sinha

Praveer Sinha
Director

Place : New Delhi
Date : 1 May, 2017

Ajay Kapoor

Ajay Kapoor
Director

NDPL INFRA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 1

GENERAL INFORMATION

NDPL INFRA LIMITED (herein after referred to as "the Company") is primarily engaged in the business of providing consultancy and other services in the infrastructure and power sector.

The Company is a public limited company incorporated on 23 August, 2011 and domiciled in India. The address of its registered office is Jeevan Bharati Tower #1, 10th Floor, 124, Connaught Circus, New Delhi - 110001, India. As at 31 March, 2017, the Company's 100% equity share capital is held by its parent, Tata Power Delhi Distribution Limited and its ultimate holding company is The Tata Power Company Limited.

NOTE 2

APPLICATION OF NEW AND REVISED INDIAN ACCOUNTING STANDARDS (Ind AS)

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised for issue have been considered in preparing these financial statements.

2.1 Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable from 1 April, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

NOTE 3

SIGNIFICANT ACCOUNTING POLICIES

3.1 Statement of compliance

In accordance with the notification dated 16 February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1 April, 2016.

The Financial Statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013. These are the Company's first Ind AS Financial Statements. The date of transition to Ind AS is 1 April, 2015. The mandatory exceptions and optional exemptions availed by the Company on First-time adoption have been detailed in Note 3.14.

3.2 Basis of preparation and presentation

The financial statements have been prepared on historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.



NDPL INFRA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

3.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

3.3.1 Sale of services

Revenue from a contract to provide consultancy services is recognised by reference to the stage of the completion of the contract. Revenue from time and material contracts is recognised at the contractual rates as labour hours and direct expenses are incurred. Foreseeable losses on such contracts are recognised when probable.

3.3.2 Interest income

Interest income from financial assets 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.

3.4 Foreign currency

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates. These financial statements are presented in Indian Rupees.

3.4.1 Transactions and balances

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the exchange rates prevailing on the date of the transaction. Gains or losses realised upon settlement of foreign currency transactions are recognised in the Statement of Profit and Loss for the period in which the transaction is settled.

At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are re-translated at the exchange rates prevailing at that date and resultant gains / losses are recognised in the Statement of Profit and Loss.

Non-monetary assets and liabilities denominated in foreign currencies are not restated at period-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

3.5 Taxation

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

3.5.1 Current tax

The tax currently payable is based on taxable profit for the reporting period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates (applicable tax laws) that have been enacted or substantively enacted by the end of the reporting period.

3.5.2 Deferred taxes

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 are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.



NDPL INFRA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities 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 measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.5.3 Current and deferred tax for the reporting period

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the taxes are also recognised in other comprehensive income or directly in equity respectively.

3.6 Provisions, contingent liability and contingent asset

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A contingent liability is disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote. A contingent asset is disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

3.7 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Except for trade receivables, financial assets and financial liabilities are initially measured at fair value. Trade receivables are measured at the transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

3.8 Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.8.1 Amortised cost

A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met:

- financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.



NDPL INFRA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3.8.2 Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL include financial assets that either do not meet the criteria for amortised cost classification or are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements may apply. Assets in this category are measured at fair value with gains or losses recognised in the Statement of Profit and Loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

3.8.3 Financial assets at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to the Statement of Profit and Loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in the Statement of Profit and Loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in the Statement of Profit and Loss are included in the 'Other income' line item.

3.8.4 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses using the simplified approach permitted under Ind AS 109.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

3.8.5 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

3.9 Financial liabilities and equity instruments

3.9.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3.9.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

3.9.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

3.9.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent reporting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant reporting period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.9.3.2 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

3.10 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments (three months or less from the date of acquisition) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3.11 Earnings per share

Basic earnings per equity share has been computed by dividing the net profit or loss for the reporting period attributable to equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

Diluted earnings per equity share is computed by dividing the net profit or loss for the period attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares by the weighted average number of equity shares outstanding during the reporting period as adjusted to the effects of all dilutive potential equity shares, except where results are anti-dilutive.

3.12 Operating cycle

The Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3.13 Use of estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires the management to make estimates and assumptions that affect the application of accounting policies and the reported balances of assets and liabilities including disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of revenue and expenses during the period presented.

Contingent liability is recorded when it is probable that a liability may be incurred, and the amount can be reasonably estimated.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3.14 First-time adoption – mandatory exceptions and optional exemptions

The Company has prepared the opening balance sheet as per Ind AS as at 1 April, 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.

3.14.1 Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1 April, 2015 (the transition date).

3.14.2 Classification of financial assets

The Company has determined the classification of financial assets in terms of whether they meet the amortised cost criteria or the FVTOCI or FVTPL criteria based on the facts and circumstances that existed as of the transition date.

3.14.3 Impairment of financial assets

As permitted under Ind AS 109, the Company has used simplified approach of measuring its expected credit losses on trade receivables using life time expected credit loss model. Hence there is no requirement to retrospectively assess whether there has been a significant increase in credit risk since initial measurement.



NDPL INFRA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2017 Rs.'000s	As at 31.03.2016 Rs.'000s	As at 01.04.2015 Rs.'000s
NOTE 4			
DEFERRED TAX			
The analysis of deferred tax assets / (liabilities) is as follows -			
(a) Deferred tax assets (net)			1.65
(b) Deferred tax liabilities (net)	(363.65)	(24.90)	-
	<u>(363.65)</u>	<u>(24.90)</u>	<u>1.65</u>
	Opening balance	Recognised in profit or loss	Closing balance
	Rs.'000s	Rs.'000s	Rs.'000s
2015-16			
Deferred tax assets / (liabilities) in relation to :			
(a) Investments in mutual funds	-	24.90	(24.90)
(b) Preliminary expenses u/s 35D of Income-tax Act, 1961	1.65	1.65	-
	<u>1.65</u>	<u>26.55</u>	<u>(24.90)</u>
2016-17			
Deferred tax assets / (liabilities) in relation to :			
(a) Investments in mutual funds	(24.90)	(338.75)	(363.65)
	As at 31.03.2017 Rs.'000s	As at 31.03.2016 Rs.'000s	As at 01.04.2015 Rs.'000s
NOTE 5			
OTHER NON-CURRENT ASSETS			
Unsecured, considered good			
- Balances with government authorities			
(a) Service tax input credit receivable	6,670.54	4,145.55	3,665.43
(b) Service tax refund receivable	3,543.97	5,809.16	2,071.36
	<u>10,214.51</u>	<u>9,954.71</u>	<u>5,736.79</u>
NOTE 6			
INVESTMENTS			
Financial assets measured at fair value through profit or loss			
- Investments in mutual funds (unquoted)			
(a) Axis Liquid Fund- Direct Growth - CFDG (As at 31 March, 2017 - Nil (as at 31 March, 2016 - 6.55 thousand units at face value of Rs. 1,000 each, as at 1 April, 2015 - Nil)	-	10,995.84	-
(b) Invesco India Liquid Fund - Direct Plan - Growth (8.99 thousand units (as at 31 March, 2016 - Nil, as at 1 April, 2015 - Nil) at face value of Rs. 1,000 each)	20,119.80	-	-
(c) JM High Liquidity Fund (Direct) - Growth Option (1,129.89 thousand units (as at 31 March, 2016 - Nil, as at 1 April, 2015 - Nil) at face value of Rs. 10 each)	50,295.87	-	-
(d) LIC MF Liquid Fund - Direct - Growth Plan - LICLF (9.21 thousand units (as at 31 March, 2016 - Nil, as at 1 April, 2015 - Nil) at face value of Rs. 1,000 each)	27,170.19	-	-
	<u>97,585.86</u>	<u>10,995.84</u>	<u>-</u>
Aggregate purchase price of unquoted investments	96,266.02	10,920.52	-
Aggregate amount of carrying value of unquoted investments	97,585.86	10,995.84	-



NDPL INFRA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2017 Rs.'000s	As at 31.03.2016 Rs.'000s	As at 01.04.2015 Rs.'000s
NOTE 7			
TRADE RECEIVABLES			
Current			
Financial assets measured at amortised cost			
- Unsecured, Considered Good (Refer Note 7.1 and Note 7.2)	-	7,452.84	5,624.77

Note 7.1

The entire trade receivable balance comprises of receivables in foreign currency (United States Dollars - USD) from a single customer - VIPL Global Services Limited in the region of Nigeria. The credit period on sale of services is 10 days. Based on historical credit loss experience for the Company and considering forward looking information, there is no expected credit loss allowance on trade receivables.

	As at 31.03.2017 Rs.'000s	As at 31.03.2016 Rs.'000s	As at 01.04.2015 Rs.'000s
Note 7.2			
Age of receivables			
(i) Within the credit period			
(ii) 1-30 days past due	-	7,452.84	5,624.77
(iii) 31-90 days past due			
(iv) More than 90 days past due			

NOTE 8

CASH AND CASH EQUIVALENTS

Balances with Banks:

(a) In current accounts	58.22	29.47	6,929.26
(b) In demand deposit accounts with original maturity of 3 months or less (Refer Note 8.1)	-	50,000.00	32,500.00
	<u>58.22</u>	<u>50,029.47</u>	<u>39,429.26</u>

Note 8.1

Demand deposits maintained by the Company with banks comprise time deposits, which can be withdrawn at any point of time without prior notice or penalty on the principal.

NOTE 9

OTHER FINANCIAL ASSETS

Financial assets measured at amortised cost

(a) Unbilled revenue	8,106.25	8,280.94	3,906.09
(b) Interest accrued on demand deposits held with banks	-	144.36	13.31
	<u>8,106.25</u>	<u>8,425.30</u>	<u>3,919.40</u>

NOTE 10

OTHER CURRENT ASSETS

(a) Prepaid expenses	53.88	48.92	4.00
(b) Other advances (Refer Note 10.1)	-	3.39	88.40
	<u>53.88</u>	<u>52.31</u>	<u>92.40</u>

Note 10.1

Other advances include:

(i) Travel advance	-	-	46.16
(ii) Current account with insurance company	-	3.39	42.24
	<u>-</u>	<u>3.39</u>	<u>88.40</u>



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2017 Rs.'000s	As at 31.03.2016 Rs.'000s	As at 01.04.2015 Rs.'000s
NOTE 11			
EQUITY SHARE CAPITAL			
(a) Authorised share capital			
1,000 thousand equity shares of Rs. 10 each with voting rights (As at 31 March, 16: 1,000 thousand, As at 1 April, 2015: 1,000 thousand)	10,000.00	10,000.00	10,000.00
(b) Issued, subscribed and fully paid up			
50 thousand equity shares of Rs. 10 each fully paid up with voting rights (As at 31 March, 16: 50 thousand, As at 1 April, 2015: 50 thousand)	500.00	500.00	500.00

- 11.1 50 thousand i.e. 100% (As at 31 March, 2016: 100%, As at 1 April, 2015: 100%) equity shares of Rs. 10 each with voting rights are held by Tata Power Delhi Distribution Limited, the holding company.
- 11.2 The Company has one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share held.
- 11.3 The Company, during the preceding 5 years, has not allotted shares pursuant to contracts without payment received in cash, issued shares by way of bonus shares or bought back any shares.
- 11.4 The Company has not reserved any shares for issue under options and contracts or commitments for the sale of shares or disinvestments.
- 11.5 The Company has not issued any securities convertible into equity shares.
- 11.6 In the event of liquidation, the holders of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.
- 11.7 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of 31 March, 2017:

	Number of shares In '000s	Amount Rs.'000s
Balance as at 1 April, 2015	50.00	500.00
Movement during the year	-	-
Balance as at 31 March, 2016	50.00	500.00
Movement during the year	-	-
Balance as at 31 March, 2017	50.00	500.00

	As at 31.03.2017 Rs.'000s	As at 31.03.2016 Rs.'000s	As at 01.04.2015 Rs.'000s
NOTE 12			
OTHER EQUITY			

Retained earnings (Refer Note 12.1)	112,705.54	80,988.36	39,313.44
	Year ended 31.03.2017	Year ended 31.03.2016	
	Rs.'000s	Rs.'000s	

Note 12.1

Movement in retained earnings:

(a) Opening balance	80,988.36	39,313.44
(b) Add: Total comprehensive income for the year	31,717.18	41,674.92
(c) Closing balance	112,705.54	80,988.36



NDPL INFRA LIMITED
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	<u>As at</u> <u>31.03.2017</u> <u>Rs.'000s</u>	<u>As at</u> <u>31.03.2016</u> <u>Rs.'000s</u>	<u>As at</u> <u>01.04.2015</u> <u>Rs.'000s</u>
NOTE 13			
TRADE PAYABLES			
Current			
Financial liabilities measured at amortised cost (Refer Note 13.1 and Note 13.2)			
(a) total outstanding dues of micro enterprises and small enterprises	-	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	7,538.55	8,227.64	13,944.27
	<u>7,538.55</u>	<u>8,227.64</u>	<u>13,944.27</u>

Note 13.1

Based on the information available with the Company, no amount is due to Micro and Small Enterprise as defined under the MSMED Act, 2006, and no interest during the year has been paid or payable under the terms of the MSMED Act, 2006 or otherwise. This has been relied upon by the auditors.

Note 13.2

The Company has significant transactions with its holding company and the Company obtains manpower and technical services from its holding company for various consultancy projects undertaken by the Company in the field of power distribution. The credit period for such services is 30 days.

NOTE 14

OTHER CURRENT LIABILITIES

Statutory Liabilities

(a) Tax deducted at source

<u>915.89</u>	<u>870.86</u>	<u>956.98</u>
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NDPL INFRA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Year ended 31.03.2017 Rs.'000s	Year ended 31.03.2016 Rs.'000s
NOTE 15		
OTHER INCOME		
(a) Interest income on financial assets measured at amortised cost		
- Demand deposits with banks	840.98	374.72
(b) Other non-operating income		
- Gain on current investments in mutual funds	4,490.99	3,312.71
	<u>5,331.97</u>	<u>3,687.43</u>

NOTE 16
FINANCE COSTS

Interest on delayed payment of current tax	<u>605.08</u>	<u>542.68</u>
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NOTE 17
OTHER EXPENSES

(a) Legal and professional charges	966.14	477.01
(b) Travelling and conveyance	7,593.34	4,370.45
(c) Rates and taxes	2.52	11.98
(d) Bank charges	112.64	31.85
(e) Insurance	508.38	1,013.07
(f) Net loss on foreign currency transactions	573.02	390.35
(g) Payment to statutory auditor (Refer Note 17.1)	717.57	657.18
(h) Miscellaneous expenses	114.90	90.32
	<u>10,588.51</u>	<u>7,042.21</u>

Note 17.1

Payment to statutory auditor (net of service tax input credit) include:

Particulars	Year ended 31.03.2017 Rs.'000s	Year ended 31.03.2016 Rs.'000s
Audit fee	422.10	402.00
Tax audit	158.29	150.75
Other services	120.60	90.45
Reimbursement of out-of-pocket expenses	16.58	13.98
Total	717.57	657.18

Note

The payments disclosed above excludes fees of Rs. 333.66 thousand (Previous year Rs. 200.50 thousand) for professional services rendered by firm of accountants in which the partners of the firm of statutory auditors are partners.



NDPL INFRA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 18

INCOME TAXES

18.1 Income tax expense

Income tax expense recognised in the Statement of Profit and Loss consists of :

	Year ended 31.03.2017 Rs.'000s	Year ended 31.03.2016 Rs.'000s
Current tax relating to:		
- Current year	24,143.76	25,414.58
- Earlier years	3,742.76	-
	<u>27,886.52</u>	<u>25,414.58</u>
Deferred tax relating to:		
- Current year	338.75	26.55
Total income tax expense	<u>28,225.27</u>	<u>25,441.13</u>

18.2 The income tax expense for the year can be reconciled to the accounting profit as follows:

	Year ended 31.03.2017 Rs.'000s	Year ended 31.03.2016 Rs.'000s
Profit before tax	59,942.45	67,116.05
Enacted income tax rate in India	33.063%	33.063%
Income tax expense calculated at 33.063% (2015-16: 33.063%)	19,818.77	22,190.57
Effect of expenses not deductible in determining taxable profits	200.06	179.43
Effect of overseas taxes	4,536.40	3,071.13
Effect on deferred tax balances due to change in income tax rate from 33.063% to 27.5525%	(72.72)	-
	<u>24,482.51</u>	<u>25,441.13</u>
Adjustment recognised in the current year in relation to overseas taxes of prior years	3,742.76	-
Income tax expense recognised in Statement of Profit and Loss (Refer Note 18.2.1)	<u>28,225.27</u>	<u>25,441.13</u>

Note 18.2.1

The tax rate used for the financial year 2016-17 and 2015-16 reconciliations above is the corporate tax rate of 33.063% payable by corporate entities in India on taxable profits under the Indian tax law.

Overseas taxes include taxes paid in foreign jurisdiction, principally in Nigeria. 10% tax is deducted at source at the time of remittance received from customer located in Nigeria. The portion of tax not admissible as relief under Indian tax laws is included in current tax.

18.3 Details of non-current tax assets and current tax liabilities

The following table provides the details of non-current tax assets and current tax liabilities as at 31 March, 2017, 31 March, 2016 and 1 April, 2015:

	As at 31.03.2017 Rs.'000s	As at 31.03.2016 Rs.'000s	As at 01.04.2015 Rs.'000s
Non-current tax assets (net)	6,363.66	3,709.79	-
Current tax liabilities (net)	358.75	8.50	89.58



NDPL INFRA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 19

FINANCIAL INSTRUMENTS

19.1 Capital management

The Company's objectives for managing capital comprise safeguarding the business as a going concern, creating value for stakeholders and supporting the development of the Company.

The capital structure of the Company consist of equity share capital and other equity. The Company has no external borrowings. Accordingly, the Company has zero gearing ratio.

The management reviews the capital structure on a quarterly basis. As part of this review, the management considers risks associated with the Company that could result in erosion of its total equity.

19.2 Categories of financial instruments

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
	Rs.'000s	Rs.'000s	Rs.'000s
Financial assets			
(A) Measured at fair value through profit or loss (FVTPL)			
- Mandatorily measured			
(a) Investments in mutual funds	97,585.86	10,995.84	
(B) Measured at amortised cost			
(a) Trade receivables	-	7,452.84	5,624.77
(b) Cash and cash equivalents	58.22	50,029.47	39,429.26
(c) Other financial assets			
- Unbilled revenue	8,106.25	8,280.94	3,906.09
- Interest accrued on demand deposits held with banks	-	144.36	13.31
Total	105,750.33	76,903.45	48,973.43
Financial liabilities			
(A) Measured at amortised cost			
(a) Trade payables	7,538.55	8,227.64	13,944.27

19.3 Financial risk management

The Company's activities expose it to a variety of financial risk notably credit risk, market risks (including foreign exchange risk and other price risk) and liquidity risk.

The Company's focus is to ensure liquidity which is sufficient to meet Company's operational requirements. The Company monitors and manages key financial risks so as to minimize potential adverse effects on its financial performance. The policies for managing each of these risks are summarised below:

19.3.1 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 maximum exposure to the credit risk at the reporting date is from trade receivables (including unbilled revenue) amounting to Rs. 8,106.25 thousand as at 31 March, 2017, Rs. 15,733.78 thousand as at 31 March, 2016 and Rs. 9,530.86 thousand as at 1 April, 2015. Trade receivables and unbilled revenue are unsecured and are derived from revenue earned from a single customer- VIPL GLObal Services Ltd. located in the region of Nigeria.

Bank balances are held with reputed and creditwothy banking institutions.

Investments primarily include investment in liquid debt based mutual fund units with high credit-ratings assigned by credit-rating agencies and are managed by asset management companies.

The carrying amount reflected above represents the Company's maximum exposure to credit risk for such financial assets.



NDPL INFRA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

19.3.2 Market risk

Market risk is the risk that the expected cash flows or fair value of a financial instrument could change owing to changes in market prices. Market risks are primarily composed of foreign exchange risk and price risk.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in exchange rates.

The Company operates internationally and undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. The Company is exposed to foreign exchange risk through its consultancy services in Nigeria, services being billed in United States Dollar (USD).

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	Currency	As at	As at	As at
		31.03.2017	31.03.2016	01.04.2015
		Rs.'000s	Rs.'000s	Rs.'000s
(a) Trade receivables (includes unbilled revenue)	USD	8,106.25	15,733.78	9,530.86
(b) Trade payables	USD	-	532.83	585.91

For the year ended 31 March, 2017 and 31 March, 2016, every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and USD, will affect the Company's profit before tax by Rs. 81.06 thousand and Rs. 152.01 thousand respectively.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in net asset value (NAV) of the financial instruments held.

The Company's price risk is mainly generated with fair value in respect of the investments held in mutual funds. Investments primarily include investment in liquid debt based mutual fund units with high credit-ratings assigned by credit-rating agencies and are managed by asset management companies.

The carrying amount of the Company's investments designated as at fair value through profit or loss at the end of the reporting period are as follows:

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
	Rs.'000s	Rs.'000s	Rs.'000s
Investments in mutual funds	97,585.86	10,995.84	-

For the year ended 31 March, 2017 and 31 March, 2016, every percentage point increase / decrease in the NAV of investments, will affect the Company's profit before tax by Rs. 975.86 thousand and Rs. 109.96 thousand, respectively.

In Company's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk and price risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

19.3.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company's principal sources of liquidity are cash and cash equivalents, liquid mutual fund investments and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements.



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment and realisation periods. The tables have 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 and realise.

Particulars	Less than 1 month	1-3 months	3 months to 1 years	1-5 years	Total
	Rs.'000s	Rs.'000s	Rs.'000s	Rs.'000s	Rs.'000s
As at 31 March, 2017					
Trade payables	74.94	7,463.61	-	-	7,538.55
As at 31 March, 2016					
Trade payables	378.06	7,849.58	-	-	8,227.64
As at 1 April, 2015					
Trade payables	5,533.81	8,410.46	-	-	13,944.27

19.4 Fair value measurements

The Company's investments are measured at fair value at the end of each reporting period. The following table gives information on determination of its fair value, the valuation technique and inputs used.

Particulars	Fair Value			Fair Value hierarchy
	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015	
	Rs.'000s	Rs.'000s	Rs.'000s	
Investment in mutual funds mandatorily measured as at fair value through profit or loss	97,585.86	10,995.84	-	Level 1

NOTE 19.4.1

Valuation technique and key inputs

- Net asset value of mutual fund investments at reporting date

19.5 Fair value of financial assets and financial liabilities that are not measured at fair value

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.



NDPL INFRA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 20
SEGMENT REPORTING

The Company is mainly engaged in the business of providing consultancy and other services in the infrastructure and power sector in the region of Nigeria. Based on the information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and assessment of performance, there are no reportable segments.

The Company derives its entire revenue from operations by rendering consultancy services to its only customer- VIPL Global Services Limited located in Nigeria.

NOTE 21
EARNINGS PER SHARE (EPS)

The earnings considered in ascertaining the Company's EPS comprises the profit attributable to equity shareholders. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

Particulars	Unit	Year ended 31.03.2017	Year ended 31.03.2016
Basic and diluted earnings per share			
Profit for the year	Rs.'000s	31,717.18	41,674.92
Amount available for equity shareholders	Rs.'000s	31,717.18	41,674.92
Weighted average number of equity shares outstanding	Nos./000s	50.00	50.00
Basic and diluted earnings per equity share	Rs.	634.34	833.50
Face value per equity share	Rs.	10.00	10.00

Note: The Company does not have any potential equity shares.

NOTE 22
RELATED PARTY TRANSACTIONS

(a) List of related parties and description of relationship:

(i) Ultimate holding company

- Tata Power Company Limited

(ii) Holding company

- Tata Power Delhi Distribution Limited (TPDDL)

(iii) Key managerial personnel

- Directors

(a) Mr. Praveer Sinha

(b) Mr. Ajay Kapoor

(c) Mr. Vivek Singla (ceased w.e.f. 20 January, 2016)

(d) Mr. Arun Kumar Srivastava (ceased w.e.f. 24 October, 2016)

(e) Mr. Puneet Munjal (additional director, appointed w.e.f. 24 October, 2016)

Particulars / Nature of transaction	Year ended 31.03.2017	Year ended 31.03.2016
	Rs.'000s	Rs.'000s
Transactions during the year		
- TPDDL (Holding Company)		
(a) Cost of outsourced services	34,600.83	28,038.95
(b) Reimbursement of expenses paid	8,214.18	2,201.22
(c) Reimbursement of expenses received	132.97	424.51

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	Rs.'000s	Rs.'000s	Rs.'000s
Balance outstanding			
- TPDDL			
(a) Trade payables	7,066.89	7,319.11	12,759.72

The amount outstanding with the related party is unsecured and will be settled in cash. No guarantees have been given or received.



NDPL INFRA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 23

As per the Companies Act, 2013 ('the Act'), a company meeting the eligibility criteria as stated in Section 135 (1) of the Act is required to spend in every financial year at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The Company is of the view supported by legal opinion that the Company does not meet the eligibility criteria as stated in Section 135 (1) and has accordingly not incurred any expenditure on CSR activities.

NOTE 24

DISCLOSURE ON SPECIFIED BANK NOTES

The details of Specified Bank Notes (SBNs) or other denomination notes, as defined in the MCA notification G.S.R. 308(E) dated 30 March, 2017, held and transacted during the period from 8 November, 2016 to 30 December, 2016 is provided in the table below:

Particulars	SBNs*	Other denomination notes	Total
	Rs.	Rs.	Rs.
Closing cash in hand as on 08.11.2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8 November, 2016.

NOTE 25

The Company does not have any pending litigations which would impact its financial position.



NDPL INFRA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 26

FIRST TIME IND AS ADOPTION RECONCILIATIONS

A. Effect of Ind AS on the Balance Sheet as at 31 March, 2016 and 1 April, 2015.

Particulars	Notes	As at 31.03.2016			As at 01.04.2015		
		Previous GAAP * Rs.'000s	Effect of transition to Ind AS Rs.'000s	As per Ind AS Balance Sheet Rs.'000s	Previous GAAP * Rs.'000s	Effect of transition to Ind AS Rs.'000s	As per Ind AS Balance Sheet Rs.'000s
(1) Non-current assets							
(a) Non-current tax assets (net)		3,701.29	8.50	3,709.79	-	-	-
(b) Deferred tax assets (net)		-	-	-	1.65	-	1.65
(c) Other non-current assets		9,954.71	-	9,954.71	5,736.79	-	5,736.79
Total non-current assets		13,656.00	8.50	13,664.50	5,738.44	-	5,738.44
(2) Current assets							
(a) Financial assets							
(i) Investments	a.	10,920.52	75.32	10,995.84	-	-	-
(ii) Trade receivables		7,452.84	-	7,452.84	5,624.77	-	5,624.77
(iii) Cash and cash equivalents		50,029.47	-	50,029.47	39,429.26	-	39,429.26
(iv) Other financial assets		8,425.30	-	8,425.30	3,919.40	-	3,919.40
(b) Other current assets		52.31	-	52.31	92.40	-	92.40
Total current assets		76,880.44	75.32	76,955.76	49,065.83	-	49,065.83
TOTAL ASSETS		90,536.44	83.82	90,620.26	54,804.27	-	54,804.27
EQUITY							
(a) Equity share capital		500.00	-	500.00	500.00	-	500.00
(b) Other equity		80,937.94	50.42	80,988.36	39,313.44	-	39,313.44
Total equity	a.	81,437.94	50.42	81,488.36	39,813.44	-	39,813.44
LIABILITIES							
(1) Non-current liabilities							
(a) Deferred tax liabilities	a.	-	24.90	24.90	-	-	-
Total non-current liabilities		-	24.90	24.90	-	-	-
(2) Current liabilities							
(a) Financial liabilities							
(i) Trade payables		8,227.64	-	8,227.64	13,944.27	-	13,944.27
(b) Other current liabilities		870.86	-	870.86	956.98	-	956.98
(c) Current tax liabilities (net)		-	8.50	8.50	89.58	-	89.58
Total current liabilities		9,098.50	8.50	9,107.00	14,990.83	-	14,990.83
Total liabilities		9,098.50	33.40	9,131.90	14,990.83	-	14,990.83
TOTAL EQUITY AND LIABILITIES		90,536.44	83.82	90,620.26	54,804.27	-	54,804.27

*Previous GAAP figures have been reclassified to conform Ind AS presentation requirements for the purpose of this note.

B. Reconciliation of total equity as at 31 March, 2016 and 1 April, 2015

	Notes	As at 31.03.2016 Rs.'000s	As at 01.04.2015 Rs.'000s
Total equity as reported under previous GAAP		81,437.94	39,813.44
Impact of transition to Ind AS:			
(a) Fair valuation of investments in mutual funds	a.	75.32	-
(b) Deferred tax adjustments related to above	a.	(24.90)	-
Total equity as reported under Ind AS		81,488.36	39,813.44



NDPL INFRA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

C. Effect of Ind AS adoption on Statement of Profit and Loss for the year ended 31 March, 2016

	Note No.	Year ended 31.03.2016		
		Previous GAAP *	Effect of transition to Ind AS	As per Ind AS
		Rs.'000s	Rs.'000s	Rs.'000s
I Revenue from operations				
- Sale of services		99,052.46	-	99,052.46
II Other income	a.	3,612.11	75.32	3,687.43
III Total income (I + II)		102,664.57	75.32	102,739.89
IV Expenses				
(1) Cost of outsourced services		28,038.95	-	28,038.95
(2) Finance costs		542.68	-	542.68
(3) Other expenses		7,042.21	-	7,042.21
Total expenses (IV)		35,623.84	-	35,623.84
V Profit before tax (III - IV)		67,040.73	75.32	67,116.05
VI Tax expense:				
(1) Current tax		25,414.58	-	25,414.58
(2) Deferred tax	a.	1.65	24.90	26.55
VII Profit for the year (V - VI)		41,624.50	50.42	41,674.92
VIII Other comprehensive income	b.	-	-	-
Total comprehensive income for the year (VII + VIII)		41,624.50	50.42	41,674.92

*Previous GAAP figures have been reclassified to confirm Ind AS presentation requirements for the purpose of this note.

D. Reconciliation of total comprehensive income for the year ended 31 March, 2016

	Note No.	Year ended 31.03.2017
		Rs.'000s
Profit as per previous GAAP		41,624.50
Fair valuation of investments under Ind AS	a.	75.32
Recognition of deferred taxes on fair valuation of investments	a.	(24.90)
Profit for the year as per Ind AS		41,674.92
Other comprehensive income for the year (net of tax)		-
Total comprehensive income under Ind AS		41,674.92

E. Effect of Ind AS adoption on the statement of cash flows

There were no significant reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind AS.

NOTES TO THE RECONCILIATIONS

- a. Under previous GAAP, current investments were measured at lower of cost or fair value. Under Ind AS, these financial assets have been classified as "fair value through profit or loss". The fair value changes are recognised in the Statement of Profit and Loss. On transitioning to Ind AS, these financial assets have been measured at their fair values which is higher than cost as per previous GAAP, resulting in an increase in carrying amount by Rs. 75.32 thousand as at 31 March, 2016. The corresponding deferred taxes have also been recognised for Rs.24.90 thousand as at 31 March, 2016. The net effect of these changes is an increase in total equity by Rs. 50.42 thousand as at 31 March, 2016, increase in profit before tax of Rs. 75.32 thousand for the year ended 31 March, 2016 and in total comprehensive income of Rs. 50.42 thousand for the year ended 31 March, 2016.



NDPL INFRA LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 27

EVENTS AFTER REPORTING PERIOD

In preparing these financial statements, the directors have evaluated that there are no material subsequent events that occur between the end of the reporting period and the date when the financial statements are approved by the Board of Directors, which require any adjustment or disclosure in the financial statements.

NOTE 28

The financial statements were authorised and approved for issue by the Board of Directors on 1 May, 2017 .

For and on behalf of the Board of Directors



Praveer Sinha
Director



Ajay Kapoor
Director

Place : New Delhi
Date : 1 May, 2017

