Always Inspiring

ANNUAL REPORT 2016-17
LANCO INFRATECH LIMITED

EPC

POWER

SOLAR

NATURAL RESOURCES

INFRASTRUCTURE

PROPERTY DEVELOPMENT

Corporate Information

Board of Directors

Mr. L. Madhusudhan Rao - **Executive Chairman**
Mr. G. Bhaskara Rao - **Vice-Chairman**
Mr. L. Sridhar - **Vice-Chairman**
Mr. G. Venkatesh Babu - **Managing Director & Chief Executive Officer**
Mr. Raj Kumar Roy - **Whole-time Director**
Dr. Uddesh Kumar Kohli - **Independent Director**
Mr. R. Krishnamoorthy - **Independent Director**
Mr. R. M. Premkumar - **Independent Director**
Mr. Gurbir Singh Sandhu - **Independent Director**
Mr. Vijoy Kumar - **Independent Director**
Mr. Pawan Chopra - **Independent Director**
Dr. Jaskiran Arora - **Independent Director**
Mr. Satish Chandra Sinha - **Independent Director**

Chief Financial Officer
Mr. T. Adi Babu

Company Secretary and Compliance Officer
Mr. A. Veerendra Kumar

Auditors
Brahmayya & Co.,
(Registration No. 000511S)
Chartered Accountants
48, Masilamani Road, Balaji Nagar, Royapettah
Chennai - 600 014
Tamil Nadu, India

Registered Office
Plot No. 4, Software Units Layout, HITEC City
Madhapur, Hyderabad – 500 081, Telangana, India
Phone: +91-40-4009 0400, Fax: +91-40-2311 6127
E-mail: complianceofficer.litl@lancogroup.com
Website: www.lancogroup.com
Corporate Identity Number: L45200TG1993PLC015545

Corporate Office
Lanco House, Plot No. 397, Udyog Vihar, Phase-3
Gurgaon–122 016, Haryana, India
Phone: +91-124-474 1000, Fax: +91-124-474 1878

Registrar & Share Transfer Agent
Aarthi Consultants Private Limited
1-2-285, Domalguda, Hyderabad – 500 029
Telangana, India
Phone: +91-40-2763 8111, 2763 4445
Fax: +91-40-2763 2184
E-mail: info@aarthiconsultants.com
Website: www.aarthiconsultants.com

Bankers and Financial Institutions of the Company

Allahabad Bank
Andhra Bank
Axis Bank Limited
Bank of Baroda
Bank of Maharashtra
Canara Bank
Central Bank of India
Corporation Bank
Dena Bank
ICICI Bank Limited
IDBI Bank Limited
IDFC Limited
Indian Overseas Bank
Kotak Mahindra Bank Limited
Life Insurance Corporation of India
Oriental Bank of Commerce
Punjab National Bank
Punjab & Sind Bank
State Bank of India
The Jammu & Kashmir Bank
Union Bank of India
United Bank of India
Yes Bank Limited

Contents

Board of Directors

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Executive Chairman

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Vice - Chairman

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Vice - Chairman

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Managing Director &
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Whole-time Director

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Independent Director

Mr. R. Krishnamoorthy
Independent Director

Mr. R. M. Premkumar
Independent Director

Mr. Gurbir Singh Sandhu
Independent Director

Mr. Vijoy Kumar
Independent Director

Mr. Pawan Chopra
Independent Director

Dr. Jaskiran Arora
Independent Director

Mr. Satish Chandra Sinha
Independent Director

Business Verticals

EPC

Our reputation for impeccable project management competencies has established us as the first choice amongst leading enterprises for Power EPC projects. An ability to straddle a project from "concept to commissioning" and bringing together the crucial parameters of cost and quality has earned us a rich portfolio of EPC projects. Our competitive edge is derived from our decade-old expertise in EPC combined with strong engineering competencies across industry verticals such as power, transmission, industrial and transportation segments.

POWER

Lanco's expertise in the power sector over the years made them contribute to the country's Power sector. Lanco Kondapalli, Lanco Tanjore, Lanco Amarkantak, Lanco Anpara are standing testimony to the laurels of Lanco. Currently, Lanco has an installed capacity of 3465 MW and a capacity under construction of 4536 MW. Lanco will contribute considerably into the nation's goal of providing power to all.

SOLAR

Lanco Solar aims to power Indian communities by providing clean and cost-effective solar electricity, and is committed to achieving grid parity in the years to come. Lanco Solar has taken considerable strides in the solar industry during recent years in integrated manufacturing, solar EPC and project development with an aim, to deliver sustainable, innovative and cost effective solutions across the entire solar power value chain.

NATURAL RESOURCES

The coal business has always been our key area of focus. The appointment as Mine Developer & Operator (MDO) by Steel Authority of India Ltd., for the Tasra Coal Block including washery and captive power project has reiterated our strengths in Natural Resources.

INFRASTRUCTURE

Our Infrastructure development business is focused on executing large civil and urban projects such as roads, highways, ports, airports, railway lines, etc. The successful execution and completion of impressive civil & urban projects has earned us a prominent position in the Infrastructure development sector. The projects currently under highway portfolio include two major National Highway (NH) projects in the State of Karnataka. Our current portfolio consists of highway projects of around 163 kms in length.

PROPERTY DEVELOPMENT

Lanco Hills a mega project in Hyderabad with Apartments, Villas, Malls, IT Parks is a product of expertise and meticulous planning. World's top Architects, consultants and experts have come together to create this marvellous world of its own called Lanco Hills. Convenient access to homes, premium office spaces, entertainment, leisure and shopping, extraordinary comforts, high rise living and global standard construction make Lanco Hills the most sought after in the city of Hyderabad.

Year at a glance - Consolidated

	(₹ Crores)		Change
PARTICULARS	**2016-17**	2015-2016	**Change (%)**
Profit and Loss Account			
Gross Income	8,445.48	10,097.91	(16)
Less: Elimination of Inter Segment Income	935.41	1,763.01	(47)
Net Income	7,510.07	8,334.90	(10)
Profit Before Depreciation, Interest, Taxation and Exceptional Items	1,612.99	2,797.69	(42)
Depreciation and Amortisation	903.88	817.54	11
Profit Before Interest, Taxation and Exceptional Items	709.11	1,980.15	(64)
Eliminated Profit on transactions with Subsidiaries	172.96	271.41	(36)
Profit Before Interest, Taxation, Exceptional Item and Eliminations	882.07	2,251.56	(61)
Interest and Finance Charges	2,995.31	2,658.00	13
Loss Before Taxation, Exceptional Items and Eliminations	(2,113.24)	(406.44)	420
Exceptional Items	(4.52)	279.86	(102)
Loss Before Taxation and Eliminations	(2,117.76)	(126.58)	@
Provision for Taxation (Including Deferred Tax and MAT Credit Entitlement)	(29.90)	(125.57)	(76)
Loss After Tax (Before Share of Non Controlling Interests & Profits from Associates)	(2,087.86)	(1.01)	@
Share of Non Controlling Interests	(210.84)	(4.10)	@
Share of Profits / (Loss) from Associates	0.76	(0.29)	362
Profit / (Loss) After Tax (After Share of Non Controlling Interests & Profits from Associates) Plus Eliminations	(1,876.26)	2.80	@
Elimination of Profit on Transactions with Subsidiaries and Associates	172.87	271.90	(36)
Loss After Tax (After Share of Non Controlling Interests and Profits from Associates)	(2,049.13)	(269.10)	661
Other Comprehensive Income	0.47	(1.05)	145
Total Comprehensive Income for the year to owners of the Company	(2,048.66)	(270.15)	(658)
Cash Profit / (Loss)	(1,068.38)	592.84	(280)
Balance Sheet			
Share Capital	330.26	273.78	21
Other Equity	(2,404.54)	(304.12)	(691)
Non Controlling Interests	1,125.25	1,382.29	(19)
Total Equity	(949.03)	1,351.95	(170)
Cumulative Eliminated Profit on Transactions with Subsidiaries and Associates	1,039.30	941.64	10
Total Equity Plus Cumulative Eliminated Profit	90.27	2,293.59	(96)
Non Current Liabilities	43,112.76	41,480.46	4
Current Liabilities	14,092.18	11,059.27	27
Total Equity and Liabilities	56,255.91	53,891.68	4.39
Non Current Assets	48,041.91	45,044.21	7
Current Assets	8,214.00	8,847.47	(7)
Total Assets	56,255.91	53,891.68	4
Key indicators			
Earning Per Share (In Rs.)			
Basic	(7.50)	(1.05)	(614)
Diluted	(7.50)	(1.05)	(614)
No. of Employees	3,361	3,700	(9)

@ Change is above 1000 hence not shown

BOARDS' REPORT

Dear Members,

Your Directors present the Twenty Fourth Annual Report on the Business and Operations of the Company together with the Audited financial statements for the year ended March 31, 2017.

FINANCIAL SUMMARY

(₹ Crores)

PARTICULARS	CONSOLIDATED Year ended March 31		STANDALONE Year ended March 31	
	2017	2016	**2017**	2016
Total Income	7,510.07	8,334.90	1,757.53	2,744.94
Profit / (Loss) Before Taxation	(2,290.72)	(397.99)	(889.52)	(452.53)
Provision for Taxation	(29.90)	(125.57)	-	0.09
Net Profit / (Loss) after Taxation	(2,260.82)	(272.42)	(889.52)	(452.62)
Add: Share of Profit/(Loss) of Associates	0.76	(0.29)	-	-
Less: Elimination of Unrealized Profit on Transactions with Associate Companies	(0.09)	0.49	-	-
Less: Share of Non-Controlling Interests	(210.84)	(4.10)	-	-
Profit/(Loss) from operations for the period attributable to Owners of the company	(2,049.13)	(269.10)	(889.52)	(452.62)

FINANCIAL PERFORMANCE AND THE STATE OF THE COMPANY'S AFFAIRS

On a Consolidated basis, your Company has reported Revenues of ₹ 7,510.07 Crores for FY 2016-17 as against ₹ 8,334.90 Crores of Revenues in the previous year. Total Expenditure for the Year was ₹ 9,796.27 Crores as against ₹ 9,012.75 Crores in the previous year. The Loss before tax for the Year was ₹ 2,290.72 Crores as against Loss before tax ₹ 397.99 Crores in the previous year.

Finance Cost on consolidated basis amounted to ₹ 2,995.31 Crores in comparison to ₹ 2,658.00 Crores of previous year.

The Net Loss after Tax after adjustment of Non-Controlling Interests and Share of Profits of Associates was ₹ 2,049.13 Crores as against the Net Loss of ₹ 269.10 Crores for the previous year.

A detailed discussion on the result of the operations, financial status and business review is included in the Management Discussion and Analysis Report placed at **Annexure-1** to this Report.

Members are informed that as directed by Reserve Bank of India (RBI), IDBI Bank Limited (IDBI) the lead bank of the Company referred the Company under the Insolvency and Bankruptcy Code, 2016 (IBC) before Hon'ble National Company Law Tribunal (NCLT), Hyderabad. Accordingly, the Company was admitted to the Corporate Insolvency Resolution Process on August 07, 2017.

INCREASE OF PAID-UP EQUITY SHARE CAPITAL

Pursuant to the approval of Members received through Postal Ballot on February 28, 2016, your Company on March 14, 2016 allotted 32,14,53,885 Compulsorily Convertible Debentures (CCDs) to IDFC Bank Limited at a price of ₹ 10 per CCD having face value of ₹ 10 each with 12 months tenure, aggregating to ₹ 321,45,38,850. On March 14, 2017, your Company allotted 56,47,37,202 Equity Shares of face value of ₹ 1 each at ₹ 6.23 Per Equity Share (including ₹ 5.23 per Equity Share towards Share Premium) aggregating to ₹ 351,83,12,771 to IDFC Bank Limited, upon conversion of Compulsorily Convertible Debentures (CCDs) of ₹ 321,45,38,850 and interest accrued thereon for an amount of ₹ 30,37,73,921 (net of TDS). In view of the above Corporate Action, the Paid-up Share Capital of the Company increased from ₹ 274.93 Crores to ₹ 331.41 Crores. As part of the notice of this Annual General Meeting, ratification is being sought from the Members for the action taken by the Board of Directors in regard to allotment of above referred equity shares to IDFC Bank Limited.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report as required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is enclosed as **Annexure-1** to this Report.

SUBSIDIARIES/JOINT VENTURES/ASSOCIATES

During the reporting period, Nekkar Power Private Limited and Lanco Horizon Properties Private Limited had become Subsidiaries of the Company. Further Lanco Infratech (Mauritius) Limited, Lanco Holding Netherland B.V. and P.T. Lanco Indonesia Energy were closed and thereafter had ceased to be Subsidiaries of the Company.

The Company's Policy on Material Subsidiaries of the Company has been provided in the following link: http://www.lancogroup.com/pdf/financials/Policies/Policy_on_Material_Subsidiaries.pdf

Report on the highlights of performance and financial position of the Subsidiaries and Associates has been provided in Management Discussion and Analysis Report enclosed as **Annexure- 1** to this Report and in Form AOC-1 which forms part of this Annual Report.

RISK MANAGEMENT POLICY

The Company had put in place the Standard Operating Procedures for the Risk Management Process across all Business units in terms of process, formats, documentation, reporting, identification of elements of risk and monitoring Risk Mitigation plans, as part of the Risk Management Policy developed and implemented by the Company. Further details are provided in Management Discussion and Analysis Report placed at **Annexure-1** to this Report.

INTERNAL FINANCIAL CONTROLS

Your Company had put in place adequate Internal Financial Controls commensurate with the size of the Company with reference to the Financial Statements.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the FY 2016-17, 6 (six) Board Meetings were held. These meetings were held on May 27, 2016, August 12, 2016, September 09, 2016, September 27, 2016, December 09, 2016 and February 13, 2017. The maximum interval between any two meetings did not exceed 120 days.

The Nomination and Remuneration Committee had devised the criteria and the process for performance evaluation of the Non-Independent Directors, the Board as a whole and its Committees. In terms of Section 178(2) of the Companies Act, 2013, the Committee carried out evaluation of every Director's performance on various parameters as set-out in the performance evaluation policy of the Company and found that all Directors have fully met the requirements. Separate meeting of Independent Directors was held on March 30, 2017 without the presence of non-Independent Directors and members of the management.

The details of Familiarization Programme for Independent Directors of the Company is disclosed on the Company's website at http://www.lancogroup.com/pdf/financials/Policies/Familiarization_Programme_for_Independent_Directors.pdf

The Independent Directors have given a declaration to the Company under Section 149(7) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding meeting the criteria of independence prescribed under Section 149(6) of the Companies Act, 2013.

Mr. Satish Chandra Sinha was appointed as Additional Director in the Category of Independent Director for 5 (five) years with effect from May 30, 2017.

The term of Mr. G. Bhaskara Rao as Executive Vice-Chairman ended on March 31, 2017 and he is continuing as Non-Executive Director of the Company w.e.f April 01, 2017. He was elected as Vice-Chairman of the Company by the Board of Directors on April 15, 2017.

Your Company is awaiting approvals from the Central Government regarding the appointment/re-appointment and payment of remuneration to managerial personnel of the Company which includes Mr. L. Madhusudhan Rao, Mr. G. Bhaskara Rao, Mr. G. Venkatesh Babu and Mr. Raj Kumar Roy.

Mr. Rengaraj Viswanathan and Mr. Krotthapalli Raja Gopal, resigned as Directors of the Company with effect from February 27, 2017 and July 20, 2017 respectively. IDBI Bank Limited had withdrawn its nominee Mr. Hiranmoy Biswas from the Board of the Company with effect from July 30, 2017. Further, Dr. Rajesh Kumar Yaduvanshi who was appointed as Nominee Director representing Punjab National Bank on the Board of the Company had resigned from the Board with effect from October 09, 2017, after being relieved from Punjab National Bank and posted as Executive Director of Dena Bank. Your Directors place on record their appreciations for the valuable contribution by Mr. Rengaraj Viswanathan, Mr. Krotthapalli Raja Gopal, Mr. Hiranmoy Biswas and Dr. Rajesh Kumar Yaduvanshi, during their tenure as Directors.

Mr. Lagadapati Sridhar and Mr. Lagadapati Madhusudhan Rao, Directors retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for appointment.

Mr. G. Venkatesh Babu, Managing Director & CEO, Mr. T. Adi Babu, Chief Financial Officer and Mr. A. Veerendra Kumar, Company Secretary represent the Key Managerial Personnel (KMP) of your Company.

ANNUAL GENERAL MEETING (AGM)

Based on application filed by the Resolution Professional, the Registrar of Companies, Hyderabad had given approval for holding the AGM of your Company for FY 2016-17, on or before December 31, 2017. Accordingly the 24th AGM is proposed to be held on December 22, 2017.

DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution Policy adopted by the Board as per Regulation 43A of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 is enclosed as **Annexure-2** and the same is placed on the website of the Company at www.lancogroup.com.

COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The Nomination and Remuneration Committee had recommended to the Board a Policy relating to the Appointment and Remuneration of Directors, Key Managerial Personnel and other Employees. The Nomination and Remuneration Policy forms part of this Report as **Annexure-3**.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report prescribed under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Report.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

The Board has laid down separate Code of Conduct for Directors and Senior Management Personnel of the Company and the same is posted on the Company's Website. All Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct. The Managing Director & CEO has also confirmed and certified the same. The certification forms part of the Report on Corporate Governance.

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of The Companies (Accounts) Rules, 2014, is grouped as below:

Conservation of Energy and Technology Absorption:

The following are the measures and technologies being implemented by the Company:

(i) Selection of equipment that consume minimum energy and adoption of integrated energy management system to measure, monitor and take corrective action for minimizing auxiliary power consumption in the Power Plants.

(ii) Selection and adoption of technologies for SNCR/SCR and FGD to control NOx and SOx emission parameters meeting the new Environmental standards as per MOEF guidelines.

(iii) Ash utilization in earth filling.

(iv) Promoting the use of bricks and cement made from power plant ash.

(v) Best project management practices for optimally utilizing available resources to help reduce project execution time.

(vi) Improved fire safety by adopting simple methods of increased gravel fill in oil collection pits in transformer yards and cables supported on isolated structures in coal handling plants.

(vii) Adoption of zero liquid discharge schemes to prevent water pollution.

(viii) Usage of Electro chlorination instead of gas chlorination to avoid hazards while handling chlorine containers.

(ix) Development and construction of green buildings reducing the electricity consumption.

(x) Development and construction of buildings with focus on design and architecture maximising the use of natural light and natural air ventilation thus reducing the electricity consumption.

(xi) Development of Green belt and water harvesting contributing to environment protection.

Foreign Exchange Earnings and Outgo:

(₹ Crores)

Particulars	Year ended March 31, 2017
Foreign Exchange Earnings	30.47
Foreign Exchange outgo (including Capital imports)	8.77

DISCLOSURE ON COMPANY'S EMPLOYEES STOCK OPTION PLAN

The Employees Stock Option Plan - 2006 was approved by Members by passing Special Resolution in the Extraordinary General Meeting held on June 07, 2006. There were no grants made under the Employees Stock Option Plan of the Company during the FY 2016-17. The required information regarding the ESOP Plan is enclosed as **Annexure-4** to this Report.

PARTICULARS OF EMPLOYEES AND REMUNERATION

As required under Section 197 (12) 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, the details of the remuneration drawn by the employees in excess of the limits prescribed, forms part of this Report.

Pursuant to Section 136 of the Companies Act, 2013, the Annual Report is being sent to the members after excluding the aforesaid details. The same is available for inspection at the Registered Office of the Company during office hours and any member desirous of the said information may write to the Company Secretary at the Registered Office of the Company.

Disclosure of the information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended forms part of this Report as **Annexure-5**.

RELATED PARTY TRANSACTIONS

All the Related Party Transactions entered by the Company during the reporting period were at arm's length basis and in the ordinary course of business. Therefore the disclosure of particulars in Form No. AOC-2 is not applicable to the Company. In line with the requirements of the Companies Act, 2013 and Listing Regulations, the Company has formulated a 'Policy on Related Party Transactions' and the same is uploaded on the Company's website at http://www.lancogroup.com/pdf/CS/LITL_Policy_on_Related_Party_Transactions.pdf

RESOLUTIONS PASSED THROUGH POSTAL BALLOT

No Resolutions were passed through Postal Ballot during the reporting period.

AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION

No amendment was made to Memorandum and Articles of Association of the Company during the reporting period.

DIVIDEND

During the year under review your Company incurred losses. On account of losses, your Directors have not recommended dividend for the year ended March 31, 2017.

DEPOSITS

During the year under review, your Company has not accepted deposits from Public.

LOANS, GUARANTEES, SECURITIES AND INVESTMENTS

The granting of loans and giving of guarantee and providing of security by your Company is exempted in terms of Section 186(11)

(a) of the Companies Act, 2013, as the Company is providing infrastructural facilities specified in Schedule VI of the Companies Act, 2013. Pursuant to Section 186 of Companies Act, 2013 read with Schedule V of the Listing Regulations, disclosure on particulars relating to loans, advances, guarantees and investments are provided as part of the financial statements.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 of the Companies Act, 2013 and Rule 12 of The Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9, is provided as **Annexure-6** to this Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR Committee comprises of Dr. Uddesh Kumar Kohli, Independent Director, Mr. R.M. Premkumar, Independent Director, Mr. G. Bhaskara Rao, Vice-Chairman and Mr. G. Venkatesh Babu, Managing Director & CEO as its Members. Dr. Uddesh Kumar Kohli, Independent Director is the Chairperson of the CSR Committee. Members can access the CSR Policy on the website of the Company at http://www.lancogroup.com/pdf/LITL_CSR_Policy.pdf

There are no net profits for the Company made during the previous three financial years. Hence, there is no requirement of spending specific funds towards CSR activities by the Company during the year under review. Details of CSR activities by the group companies is included in Management Discussion and Analysis Report as **Annexure - 1** to this report.

AUDITORS

The Members are requested to ratify the appointment of Brahmayya & Co., Chartered Accountants, (Firm Registration No. 000511S) as Auditors of the Company for the FY 2017-18.

COST AUDITORS

DZR & Co., Cost and Management Accountants have been appointed as the Cost Auditors for the year ending March 31, 2017. The Cost Audit Report for the year ended March 31, 2017 was filed on October 26, 2017. DZR & Co., have been appointed as Cost Auditors of the Company for the FY 2017-18, based on the recommendation of Audit Committee.

SECRETARIAL AUDIT REPORT

M/s. DVM & Associates LLP, Company Secretaries, were appointed as Secretarial Auditors to conduct Secretarial Audit of records and documents of the Company for the FY 2016-17. The Secretarial Audit Report is given as **Annexure-7** to this Report.

CORPORATE GOVERNANCE

In compliance with the conditions of Corporate Governance, pursuant to Listing Regulations, the Report on Corporate Governance with the Certificate from a Practicing Company Secretary certifying compliance in this regard, forms part of this Report as **Annexure-8**.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

With a view to implement the highest ethical standards in the course of business, the Company has formed and adopted a whistle blower policy which provides a platform for reporting concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Directors and Employees of the Company may report non-compliance, to the Chairperson of Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination.

POLICY ON PREVENTION OF SEXUAL HARASSMENT AGAINST WOMEN AT WORK PLACE OF THE COMPANY

Pursuant to The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company had adopted the "Policy on Prevention of Sexual Harassment against Women at workplace" *inter alia* to seek to protect women from sexual harassment at their place of work. There were no complaints relating to sexual harassment during the reporting period.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 134(5) of the Companies Act, 2013, your Directors hereby confirm that:

(a) In the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards have been followed and that no material departures are made from the same;

(b) Accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the FY 2016-17 and of the profit and loss of the Company for that period;

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

(d) The annual accounts for the FY 2016-17 have been prepared on a going concern basis;

(e) Internal financial controls have been laid down, to be followed by the Company and that such internal financial controls are adequate and were operating effectively and

(f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INFORMATION ON AUDITOR QUALIFICATIONS

The information and explanations of your Directors on the qualification by the Auditor on the Audited Consolidated Financial Statements for the FY 2016-17 is as follows:

- **Qualification on Unaudited Financials of Subsidiaries in Consolidation**

  As per local GAAP applicable to subsidiaries of Lanco Resources International Pte. Limited (LRIPL), fair valuation of assets is mandatory from the external valuer at the every year ending. During the year ended March 31, 2017 valuation of those foreign subsidiaries assets is under progress and due to that auditor of LRIPL subsidiaries could not complete their audit. As a consequential impact, LRIPL and other subsidiary Lanco International Pte. Limited (LIPL), could not complete their audit.

Hence the financial statements prepared by the management have been considered in consolidation.

The qualification by the Auditor is not about deviation from the Accounting Standards but on the consolidation of the un-audited financials of some of the foreign subsidiary companies as on the reporting date.

For the year ended March 31, 2016 also the consolidation was based on the management accounts, which were subsequently updated with the Audited Accounts in the following quarter. There were no material differences between management accounts and audited accounts for the year ended March 31, 2016.

ACKNOWLEDGEMENT AND APPRECIATION

Your Directors take this opportunity to thank all the stakeholders including Members, Banks, Financial Institutions, Customers, Suppliers, Service Providers and Regulatory and Governmental Authorities for their consistent co-operation. Your Directors also wish to place on record the sincere appreciation of the hard work, dedication and commitment of employees at all levels. Your Directors look forward to your continued support in the future as well.

For and on behalf of the Board

L. Madhusudhan Rao	**G. Venkatesh Babu**
Executive Chairman	Managing Director & CEO
DIN - 00074790	DIN - 00075079

Place: Gurgaon
Date: November 14, 2017

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Annexure-1

ECONOMIC REVIEW

Global: Global business environment continued to remain challenging during fiscal 2016 led by weak global growth, slowdown in China, divergent monetary policies and volatile currencies.

Due to the uncertainties and weaker growth, international agencies like IMF have maintained a muted growth outlook with prospective improvement in growth up to 2018. In 2016, World GDP growth had slowed down to 3.1% as against 3.4% in 2015. The main forces shaping the outlook differ, to some extent, between advanced economies and emerging market and developing economies. Among the advanced economies group, the U.S. economy is projected to gather steam as a result of expansionary fiscal policy. Elsewhere, especially in Europe, the cyclical recovery from the crises of 2008–09 and 2011–12 will help keep growth modestly above potential over the next few years. Looking to the medium term, however, demographic headwinds and weak trend productivity are likely to restrain growth.

Growth in the Emerging Market and Developing Economies is expected to be at 4.5% in 2017 and 4.8% in 2018, as against 4.1% in 2016. Growth in global economy is expected to be at 3.5% in 2017 and 3.6% in 2018. Details are as under:

GDP Growth Rates (%)

Country	2018 (E)	2017 (E)	2016	2015
USA	2.5	2.3	1.6	2.6
Euro Area	1.6	1.7	1.7	2.0
China	6.2	6.6	6.7	6.9
Japan	0.6	1.2	1.0	1.2
India	7.7	7.2	6.8	7.9
World	3.6	3.5	3.1	3.4

(Source: World Economic Outlook, IMF April 2017)

India: While India's GDP grew at 7.2% in fiscal 2017, it is expected to grow in the range of 6.75 % to 7.5 % during FY2018, factoring in more buoyant exports as global recovery steam, a post demonetization catch-up in consumption, and a relaxation of monetary conditions consequent upon demonetization.

India's economy is gearing to grow with the implementation of critical structural reforms like GST, ease of doing business, digitisation of trade and commerce, favorable terms of trade, and lower external vulnerabilities. (Source: The Economic Survey 2016-17 Volume 2)

INDUSTRY REVIEW – DEVELOPMENTS AND OUTLOOK

POWER

The total installed generation capacity in India as at end of FY17 stood at 326.85 GW. Out of the total installed generating capacity, 58.8% was coal based, 13.6% was hydro and 7.7% was gas based.

All India Installed Generation Capacity (as on 31-03-2017)

	Thermal				Nuclear	Hydro	RES*	Grand Total
	Coal	Gas	Diesel	Total				
MW	1,92,163	25,329	838	2,18,330	6,780	44,478	57,260	3,26,848
Percentage	58.8	7.7	0.3	66.8	2.1	13.6	17.5	100.0

(Source: Central Electricity Authority (CEA))
**Renewable Energy Sources, including SHP, BP, Urban & Industrial waste, Solar and wind energy*

The total electricity generation in India during FY17 was at 1,159.84 Billion Units (BUs) compared to 1,107.82 BUs in FY16, an increase of 4.70% YoY. Details are as under:

Electricity Generation during FY17 and FY16 (BUs) (excluding RES)

Type	FY17	FY16	Change
Thermal	994.2	943.8	5.3%
Hydro	122.3	121.4	0.8%
Nuclear	37.7	37.4	0.7%
Bhutan Import	5.6	5.2	7.6%
All India	**1159.8**	**1,107.8**	**4.7%**

(Source: CEA)

The annual generating capacity addition also decreased during FY17 to 28,788 MW as against 31,049 MW in FY16, decrease of 7% YoY.

Generation Capacity Addition during FY17 and FY16 (MW)

Type	FY17	FY16	Change
Thermal	11,551	22,461	-49%
Hydro	1,659	1,516	9%
Nuclear	1,000	-	NA
RES	14,578	7072	106%
All India	**28,788**	**31,049**	**-7%**

(Source: CEA)

All India Installed Generation Capacity (MW) – Region Wise (As on 31-03-2017)

Region	Thermal				Nuclear	Hydro	RES*	Grand Total
	Coal	Gas	Diesel	Total				
Northern	51,329	5,781	-	57,110	1,620	19,312	11,539	89,582
Western	68,293	11,203	-	79,497	1,840	7,448	18,304	1,07,089
Southern	43,382	6,474	762	50,617	3,320	11,739	26,132	91,808
Eastern	28,578	100	-	28,678	-	4,738	991	34,407
North-East	580	1,771	36	2,387	-	1,242	281	3,910
Islands	-	-	40	40	-	-	13	53
All India	**192,163**	**25,329**	**838**	**218,330**	**6,780**	**49,478**	**47,260**	**3,26,849**

(Source: CEA)
**Renewable Energy Sources, including SHP, BP, Urban & Industrial waste, Solar and wind energy*

The western region has the highest installed capacity with 33% of the nation's total installed capacity followed by the southern region and northern region at 28% and 27% respectively.

All India Installed Generation Capacity (MW) – Sector Wise (As on 31-03-2017)

Sector	Thermal				Nuclear	Hydro	RES*	Grand Total
	Coal	Gas	Diesel	Total				
State	64,686	7,258	364	72,308	-	29,683	1,977	103,968
Private	73,142	10,581	474	84,197	-	3,144	55,283	142,624
Central	54335	7,491	0	61,826	6,780	11,651	0	80,257
All India	**1,92,163**	**25,329**	**838**	**2,18,331**	**6,780**	**44,478**	**57,260**	**326,849**

(Source: CEA)
**Renewable Energy Sources including SHP, BP, Urban & Industrial waste, Solar and wind energy*

The share of the private sector in the total installed capacity is the highest at 44% followed by the states at 32%.

Capacity Addition Targets in the 12th Plan (FY12-17)

MW

Type/Sector	Central	State	Private	Total
Thermal	14,878	13,922	43,540	72,340
Hydro	6,004	1,608	3,285	10,897
Nuclear	5,300	0	0	5,300
Total	**26,182**	**15,530**	**46,825**	**88,537**

(Source: CEA)

The 12th plan targeted capacity addition of 88,537 MW. The capacity addition target of private sector was 53%.

Actual Capacity Addition up to March 2017 during the 12th Plan (FY12-17)

MW

Type/Sector	Central	State	Private	Total
Thermal	15,869	22,201	53,661	91,730
Hydro	2,584	2,276	619	5,479
Nuclear	2,000	0	0	2,000
Total	**20,453**	**24,477**	**54,280**	**99,209**
Achievement %	**78.12**	**157.61**	**115.92**	**112.05**

(Source: CEA)

During 12th plan, actual capacity addition was 112.05% of the target and exceeded the target addition by 10,672 MW, in spite of Central Sector below achievement by 5729 MW, with the additional contribution of 16,402 MW by Private and State sector.

All India yearly Coal Consumption for Power Generation (Utilities)

Year	Million Tons
2015-16	546
2014-15	530
2013-14	489
2012-13	455
2011-12	418
2010-11	387
2009-10	367

(Source: CEA)

All India Annual per Capita consumption of Electricity

Year	Per Capita consumption (kwh)#
2015-16	1075*
2014-15	1010
2013-14	957
2012-13	914
2011-12	884
2010-11	819
2009-10	779
2008-09	734

(Source: CEA)
 # (Gross Generation + Net Import)/Mid-year population
** Provisional*

Transmission Lines added during past 3 years (ckms)

Voltage Level	FY17	FY16	FY15
+/- 500 KV HVDC	-	-	-
+/- 800 KV HVDC	2,618	3,506	-
765 KV	6,995	5,601	7,548
400 KV	10,657	11,181	9,992
220 KV	6,030	7,826	4,561
All India	**26,300**	**28,114**	**22,101**

(Source: CEA)

All India Transformation Capacity addition during past 3 years (MVA)

Voltage Level	FY17	FY16	FY15
+/- 500 KV HVDC	-	-	-
+/- 800 KV HVDC	4,500	1,500	-
765 KV	26,500	19,500	38,500
400 KV	31,340	17,045	14,970
220 KV	19,476	24,804	12,084
All India	**81,816**	**62,849**	**65,554**

(Source: CEA)

OUTLOOK

India jumped to become the third largest producer of electricity in the world (behind US and China) with total power generation of 1,160 BUs in FY17.

In recent years, the government has announced several structural reforms in the power sector and coal mining which should improve power generation. In FY17, peak deficit further narrowed to lowest-level ever of 1.6% and total deficit at 0.7%.

SOLAR

The Government is providing additional thrust to the development of renewable energy in the country. India is currently running the largest renewable capacity expansion program in the world. The government plans to increase the overall renewable capacity target to 175 GW by 2022, led by solar energy. By 2022, the government aims to have 100 GW of solar based capacity, 60 GW from wind and rest from bio-power and small hydro plants.

In FY17, solar power capacity in India grew by 152% yoy to 12,289 MW. The government has also planned to develop at least 25 solar parks each with a capacity of 500 MW and above with a target of over 20,000 MW of solar installed power capacity by FY19.

RESOURCES

Coal production in India continued to improve with Coal India production growth of 2.9% to 554 million tonnes and SCCL production growth of 1.6% to 61 million tonnes in FY17. Coal-based power plants continue to remain the largest consumer of Coal India and SCCL with dispatch of 543 million tonnes and 59 million tonnes respectively to the power sector. Total geological coal reserves of 308.8 billion tonnes have been estimated in India with proven reserve of 138.09 billion tonnes.

Cumulative geological resources of coal*

	Proved (MT)	Indicated (MT)	Inferred (MT)	Total (MT)
All India	138,087	139,151	31,564	308,802

**as at 01.04.2016*
(Source: Government of India, Ministry of Coal)

INFRASTRUCTURE

During FY16, the construction of highways reached an all-time high of 6,029 kms and award of over 10,000 kms. In the last 2 years, the government awarded projects worth ₹ 2 lakh crores largely through EPC route. It has also proposed to spend around ₹ 7 lakh crores to develop National Highways of around 50,000 kms in the next 5 years. For Sagarmala Port development and Port modernisation, the government has budgeted project cost of ₹73,375 crores and ₹ 9,891 crores respectively. On the Port projects, the government has awarded projects worth ₹15,334 crores in FY16.

COMPANY REVIEW

Lanco Infratech Limited (LITL), to restore its EPC and Construction business to its full capacity and to complete the pending under construction contracts apart from new business, got a CDR package approved from the lenders in December 2013. Unfortunately the implementation of the CDR package was delayed, which led to non-restoration of EPC and Construction business and non-completion of pending contracts.

The subsidiary companies of LITL approached their lenders for approval of Cost Overrun (COR) proposals, which were approved in March 2015 but, disbursement of loans against COR approvals in under construction projects was delayed by 7 to 8 months due to substantial time taken for alignment of sanction terms across lenders. In spite of CDR package approval and COR approvals, the delayed disbursement and / or partial disbursement of loans, effected the physical progress of under construction projects.

Subsequently, to address the over dues of the vendors and the cash gap in the EPC operations for the financial years 2015-16 and 2016-17, the company presented its requirements to the lender's steering committee. The Steering Committee agreed to the financial assistance by the way of long term working capital loan (LTWCL) of ₹1500 Cr. for FY 15-16 and to review the requirements related to FY 16-17 at a later date.

However, there was delay in sanction & disbursement of LTWCL. As against ₹1,500 Cr. of Long Term Working Capital Loans agreed for FY 2016, which was to be disbursed by December 2015, only ₹961 Cr. was approved and ₹586 Cr. was disbursed.

Due to various factors like Asset Quality Review (AQR), NPA, deferred decisions by the lenders, no equity etc., disbursements to the under construction Projects got effected which made them to continue as stranded.

In this situation, a comprehensive solution to address the debt of Lanco Infratech Limited and to provide a framework for completion of the under construction projects, was presented to the Steering Committee consisting of the top 30 lenders to the group.

The scheme was approved by JLF of LITL on 19th July, 2016, approved by the lead lender IDBI Bank on 6th October, 2016, but took substantial time for the remaining lenders of LITL to accord their sanctions.

In the meantime, the under construction projects came to a complete standstill and most of the loan accounts in LITL became NPA. The lenders of LITL, based on the directions of Reserve Bank of India, decided to refer LITL to NCLT under the Insolvency and Bankruptcy Code (IBC). IDBI, the lead lender to LITL, filed an application in this regard with NCLT, Hyderabad, which was admitted on 7th August 2017 and IRP was appointed and subsequently the powers of Board of Directors were suspended.

As of September 30, 2017, Lanco Infratech's EPC order book including Solar EPC stood at a healthy ₹ 15,716 Cr. Subject to an appropriate resolution plan the company is confident of executing most of the order book over the next three years. This will significantly help in increasing the company's standalone EPC and construction revenues.

Company Review: Operations

BUSINESS REVIEW

EPC*

₹ Cr

Order Book as of end of		Revenues		EBIDTA	
March 2017	March 2016	FY17	FY16	FY17	FY16
25,563	27,079	2,203	2,875	170	611

** Including Solar EPC*

Lanco offers Engineering, Procurement and Construction services in the infrastructure business segments of power projects, transmission, transportation, industry and large scale building projects. The total EPC order book (including Power and Solar Projects) as at end FY17 stood at ₹ 256 billion. The solar EPC order book was ₹ 3,182 Cr. Internal projects constitute 79% of the company order book.

For the year 2016-17, revenue for the EPC excluding Solar EPC was ₹1,678 Cr and EBITDA was ₹ 170 Cr. The revenue for the year decreased by 36% YoY primarily due to slow down in various internal projects. Lower revenue also led to lower EBITDA margins.

MAJOR EPC PROJECTS UNDER EXECUTION

EXTERNAL

- BOP of 3x660 MW Koradi Thermal Power Project for MAHAGENCO
- EPC 1X660 MW Supercritical Ennore Thermal Power Station Expansion Project from TANGEDCO

INTERNAL

- 2x660 MW Amarkantak Thermal Power Project
- 2x660 MW Babandh Thermal Power Project
- 2x660 MW Vidarbha Thermal Power Project
- 500 MW of Teesta Hydro Power Project
- 76 MW Mandakini Hydro Power Project

POWER

Lanco Infratech is one of the leading independent private producers in the country with an installed capacity 3,465 MW and the capacity under construction of 4,536 MW.

Installed Power Capacity as of end		Revenues		EBIDTA	
March 2017	March 2016	FY17	FY16	FY17	FY16
3465 MW	4,660 MW*	₹ 5,383 Cr	₹ 6,323 Cr	₹ 1,427 Cr	₹ 2,359 Cr

** includes 1200 MW of Udupi Power.*

PERFORMANCE OF THE PROJECTS UNDER OPERATION

Kondapalli Phase-I – 368 MW

The gas based power station located in Kondapalli, Andhra Pradesh with an installed capacity of 368 MW has a long term Power Purchase Agreement (PPA) with Andhra Pradesh DISCOMS. The unit has tied up fuel supply arrangements with GAIL. Performance of the plant during the year is as follows:

Gross generation (MUs)		Plant Load Factor (PLF %)	
FY17	FY16	FY17	FY16
850	488	26	15

Kondapalli Phase-II & III – 1108 MW

The phase II & III gas based power plant has an installed capacity of 1108 MW. These units were operational for 70 days on average in FY 17 and 69 days on average in FY 16 based on E-bid RLNG procured under gas pooling mechanism of GOI.

Gross generation (MUs)		Plant Load Factor (PLF %)	
FY17	FY16	FY17	FY16
1427	1559	15	26

Tanjore- 120 MW

Gas based power station located in Krrupur village, Tanjore district, Tamil Nadu with an installed capacity of 120 MW. The plant has a long term PPA with Tamil Nadu with fuel supply arrangement with GAIL. Performance of the plant during the year is as follows:

Gross generation (MUs)		Plant Load Factor (PLF %)	
FY17	FY16	FY17	FY16
513	654	49	62

Amarkantak Unit-I- 300 MW

Domestic coal based power unit located in Pathadi village of Korba district of Chhattisgarh with an installed capacity of 300 MW. The unit supplies power under a long term PPA to Madhya Pradesh. The plant maintained an availability factor of 94% during the year. Performance of the plant during the year is as follows:

Gross generation (MUs)		Plant Load Factor (PLF %)	
FY17	FY16	FY17	FY16
2,148	2,228	82	85

Amarkantak Unit-II- 300 MW

Domestic coal based power unit located in Pathadi village of Korba district of Chhattisgarh with an installed capacity of 300 MW. The unit supplies 95% of power to Haryana and 5% power to Chhattisgarh as directed by Honourable Supreme Court

Plant maintained an availability factor of 93% during the year. Performance of the plant after restart on December 5, 2015 is as follows:

Gross generation (MUs)		Plant Load Factor (PLF %)	
FY17	FY16	FY17	FY16
2,302	762	88	90

Anpara- 1200 MW

Located in Uttar Pradesh with an installed capacity of 1200 MW, the unit has a long term PPA with Uttar Pradesh DISCOMS for 1100 MW and the balance being sold through short term PPAs and through power exchange. Performance of the plant during the year is as follows:

Gross generation (MUs)		Plant Load Factor (PLF %)	
FY17	FY16	FY17	FY16
8,449	8,637	80	82

The plant maintained an availability factor of 92% during the year on account of improvement of coal supply and coal handling infrastructure.

DETAILS OF THE PROJECTS UNDER CONSTRUCTION (As at end March 2017)

Project Name	Percentage Completion (%)
Amarkantak 3&4 (1320 MW)	84
Vidarbha (1320 MW)	46
Babandh (1320 MW)	62
Teesta (500 MW)	53
Phata Byung (76 MW)	72

SOLAR

Lanco Solar provides solution across the entire Solar Power Value Chain. The company is setting up a fully-integrated manufacturing project for high-purity Polysilicon, silicon ingots/ wafers and modules in a SEZ facility at Chhattisgarh. The Company has knowledge and resources in managing the integrated solar project development. As of end March 2017, the solar EPC order book was Rs 3,182 Cr with 54% of orders from external parties. The major solar plants under construction include Lanco's 100 MW solar thermal power plant at Chinnu in Rajasthan and NTPC's 100 MW Solar PV plant in Madhya Pradesh. The order book also includes a 100 MW solar thermal power plant being executed by Lanco for KVK energy ventures private limited also at Chinnu in Rajasthan.

Performance of all solar generating capacity of 46 MW during the year is as follows:

Gross generation (MUs)		Plant Load Factor (PLF %)	
FY17	FY16	FY17	FY16
70	73	17.5	18

RESOURCES

The Natural Resources business of the Lanco currently consists of the following assets:

1. **Griffin Coal Mine**

   The Griffin Coal Mine is located in Collie, Western Australia and is the largest individual supplier of coal to Western Australia's industrial coal market.

   Established in 1927, it is also Western Australia's oldest coal company. Majority of the coal produced by Griffin is used as thermal coal, mostly in power stations. Production at the mine during the FY17 was 2.50 MT with sales of 2.45 MT. Production was less than optimal as the fall in international coal prices did not economically justify exporting a part of the production. Capacity enhancement program with capacity being raised from current to 15 MTPA is in the approval phase.

2. **Tasra Open Cast Project**

   Tasra Opencast coal project (Tasra OCP) was awarded in a competitive bid to Lanco by Steel Authority of India Limited (SAIL) for Mine Development and Operations. The project includes setting up of 4 MTPA mine infrastructure, 3.5 MTPA Washery and a captive power plant (CPP) of 300 MW capacity based on the secondary coal from the Washery. The project is located in well-established Jharia coal-fields region of District Dhandbad, Jharkhand and has coking coal reserves of 100 million tons. With this project, Lanco as MDO will develop and operate 4 MTPA coal production capacity, 3.5 MTPA washery capacity, and add around 300 MW of coal based power capacity to its existing business portfolio.

INFRASTRUCTURE

ROADS:

The road portfolio of the company currently consists of the following assets:

Project	Status
82 km Neelamangla Junction (Bangalore) – Devihalli (NH-48)	Operational; Collected ₹ 59 Cr in toll revenue during the year FY17
81 Km of Mulbagal – Hoskote – Bangalore (NH-4)	Operational; Collected ₹ 65 Cr in toll revenue during the year FY17

REAL ESTATE

Lanco Hills is the group's lone foray into property development. Located in the Cyberabad area of Hyderabad, the project comprises of residential space, office space, IT SEZ, retail and hospitality space. Spread over a land parcel of 100 acres, it is one of the Country's largest single place development projects. During the year 2016-17, revenue from operations was Rs 121 Cr.

CONSOLIDATED FINANCIAL REVIEW

SEGMENT REVIEW

REVENUES

(₹ Cr)

Segment Revenue	FY17	Contribution to Total Revenues	FY16	Contribution to Total Revenues	YoY growth (%)
(a) EPC & Construction*	2,203	26%	2,875	29%	-23%
(b) Power*	5,383	64%	6,323	63%	-15%
(c) Property Development	161	2%	163	2%	-1%
(d) Infrastructure	126	1%	117	1%	8%
(e) Resources	522	6%	493	5%	6%
(f) Unallocated	38	0%	70	1%	-46%
Total	**8,433**	**100%**	**10,040**	**100%**	**-16%**
Less: Inter Segment Revenue	935		1,763		-47%
Net Sales/Income from Operations	**7,498**		**8,277**		**-9%**

** Including Solar*

The macro-economic challenges for the power and infrastructure sectors at the Country level affected the consolidated performance of the company for the FY17 also. Lanco Infratech's total revenue (post elimination of inter-segment revenue) decreased by 9% during 2016-17. This was primarily due to one-time income in Anpara Power plant due to revision of Tariff & Reimbursement of MAT along with Interest in Kondapalli power plant realised in the FY 16.

SEGMENT PROFITS

(₹ Cr)

Segment Results (Profit(+) / Loss(-) before tax and interest from each segment)	FY17	FY16	YoY growth (%)
(a) EPC & Construction	30	472	-94%
(b) Power*	919	1,869	-51%
(c) Property Development	28	4	646%
(d) Infrastructure	27	37	-26%
(e) Resources	-138	-157	-12%
(f) Unallocated	3	-30	-111%
Total	**869**	**2,194**	**-60%**
Less: Inter Segment Profit on transactions with Subsidiaries	173	271	-36%
Total	**697**	**1,923**	**-64%**

** Including Solar*

Consolidated segmental profit before interest and taxes and before elimination of inter-segment profit on transactions with subsidiaries decreased by 64% in FY17 against FY16. EPC & Construction segment contributed ₹30 Cr profit before tax and interest as against ₹472 Cr in the previous year. Power segment profit before tax and interest decreased by 51% for the year, due to one-time Income in Anpara and Kondapalli during FY 16.

FINANCIAL REVIEW

PRINCIPLES OF CONSOLIDATION

Refer Note 2(iv) of consolidated financial statements.

ANALYSIS OF PROFIT AND LOSS ACCOUNT

(₹ Cr)

	Particulars	FY 17	FY 16	YoY growth %
1	(a) Income from operations	7,911	9,581	-17%
	(b) Income from power trading	325	203	60%
	(c) Other operating income	43	78	-45%
	Total income from operations (Gross)	8,279	9,861	-16%
	Less: Elimination of intersegment operating income	935	1,763	-47%
	Total income from operations (Net)	**7,344**	**8,098**	**-9%**
2	**Expenses**			
	(a) Cost of materials consumed	4,096	4,115	NA
	(b) Purchase of traded goods	308	200	54%
	(c) Subcontract cost	174	265	-34%
	(d) Construction, transmission, site and mining expenses	744	682	9%
	(e) Change in inventories of finished goods and work in progress	-125	-207	-40%
	(f) Employee benefits expense	335	353	-5%
	(g) Depreciation & amortisation expenses	904	818	11%
	(h) Other expenses	409	248	65%
	Total expenses	6,845	6,473	6%
3	**Profit / (loss) from operations before other income, foreign exchange fluctuations, finance costs, prior period items & exceptional items (1-2)**	**499**	**1,625**	**-69%**
4	Other income	166	236	-30%
5	Add: Eliminated profit on transactions with subsidiaries	173	271	-36%
6	**Profit / (loss) from ordinary activities before foreign exchange fluctuations, finance costs, prior period items & exceptional items plus elimination (3+4+5)**	**838**	**2,133**	**-61%**
7	(Gain) / loss on foreign exchange fluctuations (Net)	-44	-119	-63%
8	Finance costs	2,995	2,658	13%
9	**Profit / (loss) from ordinary activities after finance costs but before prior period items & exceptional Items plus elimination (6-7-8)**	-2,113	-406	420%
10	Exceptional items	-5	280	-102%
11	**Profit / (loss) from ordinary activities before tax, prior period items plus elimination (9+10)**	-2,118	-127	1573%
12	Tax expense	-30	-126	-76%
13	Net profit / (loss) from ordinary activities after tax but before prior period items plus elimination (11-12)	-2,088	-1	NA
14	Extraordinary Item (net of tax expense)	-	-	
15	Net profit / (loss) for the period before prior period items plus elimination (13+14)	-2,088	-1	NA
	Less : Prior Period Items	-	-	NA
16	Net profit / (loss) for the period plus elimination	-2,088	-1	NA
	Less : Minority interest	-211	-4	NA
	Add: Share of profit / (loss) of associates	1	-0	-361%
17	Net profit / (loss) for the period plus elimination after Minority and share profit / (loss) of associates	-1,876	3	NA
18	Less: elimination of profit on transactions with subsidiaries and associates	173	272	-36%
19	Net profit / (loss) after taxes, minority interest and share of profits / (loss) of associates (17-18)	-2,049	-269	661%
20	Other Comprehensive Income after tax (including share of Associates)	0	-1	-145%
21	Total Comprehensive Income after tax	-2,049	-270	658%
20	Cash profit (17 + 2(g) + deferred tax – MAT credit + forex loss- forex gain)	-1,068	593	-280%
21	**Profit (+) / Loss (-) from ordinary activities before tax (11 – 5)**	-2,291	-398	476%

- Gross Revenue before eliminations (including other income) decreased by 16% YoY to ₹ 8,279 Cr in FY17 from ₹9,861 Cr in FY16
- Reported loss of ₹2,049 Cr in FY17 vs. loss of ₹270 Cr in FY16
- Forex gain of ₹ 44 Cr in FY17 vs. Forex gain of ₹119 Cr in FY16.

On a consolidated basis, the company incurred a loss of ₹2,049 Cr for the year, due to continued macro-economic challenges on the power and infrastructure sectors. Revenue Target was not achieved due to Delay in sanction of the Re-Organisation scheme and project loans to SPVs, resulting in delay in execution of internal projects. Increase in loss during the year was on account of lower EPC operations and power generations and higher interest cost.

Other Income

Other income for FY 17 decreased by 30% over FY16 primarily due to decrease in interest income.

(₹ Cr)

	FY17	FY16	YoY Growth %
Interest Income	64	192	-67%
Dividend Income	0	1	-86%
Net Gain on sale of investments	1	0	NA
Other Non-Operating Income	102	43	139%
Total	**166**	**236**	**-30%**

EXPENDITURE

There was a 5% increase in total expenditure for the year 2016-17.

(₹ Cr)

EXPENSES	FY17	% of Total FY17 Expenses	FY16	% of Total FY16 Expenses	YoY Growth %
Cost of Materials Consumed	4,096	69%	4,115	73%	0%
Purchase of Traded Goods	308	5%	200	4%	54%
Subcontract Cost	174	3%	265	5%	-34%
Construction, Transmission, Site and Mining Expenses	744	13%	682	12%	9%
(Increase) / Decrease in Inventories of Finished Goods and Construction / Development Work in Progress	-125	-2%	-207	-4%	-40%
Sub-Total	**5,197**	**87%**	**5,055**	**89%**	**3%**
Employee Benefits Expenses	335	6%	353	6%	-5%
Other Expenses	409	7%	248	4%	65%
Total Expenses	**5,941**	**100%**	**5,656**	**100%**	**5%**

EMPLOYEE BENEFITS EXPENSES

During the year 2016-17, employee benefits expenses decreased by 5% over the previous year on account of slight decrease in employee salaries and other benefits.

(₹ Cr)

Employee Benefit Expenses	FY17	% of Total	FY16	% of Total	YoY Growth %
Salaries, allowances and benefits to employees and ESOP	313	90%	326	90%	-4%
Contribution to provident fund and other funds	17	5%	19	5%	-9%
Recruitment, training and Staff welfare expenses	17	5%	19	5%	-13%
SUB-TOTAL	**347**		**365**		**-5%**
Less: Capitalized	11		12		-5%
Total	**335**		**353**		**-5%**

OTHER EXPENSES

Other expenses Increased by 183% compared with the previous year. Lower FOREX Gain and higher provisioning for future expected claims resulted in increase in the other expenses in the FY17 compared to FY16.

(₹ Cr)

Other Expenses	FY 17	% of Total	FY 16	% of Total	YoY Growth %
Rent	25	7%	22	14%	16%
Rates and taxes	17	5%	22	15%	-21%
Donations	4	1%	4	3%	-5%
Corporate Social Responsibility Expenses	0	0%	1	0%	-90%
Repairs and Maintenance:					
Office Building	0	0%	3	2%	-93%
Others	21	5%	18	12%	14%
Marketing and selling expenses	9	2%	4	3%	113%
Office maintenance	12	3%	10	7%	16%
Insurance	7	2%	4	3%	68%
Printing and stationery	2	0%	2	1%	-11%
Consultancy and other professional charges	84	22%	76	50%	11%
Directors sitting fee	1	0%	1	1%	-5%
Electricity charges	4	1%	5	3%	-24%
Net Loss on Foreign Exchange Fluctuations	-44	-11%	-119	-78%	-63%
Net Loss on Fair valuation of Financial assets & liabilities	34	9%	4	2%	853%

Other Expenses	FY 17	% of Total	FY 16	% of Total	YoY Growth %
Remuneration to auditors	5	1%	5	3%	3%
Travelling and conveyance	24	6%	27	18%	-13%
Communication expenses	5	1%	5	4%	-12%
Net Loss on sale of investments	1	0%	-	0%	NA
Net Loss on Sale of fixed assets	9	2%	11	7%	-19%
Provision for Advances / claims / debts	142	37%	30	20%	372%
Business Promotion & Advertisement	4	1%	5	3%	-12%
Miscellaneous expenses	21	5%	11	7%	94%
Sub-Total	**386**	**100%**	**151**	**100%**	**156%**
Less: Recovery of Common Expenses	9		8		9%
Less: Transferred to Capitalised cost	1		1		-26%
Less: Elimination of Cost on Intercompany Management Consultancy Income	11		13		-11%
Total	**365**		**129**		**183%**

FINANCE COST

Total Finance costs Increased by 13% during the year due to higher interest cost over previous year on account of default in debt servicing in Lanco Infratech.

DEPRECIATION/AMORTISATION

Depreciation and amortisation expenses Increased by 11% for the year on account of commissioning of Kondapalli Phase III in FY 15-16.

PROVISION FOR TAXATION

The reversed provision of deffered tax in the FY17 was lower compared to FY16 which resulted in lower tax credit in FY17 compared to FY16.

(₹ Cr)

	FY17	FY16	YoY Growth %
Current Tax / Minimum Alternate Tax (MAT) Payable	22	33	-34%
Relating to Previous Years	-	0	-100%
Deferred Tax	-52	-159	-67%
Total Tax Expense	**-30**	**-126**	**-76%**

SHARE OF PROFIT / LOSS OF ASSOCIATES

The share of profit of associates stood at ₹1 Cr against NIL in the previous year.

SHARE OF MINORITY INTEREST

Share of minority interest represents the interest of minority shareholders in various companies. Share of minority interest in FY17 was a loss of ₹211 Cr against a loss of ₹4 Cr in FY16.

PROFIT AFTER TAX PLUS ELIMINATION

Reported loss for the year 2016-17 was ₹2,049 Cr against a loss of ₹270 Cr in the previous year. Adjusted profit (Reported loss plus profit eliminated) for the year was loss of ₹1,876 Cr against an adjusted profit of ₹3 Cr in the previous year.

CASH PROFIT

Cash profit is the profit the Company has earned after adjusting for non-cash expenditures like depreciation, forex gain/loss, deferred tax, MAT credit entitlement and adding eliminated profit. Cash loss for the year FY17 was ₹1,068 Cr versus a cash profit of ₹593 Cr in the previous year.

(₹ Cr)

Cash Profit	FY17	FY16	YoY growth (%)
Reported PAT	-2,049	-269	661%
Add: Depreciation	904	818	11%
Add: Deferred Tax	-52	-159	-67%
Add: Forex Loss / (Gain)	-44	-119	-63%
Add: Profit Eliminated	173	272	-36%
Less: Exceptional item	-	50	-100%
Cash Profit	**-1,068**	**593**	**-280%**

ANALYSIS OF BALANCE SHEET

SOURCES OF FUND

(₹ Cr)

Liabilities	FY17	FY16	YoY Growth %
Shareholders' Funds			
Share Capital	330	274	21%
Reserves and Surplus	-2,405	-304	691%
Minority Interest	1,125	1,382	-19%
Sub Total	-949	1,352	-170%
Non–Current Liabilities			
Long Term Borrowings	40,601	38,922	4%
Deferred Tax Liabilities (net)	663	656	1%
Trade Payables	302	364	-17%
Other Long Term Liabilities	936	978	-4%
Long Term Provisions	611	560	9%
Sub Total	43,113	41,480	4%
Current Liabilities			
Short Term Borrowings	6,359	4,986	28%
Trade Payables	4,145	3,798	9%
Other Current Liabilities	3,514	2,205	59%
Short Term Provisions	73	70	5%
Sub Total	14,092	11,059	27%
TOTAL	**56,256**	**53,892**	**4%**

NET WORTH

The net worth of the Company, as at March 31, 2017 and as at March 31, 2016, is as under:

(₹ Cr)

	Net Worth	FY17	FY16
1	Share Capital	330	274
2	Reserves & Surplus	-2,405	-304
3	**Shareholders' Fund (1+2)**	**-2,074**	**-30**
4	Eliminated Profit on Transactions with Subsidiaries and Associates	1,675	1,503
5	Shareholders' Fund plus Elimination (3+4)	-399	1,472
6	Minority Interest	1,125	1,382
7	**Net worth plus Elimination (5+6)**	**726**	**2,855**

BORROWINGS

Total Borrowings include Long Term, Short Term and Current Maturities of Long Term Borrowings. Total borrowings increased by 7% for the year, the increase in the long term borrowings was on account of increase in the IDC and capital assets.

(₹ Cr)

	FY17	FY16	YoY growth (%)
Long Term Borrowings	40,601	38,922	4%
Current Maturities of Long Term Borrowings	3,458	2,065	67%
Short Term Borrowings	2,901	2,921	-1%
Total	**46,960**	**43,908**	**7%**

CURRENT LIABILITIES (EXCLUDING BORROWINGS)

Current liabilities (excluding borrowings) Increased by 27% during the year

(₹ Cr)

Current Liabilities	FY17	FY16	YoY growth (%)
Current Liabilities as per Balance Sheet	14,092	11,059	27%
Less: Short Term Borrowings	2,901	2,921	-1%
Less: Current Maturities of Long Term Borrowings	3,458	2,065	67%
Total	**7,733**	**6,073**	**27%**

APPLICATION OF FUNDS

(₹ Cr)

Assets	FY17	FY16	YoY Growth %
Fixed Assets	45,398	42,493	7%
Non-Current Investments	791	863	-8%
Deferred Tax Assets (net)	629	578	9%
Long Term Loans and Advances	545	514	6%
Other Non-Current Assets	679	596	14%
Sub Total	**48,042**	**45,044**	**7%**
Current Assets			
Current Investment	19	53	-64%
Inventories	2,306	2,322	-1%
Trade Receivables	2,545	3,014	-16%
Cash and Bank Balances	553	623	-11%
Short Term Loans and Advances	112	54	105%
Other Current Assets	2,679	2,781	-4%
Sub Total	**8,214**	**8,847**	**-7%**
TOTAL	**56,256**	**53,892**	**4%**

FIXED ASSETS

Fixed assets of the company increased by 4% during the year.

INVESTMENTS

Total investments (current and non-current) decreased by 12% during the year.

(₹ Cr)

	FY17	FY16	YoY growth (%)
Non-Current Investments	791	863	-8%
Current Investment	19	53	-64%
Total	**810**	**916**	**-12%**

CURRENT ASSETS (EXCLUDING INVESTMENTS)

(₹ Cr)

	FY17	FY16	YoY Growth (%)
Inventories	2,306	2,322	-1%
Trade Receivables	2,545	3,014	-16%
Cash and Bank Balances	553	623	-11%
Short Term Loans and Advances	112	54	105%
Other Current Assets	2,679	2,781	-4%
Total	**8,195**	**8,795**	**-7%**

Current assets (excluding current investments) remained 7% lower as compared to the previous year. Trade receivables decreased by 16% during the year. As at March 31, 2017 the Group has receivables from various State Electricity Utility companies and other customers against sale of power aggregating to ₹1377 Cr (₹1,782 Cr as at March 31, 2016). Cash and bank balance as at end FY17 was ₹553 Cr compared to ₹623 Cr as at March 31, 2016.

LOANS AND ADVANCES

Long term loans and advances increased by ₹31 Cr during the year and short term loan and advances Increased by ₹57 Cr during the year.

(₹ Cr)

	FY17	FY16	YoY Growth (%)
Long Term	545	514	6%
Short Term	112	54	105%
Total	**657**	**568**	**16%**

NET CURRENT ASSETS

(₹ Cr)

	FY17	FY16	YoY Growth (%)
Current Assets (excluding investments)	8,195	8,795	-7%
Current Liabilities (excluding borrowings & current maturities)	7,733	6,073	27%
Net Current Assets	**462**	**2,722**	**-83%**

Net Current Assets decreased by 83% compared to previous year due to increase in other current liabilities.

KEY FINANCIAL DATA OF MAJOR OPERATING COMPANIES

(₹ Cr)

Performance of SPVs	LITL	Amarkantak	Anpara	Kondapalli	Tanjore	Solar Consol	Griffin Consol	Hills	NETS	Road Projects	Small Hydro
Income											
Income	1,635	1,124	2,639	1,037	138	699	521	121	589	124	19
Other Income	123	39	3	9	3	21	1	13	5	2	1
Total	**1,758**	**1,163**	**2,642**	**1,046**	**142**	**720**	**522**	**134**	**594**	**126**	**19**
Expenditure											
Construction/ Development/ Generation Expenses	1,207	611	1,771	827	121	616	439	100	584	48	2
Administrative and Other Expenses	322	102	67	39	13	35	42	27	6	5	14
EBITDA	**228**	**449**	**804**	**180**	**8**	**69**	**41**	**7**	**4**	**74**	**4**
EBITDA to Total Income (%)	**13**	**39**	**30**	**17**	**5**	**10**	**8**	**5**	**1**	**58**	**18**
Interest and Finance Charges	1,030	307	543	498	1	48	437	142	3	148	26
Depreciation	88	151	256	151	22	15	179	6	0	45	5
Exceptional item	-	-	-	13	-	-	-	-	-	-	-
Profit before Tax	**-890**	**-9**	**5**	**-480**	**-15**	**6**	**-575**	**-141**	**1**	**-120**	**-27**
Provision for Taxation											
- Current Tax	-	-	1	-	-	1	-	-	0	-	0
- Relating to previous periods	-	-	-	-	-	-	-	-	-	-	-
- Deferred Tax (Net)	-	-	-	0	-0	-0	-	-	-0	-	-
Net Profit before Other comprehensive Income	-890	-9	4	-481	-15	5	-575	-141	1	-120	-27
Other Comprehensive Income (OCI)	**1**	**0**	**-0**	**-0**	**0**	**0**	**-**	**0**	**0**	**0**	**0**
Net profit after OCI	**-889**	**-9**	**4**	**-481**	**-15**	**5**	**-575**	**-141**	**1**	**-120**	**-27**

RISKS AND MITIGATION

Lanco Infratech has significant presence in the verticals of Power, EPC, Natural Resources, Solar and Infrastructure. To operate, execute and manage these verticals, the company faces various macro-economic risks that are also dynamic in nature. The major risks that the company faces relate to inadequate fuel supply for operation of installed capacity, regulatory approvals and statutory approval delays, lack of investor interest in the power sector for equity infusion into under construction projects, lack of PPA opportunity, delay in loan disbursement, foreign exchange fluctuation risks, limited vendors, change in MoEF norms etc., Risk mitigation and risk management practices are followed to mitigate these risks to the best possible extent. The areas of critical risks are regularly reviewed and monitored and necessary action is taken to mitigate their effect.

The following are the probable risks and the mitigation plan for each risk:

Risk Description	Mitigation Plan
Lack of investor interest for infusion of equity into under construction projects	1. Divestment of stake in operational assets to raise the required equity for infusion into under construction assets
	2. Structuring alternative funding patterns
	3. Raising equity from the strategic investors
	4. Approaching a few major lenders to underwrite the entire funding requirement for the under construction projects.
Inadequate Fuel Supply (Coal and Gas)	1. Pursuing with Government of India for allocation/supply of gas/coal
	2. Participation in gas pooling bids invited by the government for supply of gas
	3. Purchase of deficit quantity of fuel from e-auction/open market/imports
Regulatory and legal issues affecting performance of installed capacity	1. Pursuing with procurers and regulatory authorities to resolve pending issues
	2. Close monitoring of all pending legal cases by legal counsel and immediate settlement if any untoward developments are foreseen.
	3. Amicable settlements where ever possible to avoid the delay in the legal outcome
Delays in obtaining necessary clearances, land acquisition etc.,	1. Regular interaction with locals and employing confidence building measures through CSR
	2. Seeking customer's intervention for making direct payment to land looser where ever possible.
	3. Regular follow up with concerned regulatory authorities for timely clearances
Tying up of long term PPAs	1. Participation in all case 1 bids
	2. Regular follow up with procurers/Discoms to ensure signing of power purchase agreements post the bids.
	3. Initiating discussion with project lenders for debt hair cut to bring down the project cost to competitive level.
Delay in approvals and disbursements from lenders	1. Frequent interaction with Top Management of Banks and convening JLFs
	2. Close follow up for implementation of JLF decisions and escalation to the Lead Bank for corrective action.
	3. Securitisation of operating assets with reduction in interest rates in lieu of sale of assets.

Risk Description	Mitigation Plan
Loss on account of foreign exchange fluctuation	1. Review of forex exposure on a regular basis
	2. Hedging as per the Forex Risk Management policy
	3. Forward cover / options if the premiums are reasonable
	4. Avoid foreign exchange transactions where ever possible.
Limited vendors for certain packages	1. To gain in-depth knowledge of the packages and procure sub-packages instead of turnkey packages
	2. Assuring the Vendors/Contractors of prompt payments & all cash-flow support.
	3. Improved contract management to minimise the losses
Change in MoEF Norms for emissions from power plants	1. Negotiations with the client for increasing contract value under change in Law
	2. Additional cost to be passed on to the customer
Execution of Project within Stipulated Timeline	1. Conveyed JLFs/Group level lenders meet for apprising the revised project cost.
	2. Requesting the lenders to reduce the ROI & reset the repayment terms for making the projects viable.
	3. Appointment of TEV study to Freeze the revised project cost and project viability report for lenders.
	4. New investor to be identified at project level for extension of DCCO
Un Sustainable / Un-Viable operations	1. To bring in Strategic Investor for triggering change in management.
	2. New Investor will also bring technological expertise which will help in timely completion of the project/ quality of product / low cost of production.
	3. To re-structure the existing debt into various instruments which will reduce the pressure form the cash flow of the project.
	4. To work closely with project lenders to find a new Investor.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Lanco Foundation is the CSR arm of the Lanco Group. The Foundation is currently spread and operational in 12 locations across 10 states in India. The Foundation has been spearheading welfare and development activities in the fields of Health, Safe Drinking Water, and Empowerment of the Physically Challenged for community development. Some of these are:

Health

The Lanco Mobile Health Service (LMHS) has currently 15 units in operation, through which we are providing free primary health care facility at the villages surrounding to our power plant sites.

In this segment, a total of 2,85,250 beneficiaries were diagnosed and given free of cost medicine across 144 villages in the southern, central and northern regions.

The no. of actual per day beneficiaries was 944 against the per day target of 834 with an achievement rate of 113%. A total of 8,221 camps were conducted during the reported period. In the regions where LMHS is operational, the percentage outreach vis-à-vis the population of the area was 62.7%. (Total registrations as on March 31, 2017 is 1,78,210 vs. population of 2,84,421).

Drinking Water

Water borne diseases are evidently seen as one of the prime reason for sickness. To tackle this menace, Lanco foundation have set up 38 Safe drinking water plants across 8 locations. A total of 15,432 households registered and benefitted under the drinking water scheme. Overall 7,07,67,063 litres of water has been distributed free of cost to the villagers during the financial year 2016-17.

Disability

Lanco Foundation has set up 4 Artificial Limb Fitting Centre (ALFC) in the states of Andhra Pradesh, Chhattisgarh, Odisha and Tamil Nadu.

During the Financial year 2016-17, under the outreach based program, 19 Artificial Limb Fitting screening camps were held in the above mentioned states with a number of 1,098 people screened. And, a 17 Artificial Limb Fitting distribution camps were held with a number of 839 people covered.

Under the centre based program, a total of 715 people were screened during the year with a total number of 615 people covered.

All together 1,454 people were provided with artificial limbs and other equipment free of cost during the year.

Blood Donation Camps:

Blood donation camps were held at 17 locations during the reported period and a total of 1,440 number of persons donated their blood.

During the reported period, Lanco Group has spent a total ₹4.05 Crore on CSR activities.

HEALTH, SAFETY AND ENVIRONMENT

Lanco Infratech Limited, takes an integrated approach towards Health, Safety & Environment (HSE) and follows, National & International standards. The company through its subsidiaries implemented British 5 star Safety Programs. The company aim to be a national leader in environmental standards and practices.

All the Operational Thermal and Gas Power Plants, EPC Division, Lanco Hills and Lanco Solar are OHSAS-18001 & ISO-14001 certified.

Good work leads to worthy recognition. The renowned and prestigious "Prashansha Patra" award was conferred by 'National Safety Council of India' to Lanco Kondapalli Power Plant . Additionally Lanco Anpara and Lanco Amarkantak 1&2 certified 5 star rating by British safety Council UK.

One of our employee Mr P Rafivulla Khan won the First Prize in Andhra Pradesh State level Safety Poster Competition conducted by National Safety Council, A.P Chapter for the 13th consecutive year.

Details of awards received during the FY 17 are as under:

Company	Award
Lanco Anpara Power Limited	• Certified for Five Star rating in Occupational Health and Safety Management from British Safety Council UK
	• Green tech Environment Award 2016 in Silver Category
Lanco Amarkantak Power Limited	• Certified for Five Star rating in Occupational Health and Safety Management from British Safety Council UK
LANCO Kondapalli Power Ltd.	• NSCI Safety Awards, "Prashansha Patra" National Safety Council of India

Annexure-2

DIVIDEND DISTRIBUTION POLICY

1.0 PREAMBLE

Under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, the top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) shall formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

2.0 OBJECTIVE

The Objective of this Policy is to reward the shareholders of the Company and to establish the circumstances under which the Company is eligible to distribute dividend and the financial parameters and the internal and external factors to be considered by the Board of Directors for declaration of dividend from time to time.

3.0 DEFINITIONS

"Act" means the Companies Act, 2013 read along with the applicable Rules made thereunder and as amended from time to time.

"Applicable Laws" shall mean and include the Companies Act, 2013 read along with the applicable Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other laws which provides for the declaration and distribution of Dividend.

"Board" or **"Board of Directors"** shall mean Board of Directors of the Company.

"Company or **Lanco"** shall mean Lanco Infratech Limited.

"Dividend" shall mean Dividend as defined under Companies Act, 2013.

"Policy or **this Policy"** shall mean the Dividend Distribution Policy as may be amended from time to time.

4.0 POLICY

The Policy includes the following parameters:

a. The circumstances under which the shareholders of the Company may or may not expect dividend;

b. The financial parameters / Internal factors that shall be considered while declaring dividend;

c. The external factors that shall be considered while declaring dividend;

d. Utilization of Retained Earnings and

e. Parameters that shall be adopted with regard to various classes of shares.

   a. The circumstances under which the shareholders of the Company may or may not expect dividend:

      i. When the Company undertakes or proposes to undertake capital expenditure needs;

      ii. Working Capital requirement which can impact the cash flows of the Company;

      iii. When the Company has inadequate profits or incurs losses;

      iv. Utilization of surplus cash for buy-back of securities;

      v. Allocation of capital for the purpose of acquisitions or joint venture arrangements etc.

   b. The financial parameters / internal factors that shall be considered while declaring dividend:

      i. Servicing of Debt and cost of borrowings;

      ii. Funding Gap requirements;

      iii. Operating Cash Flows;

      iv. Growth and Capital Expenditure needs;

      v. Current Year's Profit;

      vi. Obligations to Creditors;

      vii. Additional Investments in subsidiaries and associate companies;

      viii. Other such criteria as the Board may deem fit from time to time.

   c. The external factors that shall be considered while declaring dividend:

      i. Changes in Government Policies;

      ii. Changes / Restrictions in legal and regulatory regime.

   d. Utilization of Retained Earnings:

      The Company's aim is to maximise the wealth of all the stakeholders. Towards this, the Company shall utilize the Retained Earnings for meeting the business requirements of acquisitions, project expansions, diversification plans etc., In line with the parameters laid down in the Policy, the Board of Directors will decide the payment of dividend to the shareholders.

   e. Parameters that shall be adopted with regard to various classes of shares:

      The Company's capital currently comprise of Equity Share Capital only. The Board shall recommend the dividend payout, if any on Equity Shares in a particular year which shall be confirmed or approved by the Shareholders of the Company.

5.0 AMENDMENT TO THE POLICY

The Board of Directors shall review and amend the Policy from time to time on account of change in law relating to Dividend and other applicable criteria.

NOMINATION AND REMUNERATION POLICY

1.0 TITLE

Nomination and Remuneration Policy.

2.0 PURPOSE

Pursuant to Section 178 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Board of Directors of every listed company shall constitute the Nomination and Remuneration Committee, to guide the Board on various issues on appointment, evaluate performance, remuneration of Directors, Key Managerial Personnel and Senior Management.

3.0 APPLICABILITY

This policy is applicable to all Directors, Key Managerial Personnel (KMP), and Senior Management team and other employees of Lanco Infratech Limited ("Company").

4.0 OBJECTIVES

This policy is framed with the following objectives:

I. To guide the Board in relation to the appointment and removal of Directors, Key Managerial Personnel and Senior Management.

II. To evaluate the performance of members of the Board and provide necessary report to the Board for further evaluation.

III. To attract, retain and motivate the Senior Management including its Key Managerial Personnel, evaluation of their performance and provide necessary report to the Board for further evaluation.

IV. The relationship of remuneration with performance is clear and meets appropriate performance benchmarks.

V. To recommend the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

VI. To promote and develop a high performance workforce in line with the Company strategy.

VII. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Director (Executive & Non- Executive/ Independent/ Nominee) and persons who may be appointed in Senior Management, Key Managerial Personnel and determine their remuneration.

VIII. To determine the remuneration based on the Company's size and financial position and practices in the industry.

5.0 DEFINITIONS

I. "**Act**" means Companies Act, 2013 and rules framed thereunder as amended from time to time.

II. "**Board of Directors**" or Board, in relation to the company, means the collective body of the Directors of the Company.

III. "**Committee**" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

IV. "**Company**" means "**Lanco Infratech Limited**".

V. "**Managerial Personnel**" means Managerial Personnel or Persons, applicable under section 196 and other applicable provisions of the Companies Act, 2013.

VI. "**Policy**" or "**This policy**" means Nomination and Remuneration Policy.

VII. "**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.

VIII. "**Independent Director**" means a Director referred to in Section 149 (6) of the Companies Act, 2013.

IX. "**Key Managerial Personnel**" (KMP) means

   a. The Chief Executive Officer or the Managing Director or the Manager and in their absence the Whole-time Director;

   b. The Company Secretary and

   c. The Chief Financial Officer

X. "**Senior Management**" mean personnel of the company who are members of its core management team excluding Board of Directors.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.

6.0 POLICY

6.1 CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE:

This Policy envisages the role and responsibility of the Independent Directors, Constitution of the Nomination and Remuneration Committee, term of appointment of Managerial Personnel, Directors, KMPs, Senior Management, remuneration of the Managerial Personnel, KMPs, Senior Management, Independent Directors, Stock Options to Managerial Personnel, KMPs, Senior

Management, other employees, evaluation of Managerial Personnel, KMPs, Senior Management, Independent Directors, etc.

The Nomination and Remuneration Committee will consist of three or more non-executive directors, out of which at least one-half shall be independent director(s), provided that Chairperson of the Company may be appointed as a member of this Committee but shall not chair such Committee.

The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirements including the Listing Regulations.

The meeting of Committee shall be held at such regular intervals as may be required to carry out the objectives set out in the Policy.

The Committee members may attend the meeting physically or through Video conference or through permitted audio –visual mode, subject to the provisions of the applicable laws. The Committee shall have the authority to call such employee (s), senior official(s) and / or externals, as it deems fit. The Company Secretary shall act as Secretary to the Committee.

6.2 ROLE AND POWERS OF THE COMMITTEE:

The Role and Powers of the Committee shall be as under:

a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.

b) To formulate criteria for evaluation of Independent Directors and the Board.

c) To identify persons who qualify to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this Policy.

d) To carry out evaluation of every Director's performance.

e) To recommend to the Board the appointment and removal of Directors, Key Managerial Personnel and Senior Management.

f) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.

g) To ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meet appropriate performance benchmarks.

h) To carry out any other function as is mandated by the Board from time to time and /or enforced by the statutory notification, amendment or modification, as may be applicable.

i) To devise a policy on Board Diversity.

j) To formulate the Nomination and Remuneration policy of the Company and propose any amendments.

k) To assist the Board in ensuring that plans are in place for orderly succession for appointments to the Board, Key Managerial Personnel and to senior management.

The Chairperson of the Nomination and Remuneration Committee or, in his absence, any other member of the Committee authorised by him, shall be present at the General meetings of the Company, to answer the shareholders queries, if any.

The Nomination and Remuneration Committee shall set up a mechanism to carry out its functions and is further authorized to delegate any / all of its powers to any of the Directors and /or Officers of the Company, as deemed necessary for proper and expeditious execution.

6.3 APPOINTMENT OF MANAGERIAL PERSONNEL, DIRECTOR, KMP AND SENIOR MANAGEMENT:

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Managerial Personnel, Director or KMP or Senior Management and recommend to the Board his /her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he /she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

c) Appointment of Independent Directors is also subject to compliance of provisions of Section 149 of the Companies Act, 2013, read with Schedule IV and rules thereunder and the Listing Regulations.

6.4 TERM / TENURE

a. Managerial Personnel:

The Company shall appoint or re-appoint any person as its Managerial Personnel for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b. Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and Disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

The maximum tenure of Independent Directors shall also be in accordance with the Companies Act, 2013 and clarifications/ circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time.

6.5 RETIREMENT:

Any Director other than the Independent Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

6.6 REMUNERATION OF MANAGERIAL PERSONNEL, KMP AND SENIOR MANAGEMENT:

a. The Remuneration / Compensation / Profit linked Incentive etc. to Managerial Personnel, KMP and Senior Management will be determined by the Committee and recommended to the Board for approval. The Remuneration / Compensation / Profit Linked Incentive etc. to be paid for Managerial Personnel shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

b. The remuneration and commission to be paid to Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

c. Managerial Personnel, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

d. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

e. If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

f. Increments if declared to the existing remuneration / compensation structure shall be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managerial Personnel.

g. Increments if declared will be effective from 1st April of each financial year in respect of Managerial Personnel, KMP, Senior Management subject to other necessary approvals from statutory authorities as may be required.

h. Where any insurance is taken by the Company on behalf of its Managerial Personnel, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

i. Only such employees of the Company and its subsidiaries as approved by the Nomination and Remuneration Committee will be granted ESOPs.

6.7 REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTORS:

a. Remuneration / Profit Linked Commission:

The remuneration / profit linked commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

b. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c. Limit of Remuneration /Profit Linked Commission:

Remuneration /profit linked Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1%/3% of the net profits of the Company respectively.

d. Stock Options:

Pursuant to the provisions of the Companies Act, 2013, Managerial Personnel, KMP, Senior Management and an employee shall be entitled to any Employee Stock Options (ESOPs) of the Company.

6.8 FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

a) The Company shall familiarize the Independent Directors with the company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the company, etc., through various programs.

b) The details of such familiarization programs shall be disclosed on the Company's website and a web link thereto shall also be given in the Annual Report.

7.0 MONITORING, EVALUATION AND REMOVAL:

I. Evaluation:

The Committee shall carry out evaluation of performance of every Managerial Personnel, Director, KMP and Senior Management on yearly basis.

II. Removal:

The Committee may recommend, to the Board with reasons recorded in writing, removal of a Managerial Personnel, Director, KMP or Senior Management subject to the provisions of Companies Act, 2013, and all other applicable Acts, Rules and Regulations, if any.

III. Minutes of Committee Meeting:

Proceedings of all meetings must be minuted and signed by the Chairperson of the said meeting or the Chairperson of the next succeeding meeting. Minutes of the Committee meeting will be prepared and signed as per applicable provisions of Companies Act and Secretarial Standard and will be circulated at the subsequent Board meeting for noting.

8.0 AMENDMENT TO THE POLICY:

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification, circular(s) etc.

9.0 DISCLOSURE:

The details of this Policy and the evaluation criteria as applicable shall be disclosed in the Annual Report as part of Board's Report therein.

Annexure-4

DISCLOSURE ON ESOP PLANS OF THE COMPANY

S. No.	Description	Employee Stock Options Plan 2006
1	Total Number of Options under the plan	11,11,80,960
2	Options granted during the year	NIL
3	Pricing Formula	The options issued by the ESOP Trust were at Par Value.
4	Options vested as of March 31, 2017	7,26,50,358
5	Options Exercised during the year	2,79,725
6	The total number of shares arising as a result of exercise of option (As of March 31, 2017)	6,62,90,067
7	Options lapsed during the year	4,22,541
8	Variation of Terms of options upto March 31, 2017	NIL
9	Money realised by exercise of Options during the year (in ₹)	67,973
10	Total Number of options in force as on March 31, 2017	4,37,63,175
11	Employee wise details of options granted to	
	(i) Senior Management during the Year	NIL
	(ii) Employees holding 5% or more of the total number of options granted during the year	NIL
	(iii) Identified employees who were granted option during any one year, equal to or exceeding 1% of the issued capital (excluding warrants and conversions) of the Company at the time of grant.	NIL
12	Diluted Earnings Per Share pursuant to issue of shares on exercise of option calculated in accordance with Indian Accounting Standard (Ind AS) 33	(3.25)
13	Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options. The impact of the difference on profits and on EPS of the Company.	Since these options were granted at a nominal exercise price, intrinsic value on the date of grant approximates the fair value of options.
14	Weighted average exercise prices and weighted average fair values of options separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Exercise Price ₹ 0.243 Per Option. No new options were granted during the year.
15	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted average information: (a) risk free interest rate (b) expected life (c) expected volatility (d) expected dividends, and (e) the price of the underlying share in market at the time of option grant.	NA

Annexure-5

DISCLOSURE OF THE INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the FY 17:

Name of the Director	Ratio of the remuneration to the median remuneration of the employees of the company for the FY 17
Mr. L. Madhusudan Rao	8:1
Mr. G. Bhaskara Rao	8:1
Mr. L. Sridhar	Not Applicable
Mr. G. Venkatesh Babu	47:1
Mr. K. Raja Gopal #	Not Applicable
Mr. Raj Kumar Roy	32:1
Mr. Hiranmoy Biswas $	Not Applicable
Dr. Rajesh Kumar Yaduvanshi @	Not Applicable
Dr. Uddesh Kumar Kohli	Not Applicable
Mr. R. Krishnamoorthy	Not Applicable
Mr. R.M. Premkumar	Not Applicable
Mr. Gurbir Singh Sandhu	Not Applicable
Mr. Vijoy Kumar	Not Applicable
Mr. Pawan Chopra	Not Applicable
Dr. Jaskiran Arora	Not Applicable
Mr. Rengaraj Viswanathan ^	Not Applicable
Mr. Satish Chandra Sinha *	Not Applicable

Mr. K. Raja Gopal resigned from Board of the Company on July 20, 2017.

$ Mr. Hiranmoy Biswas resigned from Board of the Company on July 30, 2017 on account of withdrawal of nominee by IDBI Bank Limited.

@ Dr. Rajesh Kumar Yaduvanshi resigned from the Board on October 09, 2017.

^ Mr. Rengaraj Viswanathan resigned from Board of the Company on February 27, 2017.

* Mr. Satish Chandra Sinha was appointed as Independent Director with effect from May 30, 2017.

(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year: Nil

(iii) The percentage increase in the median remuneration of employees in the financial year: 1.81%

(iv) The number of permanent employees on the rolls of Company: 1,201

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Nil

(vi) Affirmation that the remuneration is as per the remuneration policy of the Company: It is affirmed that the remuneration is as per the 'Remuneration Policy for Directors, Key Managerial Personnel and other Employees' adopted by the Company.

Annexure-6

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
As on Financial year ended on 31.03.2017

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i	**CIN**	L45200TG1993PLC015545
ii	**Registration Date**	26.03.1993
iii	**Name of the Company**	Lanco Infratech Limited
iv	**Category/Sub Category of the Company**	Company Limited by Shares / Indian Non-Government Company
v	**Address of the Registered office and contact details**	Plot No. 4, Software Units Layout, HITEC City, Madhapur Hyderabad – 500 081, Telangana, India Phone: +91-40-40090400, Fax: +91-40-23116127 Email: complianceofficer.litl@lancogroup.com Website: www.lancogroup.com
vi	**Whether Listed Company**	Yes
vii	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	M/s. Aarthi Consultants Private Limited 1-2-285, Domalguda, Hyderabad – 500 029, Telangana, India Phone: +91-40-2763 8111, 2763 4445, Fax : +91-40-27632184 E-mail: info@aarthiconsultants.com Website: www.aarthiconsultants.com

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

S. No.	Name and Description of Main Products Name / Services	NIC CODE of the Product / Service	% to total Turnover of the Company
1	EPC & Construction	43900	93.79%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES AS PER ACCOUNTING STANDARDS

S. No.	Name of the Company	CIN/GLN	Relationship	Percentage of Ownership Interest	Applicable Section
1	Amrutha Power Private Limited	U40106KA2004PTC035046	Subsidiary	100.00%	Section 2 (87)
2	Ananke Properties Private Limited	U45200TG2008PTC057338	Subsidiary	100.00%	Section 2 (87)
3	Arneb Power Private Limited	U40300TG2010PTC070839	Subsidiary	93.75%	Section 2 (87)
4	Avior Power Private Limited	U40109TG2004PTC043439	Subsidiary	96.11%	Section 2 (87)
5	Banas Thermal Power Private Limited	U40300TG2010PTC068848	Subsidiary	74.00%	Section 2 (87)
6	Basava Power Private Limited	U40109TG2004PTC043440	Subsidiary	92.21%	Section 2 (87)
7	Belinda Properties Private Limited	U45200TG2008PTC057339	Subsidiary	100.00%	Section 2 (87)
8	Bhanu Solar Projects Private Limited	U40106TG2009PTC065856	Subsidiary	100.00%	Section 2 (87)
9	Bianca Properties Private Limited	U45200TG2008PTC057340	Subsidiary	100.00%	Section 2 (87)
10	Charon Trading Private Limited	U52599TG2008PTC059252	Subsidiary	94.97%	Section 2 (87)
11	Coral Orchids Private Limited	U01119TG2004PTC042613	Subsidiary	100.00%	Section 2 (87)
12	Cordelia Properties Private Limited	U45400TG2004PTC042352	Subsidiary	99.99%	Section 2 (87)
13	Cressida Properties Private Limited	U45200TG2008PTC057342	Subsidiary	100.00%	Section 2 (87)
14	Deimos Properties Private Limited	U45400TG2004PTC042501	Subsidiary	100.00%	Section 2 (87)
15	Dione Properties Private Limited	U45400TG2004PTC042503	Subsidiary	100.00%	Section 2 (87)
16	Diwakar Solar Projects Limited	U40106TG2009PLC065865	Subsidiary	100.00%	Section 2 (87)
17	EO Power Holdco Limited	U01119TG2004PLC042616	Subsidiary	99.27%	Section 2 (87)
18	Helene Power Private Limited	U40300TG2008PTC061285	Subsidiary	100.00%	Section 2 (87)

S. No.	Name of the Company	CIN/GLN	Relationship	Percentage of Ownership Interest	Applicable Section
19	Himavat Power Limited	U40100TG2005PLC045449	Subsidiary	94.99%	Section 2 (87)
20	JH Patel Power Project Private Limited	U74210KA2006PTC038219	Subsidiary	99.94%	Section 2 (87)
21	Jupiter Infratech Private Limited	U45200TG2004PTC042804	Subsidiary	100.00%	Section 2 (87)
22	Khaya Solar Projects Private Limited	U40108TG2009PTC065840	Subsidiary	100.00%	Section 2 (87)
23	Lanco Amarkantak Power Limited	U40109TG2001PLC036265	Subsidiary	80.96%	Section 2 (87)
24	Lanco Anpara Power Limited	U31200UP2006PLC031982	Subsidiary	100.00%	Section 2 (87)
25	Lanco Babandh Power Limited	U40104TG2007PLC054207	Subsidiary	99.50%	Section 2 (87)
26	Lanco Devihalli Highways Limited	U45400TG2007PLC053957	Subsidiary	100.00%	Section 2 (87)
27	Lanco Energy Private Limited	U40102TG2010PTC069521	Subsidiary	100.00%	Section 2 (87)
28	Lanco Energy Talent School for Skills Private Limited (formerly known as Sabitha Solar Projects Private Limited)	U80100TG2009PTC065841	Subsidiary	100.00%	Section 2 (87)
29	Lanco Hills Technology Park Private Limited	U72200TG2004PTC044097	Subsidiary	79.14%	Section 2 (87)
30	Lanco Horizon Properties Private Limited	U45200TG2004PTC042806	Subsidiary	99.99%	Section 2 (87)
31	Lanco Hoskote Highway Limited	U45200TG2007PLC053124	Subsidiary	100.00%	Section 2 (87)
32	Lanco Hydro Power Limited	U01111TG1996PLC023347	Subsidiary	100.00%	Section 2 (87)
33	Lanco Kanpur Highways Limited	U45400HR2011PLC041920	Subsidiary	99.99%	Section 2 (87)
34	Lanco Kanpur Power Limited	U40300UP2014PLC066801	Subsidiary	100.00%	Section 2 (87)
35	Lanco Kondapalli Power Limited	U40101TG1995PLC021459	Subsidiary	58.91%	Section 2 (87)
36	Lanco Mandakini Hydro Energy Private Limited	U40106UR2006PTC032559	Subsidiary	100.00%	Section 2 (87)
37	Lanco Operation and Maintenance Company Limited	U40300TG2009PLC065597	Subsidiary	93.17%	Section 2 (87)
38	Lanco Power Limited	U40109TG2005PLC045214	Subsidiary	100.00%	Section 2 (87)
39	Lanco Rambara Hydro Private Limited	U40300UR2013PTC000532	Subsidiary	100.00%	Section 2 (87)
40	Lanco Solar Energy Private Limited	U40109TG2009PTC064018	Subsidiary	100.00%	Section 2 (87)
41	Lanco Solar Power Projects Private Limited	U40300TG2008PTC059248	Subsidiary	100.00%	Section 2 (87)
42	Lanco Solar Private Limited	U74900TG2008PTC060157	Subsidiary	100.00%	Section 2 (87)
43	Lanco Solar Services Private Limited	U40106TG2010PTC071541	Subsidiary	100.00%	Section 2 (87)
44	Lanco Solart (Gujarat) Private Limited (formerly known as Lanco Property Management Company Private Ltd)	U70102TG2005PTC047310	Subsidiary	99.99%	Section 2 (87)
45	Lanco Tanjore Power Company Limited	U40101TN1997PLC037663	Subsidiary	58.45%	Section 2 (87)
46	Lanco Thermal Power Limited	U40109TG2002PLC038452	Subsidiary	100.00%	Section 2 (87)
47	Lanco Vidarbha Thermal Power Limited	U40100TG2005PLC045445	Subsidiary	99.83%	Section 2 (87)
48	Lanco Wind Power Private Limited	U40108TG2007PTC052684	Subsidiary	100.00%	Section 2 (87)
49	Leda Properties Private Limited	U45200TG2008PTC057343	Subsidiary	100.00%	Section 2 (87)
50	Mahatamil Mining and Thermal Energy Limited	U10200HR2010PLC041280	Subsidiary	73.90%	Section 2 (87)
51	Mercury Projects Private Limited	U70102TG2004PTC042760	Subsidiary	100.00%	Section 2 (87)
52	Mimas Trading Private Limited	U52190TG2008PTC059253	Subsidiary	86.14%	Section 2 (87)

S. No.	Name of the Company	CIN/GLN	Relationship	Percentage of Ownership Interest	Applicable Section
53	Mirach Power Limited	U40109TG2004PLC043236	Subsidiary	96.03%	Section 2 (87)
54	National Energy Trading and Services Limited	U40109TG2000PLC033791	Subsidiary	100.00%	Section 2 (87)
55	Nekkar Power Private Limited	U40109TG2004PTC043237	Subsidiary	100.00%	Section 2 (87)
56	Neptune Projects Private Limited	U70102TG2004PTC042761	Subsidiary	100.00%	Section 2 (87)
57	Newton Solar Private limited	U40106GJ2010PTC062281	Subsidiary	100.00%	Section 2 (87)
58	Nix Properties Private Limited	U45200TG2008PTC057344	Subsidiary	100.00%	Section 2 (87)
59	Orion Solar Projects Private Limited	U40300TG2009PTC066023	Subsidiary	100.00%	Section 2 (87)
60	Pasiphae Power Private Limited	U40108TG2008PTC061286	Subsidiary	100.00%	Section 2 (87)
61	Pearl Farms Private Limited	U01119TG2004PTC042502	Subsidiary	99.99%	Section 2 (87)
62	Phoebe Trading Private Limited	U74999TG2008PTC059254	Subsidiary	93.28%	Section 2 (87)
63	Portia Properties Private Limited	U45400TG2004PTC042612	Subsidiary	98.97%	Section 2 (87)
64	Pragdisa EPC Limited (PEL) (formerly known as Spire Rotor Pvt. Ltd.)	U74900TG2008PLC061527	Subsidiary	98.74%	Section 2 (87)
65	Regulus Power Private Limited	U40109TG2004PTC043441	Subsidiary	99.03%	Section 2 (87)
66	Siddheswara Power Private Limited	U40109TG2004PTC043442	Subsidiary	95.38%	Section 2 (87)
67	Tasra Mining & Energy Company Private Limited	U40108TG2010PTC070744	Subsidiary	100.00%	Section 2 (87)
68	Telesto Properties Private Limited	U45200TG2003PTC042330	Subsidiary	99.99%	Section 2 (87)
69	Tethys Properties Private Limited	U45200TG2008PTC057345	Subsidiary	100.00%	Section 2 (87)
70	Thebe Properties Private Limited	U45200TG2008PTC057347	Subsidiary	100.00%	Section 2 (87)
71	Uranus Infratech Private Limited	U45200TG2004PTC042805	Subsidiary	100.00%	Section 2 (87)
72	Uranus Projects Private Limited	U70102TG2004PTC042759	Subsidiary	99.99%	Section 2 (87)
73	Vainateya Power Private Limited	U40100TG2005PTC045448	Subsidiary	100.00%	Section 2 (87)
74	Bhola Electricity Pvt Ltd	Not Applicable	Subsidiary	100.00%	Section 2 (87)
75	Carpenter Mine Management Pty Limited	Not Applicable	Subsidiary	100.00%	Section 2 (87)
76	Green Solar SRL	Not Applicable	Subsidiary	100.00%	Section 2 (87)
77	Lanco Enterprise Pte Limited (China)	Not Applicable	Subsidiary	100.00%	Section 2 (87)
78	Lanco Infratech Nepal Private Limited	Not Applicable	Subsidiary	100.00%	Section 2 (87)
79	Lanco International Pte Limited	Not Applicable	Subsidiary	100.00%	Section 2 (87)
80	Lanco Power International Pte Limited	Not Applicable	Subsidiary	100.00%	Section 2 (87)
81	Lanco Resources Australia Pty. Limited	Not Applicable	Subsidiary	100.00%	Section 2 (87)
82	Lanco Resources International Pte Limited	Not Applicable	Subsidiary	100.00%	Section 2 (87)
83	Lanco Solar Holding Netherland B.V Utrecht	Not Applicable	Subsidiary	100.00%	Section 2 (87)
84	Lanco Solar International Pte Limited	Not Applicable	Subsidiary	100.00%	Section 2 (87)
85	Lanco Solar International US Inc.	Not Applicable	Subsidiary	100.00%	Section 2 (87)
86	LE New York - LLC	Not Applicable	Subsidiary	100.00%	Section 2 (87)
87	Sirajganj Electric Pvt Limited	Not Applicable	Subsidiary	100.00%	Section 2 (87)
88	The Griffin Coal Mining Company Pty Limited	Not Applicable	Subsidiary	100.00%	Section 2 (87)

S. No.	Name of the Company	CIN/GLN	Relationship	Percentage of Ownership Interest	Applicable Section
89	Western Australia Coal Terminal Pty Ltd	Not Applicable	Subsidiary	100.00%	Section 2 (87)
90	Lanco Teesta Hydro Power Limited	U40109TG2000PLC034758	Associate	48.94%	Section 2 (6)
91	DDE Renewable Energy Private Limited	U40300RJ2009PTC047153	Associate	49.00%	Section 2 (6)
92	Electromech Maritech Private Limited	U74140PN2008PTC131227	Associate	49.00%	Section 2 (6)
93	Finehope Allied Engineering Private Limited	U29253DL2010PTC199330	Associate	38.00%	Section 2 (6)
94	Genting Lanco Power (India) Private Limited	U40100AP1997PTC044831	Associate	26.00%	Section 2 (6)
95	KVK Energy Ventures Private Limited	U40300TG2009PTC063658	Associate	49.00%	Section 2 (6)
96	Bay of Bengal Gateway Terminal Private Limited	U74999TN2010PTC076592	Associate	26.00%	Section 2 (6)
97	Pragdisa Power Private Limited	U40100TG2005PTC045442	Associate	26.00%	Section 2 (6)
98	Saidham Overseas Private Limited	U40105DL2009PTC191346	Associate	35.00%	Section 2 (6)
99	Vasavi Solar Power Private Limited	U40106AP2010PTC069210	Associate	49.00%	Section 2 (6)

IV. SHAREHOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the end of the year 31.03.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter & Promoter Group									
(1) Indian									
a) Individual/ HUF	206,801,820	-	206,801,820	7.52	206,801,820	-	206,801,820	6.24	(1.28)
b) Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	1,618,887,042	-	1,618,887,042	58.88	1,618,887,042	-	1,618,887,042	48.85	(10.03)
d) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
(i) Relatives of Promoters	68,515,537	-	68,515,537	2.49	68,515,537	-	68,515,537	2.07	(0.42)
(ii) Other Bodies Corporate	175,415	-	175,415	0.01	175,415	-	175,415	0.01	(0.00)
(iii) Trusts	45,170,615	-	45,170,615	1.64	45,070,515	-	45,070,515	1.36	(0.28)
Sub Total (A) (1)	**1,939,550,429**	**-**	**1,939,550,429**	**70.55**	**1,939,450,329**	**-**	**1,939,450,329**	**58.52**	**(12.02)**
(2) Foreign									
a) Individuals - (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-
b) Bodies Corporate	-	-	-	-	-	-	-	-	-
c) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter & Promoter Group (A) = (A)(1)+(A)(2)	**1,939,550,429**	**-**	**1,939,550,429**	**70.55**	**1,939,450,329**	**-**	**1,939,450,329**	**58.52**	**(12.02)**

Category of Shareholders		No. of Shares held at the end of the year 31.03.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B.	**Public Shareholding**									
1.	**Institutions**									
a)	Mutual Funds	9,684	-	9,684	0.00	-	-	-	-	(0.00)
b)	Banks / Financial Institutions	118,658,833	-	118,658,833	4.32	660,053,836	-	660,053,836	19.92	15.60
c)	Central Govt / State Government(s)	-	-	-	-	-	-	-	-	-
d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
e)	Insurance Companies	-	-	-	-	-	-	-	-	-
f)	FIIs	7,191,704	-	7,191,704	0.26	-	-	-	-	(0.26)
g)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h)	Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-		**125,860,221**	**-**	**125,860,221**	**4.58**	**660,053,836**	**-**	**660,053,836**	**19.92**	**15.34**
2.	**Non-Institutions**									
a)	Bodies Corporate	70,868,286	500	70,868,786	2.58	65,456,600	500	65,457,100	1.98	(0.60)
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh	430,302,147	31,938	430,334,085	15.65	448,949,334	35,148	448,984,482	13.55	(2.10)
ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	138,121,176	-	138,121,176	5.02	146,985,386	-	146,985,386	4.44	(0.59)
c)	Others (specify)									
1	Trusts	26,310	-	26,310	0.00	26,310	-	26,310	0.00	(0.00)
2	Clearing Member	13,271,094	-	13,271,094	0.48	17,414,978	-	17,414,978	0.53	0.04
3	Foreign Nationals	2,400	-	2,400	0.00	8,088	-	8,088	0.00	0.00
4	Non Resident Indians (Repat)	4,705,233	-	4,705,233	0.17	5,854,113	-	5,854,113	0.18	0.01
5	Non Resident Indians (Non Repat)	15,056,515	-	15,056,515	0.55	16,483,455	-	16,483,455	0.50	(0.05)
6	Foreign Companies	669,910	-	669,910	0.02	669,910	-	669,910	0.02	(0.00)
7	Overseas Corporate Bodies	-	-	-	-	382,583	-	382,583	0.01	0.01
8	Foreign Portfolio Investor (Corporate)	10,860,496	-	10,860,496	0.40	12,293,287	-	12,293,287	0.37	(0.02)
Sub-total (B)(2):-		**683,883,567**	**32,438**	**683,916,005**	**24.88**	**714,524,044**	**35,648**	**714,559,692**	**21.56**	**(3.31)**
Total Public Shareholding (B) = (B)(1)+(B)(2)		**809,743,788**	**32,438**	**809,776,226**	**29.45**	**1,374,577,880**	**35,648**	**1,374,613,528**	**41.48**	**12.02**
C. Shares held by Custodian for GDRs & ADRs		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)		**2,749,294,217**	**32,438**	**2,749,326,655**	**100.00**	**3,314,028,209**	**35,648**	**3,314,063,857**	**100.00**	**-**

(ii) Shareholding of Promoter and Promoter Group

S. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2016			Shareholding at the end of the year 31.03.2017			% change in shareholding 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	L. MADHUSUDHAN RAO	116,869,916	4.25	4.25	116,869,916	3.53	3.53	(0.72)
2	G. BHASKARA RAO	51,358,933	1.87	1.13	51,358,933	1.55	0.94	(0.32)
3	L. SRIDHAR	38,572,971	1.40	0.66	38,572,971	1.16	0.55	(0.24)
4	LANCO GROUP LIMITED	1,618,887,042	58.88	49.24	1,618,887,042	48.85	48.85	(10.03)
5	L. RAJAGOPAL	53,759,447	1.96	1.74	53,759,447	1.62	1.45	(0.34)
6	G. PADMAVATHI	5,445,380	0.20	-	5,445,380	0.16	-	(0.04)
7	L. VENKATA RAMANAIDU	3,202,380	0.12	-	3,202,380	0.10	-	(0.02)
8	L. RAMALAKSHMAMMA	2,918,880	0.11	-	2,918,880	0.09	-	(0.02)
9	L. PADMA	31,500	0.00	-	31,500	0.00	-	-
10	G AVINASH	2,180,000	0.08	-	2,180,000	0.07	-	(0.01)
11	L. SIRISHA	977,950	0.04	-	977,950	0.03	-	(0.01)
12	SIRISUNS ENTERTAINMENT PRIVATE LIMITED (Formerly known as LARSCO ENTERTAINMENT PRIVATE LIMITED)	175,415	0.01	-	175,415	0.01	-	-
13	LCL FOUNDATION *	45,170,615	1.64	-	45,070,515	1.36	-	(0.28)
	Total	**1,939,550,429**	**70.55**	**57.02**	**1,939,450,329**	**58.52**	**55.30**	**(12.03)**

*ESOP Trust

(iii) Change in Promoter & Promoter Group Shareholding

S. No.	Particulars	Shareholding at the beginning of the year 01.04.2016		Shareholding at the end of the year 31.03.2017	
		No. of Shares	% of total shares	No. of Shares	% of total shares
1	LCL FOUNDATION *	45,170,615	1.64	45,070,515	1.36

*ESOP Trust

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

S. No.	For each of the Top 10 shareholders	Shareholding at the beginning of the year 01.04.2016		Shareholding at the end of the year 31.03.2017	
		No. of shares	% of total shares	No. of shares	% of total shares
1	IDFC BANK LIMITED	-	-	564,737,202	17.04
2	ICICI BANK LTD	76,325,079	2.78	54,952,947	1.66
3	LIFE INSURANCE CORPORATION OF INDIA	32,554,593	1.18	32,554,593	0.98
4	HARMAN LAGADAPATI	24,078,049	0.88	24,078,049	0.73
5	GENERAL INSURANCE CORPORATION OF INDIA	8,700,000	0.32	8,700,000	0.26
6	KARVY STOCK BROKING LIMITED	5,115,197	0.19	6,335,817	0.19
7	MV SCIF MAURITIUS	5,534,924	0.20	5,534,924	0.17

8	THE EMERGING MARKETS SMALL CAP SERIES OF THE DFA I	4,907,406	0.18	5,107,406	0.15
9	EMERGING MARKETS CORE EQUITY PORTFOLIO	3,888,963	0.14	4,068,139	0.12
10	PRABHUDAS LILLADHER FINANCIAL SERVICES PVT. LTD.	-	-	3,690,419	0.11

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year 01.04.2016		Shareholding at the end of the year 31.03.2017	
		No. of shares	% of total shares	No. of shares	% of total shares
1	L. MADHUSUDHAN RAO	116,869,916	4.25	116,869,916	3.53
2	G. BHASKARA RAO	51,358,933	1.87	51,358,933	1.55
3	L. SRIDHAR	38,572,971	1.40	38,572,971	1.16
4	G. VENKATESH BABU	9,735,929	0.35	9,735,929	0.29
5	UDDESH KUMAR KOHLI	169,050	0.01	169,050	0.01
6	R. KRISHNAMOORTHY	Nil	Nil	Nil	Nil
7	R. M. PREMKUMAR	Nil	Nil	Nil	Nil
8	GURBIR SINGH SANDHU	Nil	Nil	Nil	Nil
9	VIJOY KUMAR	Nil	Nil	Nil	Nil
10	PAWAN CHOPRA	3,556	0.00	3,556	0.00
11	HIRANMOY BISWAS	Nil	Nil	Nil	Nil
12	RAJESH KUMAR YADUVANSHI	430	0.00	430	0.00
13	K. RAJA GOPAL	4,702,750	0.17	Nil	Nil
14	RAJ KUMAR ROY	Nil	Nil	Nil	Nil
15	RENGARAJ VISWANATHAN	Nil	Nil	Nil	Nil
16	JASKIRAN ARORA	Nil	Nil	Nil	Nil
17	T. ADI BABU, CHIEF FINANCIAL OFFICER	265,918	0.01	15,918	0.00
18	A. VEERENDRA KUMAR, COMPANY SECRETARY	41,779	0.00	41,779	0.00

V. INDEBTEDNESS

(₹ Crores)

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	7,604.37	15.00	-	7,619.37
(ii) Interest due but not paid	221.12	-	-	221.12
(iii) Interest accrued but not due	0.89	1.49	-	2.38
Total (i+ii+iii)	**7,826.38**	**16.49**	**-**	**7,842.87**
Change in Indebtedness during the financial year				
• Addition	426.36	1.95	-	428.31
• Reduction	(87.80)	(1.49)	-	(89.30)
Net Change	**338.56**	**0.46**	**-**	**339.02**
Indebtedness at the end of the financial year				
(i) Principal Amount	7,360.12	**15.00**	-	7,375.12
(ii) Interest due but not paid	804.53	1.95	-	806.48
(iii) Interest accrued but not due	0.29	-	-	0.29
Total (i+ii+iii)	**8,164.94**	**16.95**	**-**	**8,181.89**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Amount in ₹

S. No.	**Particulars of Remuneration**	**Name of MD/WTD/ Manager**				**Total Amount (in ₹)**
		Mr. L. Madhusudan Rao	**Mr. G Bhaskara Rao**	**Mr. G. Venkatesh Babu**	**Mr. Raj Kumar Roy**	
1	Gross salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	2,87,49,995	2,35,23,401	5,22,73,396
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	21,62,060	19,73,614	57,12,332	79,200	99,27,206
	(c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission					
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5	Others	-	-	-	-	-
	Total (A)	**21,62,060**	**19,73,614**	**3,44,62,327**	**2,36,02,601**	**6,22,00,602**
	Ceiling as per the Act	Not Applicable				

B. Remuneration to other Directors: **Amount in ₹**

S. No.	**Particulars of Remuneration**	**Name of Directors**											**Total Amount (in ₹)**
		Dr. Uddesh Kumar Kohli	**Mr. R. Krishna-moorthy**	**Mr. R. M. Prem Kumar**	**Mr. L. Sridhar**	**Mr. Gurbir Singh Sandhu**	**Mr. Vijoy Kumar**	**Mr. Pawan Chopra**	**Mr. Rengaraj Viswanathan**	**Dr. Jaskiran Arora**	**Mr. Hiranmoy Biswas**	**Dr. Rajesh Kumar Yaduvanshi**	
1.	**Independent Directors**												
	Fee for attending Board Committee Meetings	3,80,000	1,40,000	2,40,000	-	2,20,000	1,20,000	2,80,000	80,000	1,20,000	-	-	15,80,000
	Commission	-	-	-	-	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-	-	-	-	-
	Total (1)	**3,80,000**	**1,40,000**	**2,40,000**	**-**	**2,20,000**	**1,20,000**	**2,80,000**	**80,000**	**1,20,000**	**-**	**-**	**15,80,000**
2.	**Other Non executive Director**												
	Fee for attending Board Committee Meetings	-	-	-	1,00,000	-	-	-	-	-	1,20,000	1,00,000	3,20,000
	Commission	-	-	-	-	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-	-	-	-	-
	Total (2)	**-**	**-**	**-**	**1,00,000**	**-**	**-**	**-**	**-**	**-**	**1,20,000**	**1,00,000**	**3,20,000**
	Total (B)=(1+2)	**3,80,000**	**1,40,000**	**2,40,000**	**1,00,000**	**2,20,000**	**1,20,000**	**2,80,000**	**80,000**	**1,20,000**	**1,20,000**	**1,00,000**	**19,00,000**
	Total Managerial Remuneration												**6,22,00,602**
	Overall Ceiling as per the Act *	-	-	-	-	-	-	-	-	-	-	-	-

* The Independent Directors and Non-Executive Directors are not paid any remuneration except sitting fees for attending the meetings of the Board and/or Committees thereof.

C. Remuneration to Key Managerial Personnel Other than MD / MANAGER / WTD: **Amount in ₹**

S. No.	**Particulars of Remuneration**	**Key Managerial Personnel**		
		Chief Financial Officer	**Company Secretary**	**Total**
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	2,10,91,125	42,97,277	2,53,88,402
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	-	39,600
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	**2,11,30,725**	**42,97,277**	**2,54,28,002**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	**Section of the Companies Act**	**Brief Description**	**Details of Penalty / Punishment Compounding fee imposed**	**Authority (RD / NCLT / COURT)**	**Appeal made, if any (give details)**
COMPANY/ DIRECTORS/ OTHER OFFICERS IN DEFAULT	There were no penalties, punishment or compounding of offences during the reporting year ended March 31, 2017.				
Penalty					
Punishment					
Compounding					

Annexure – 7

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March 2017

FORM NO MR 3

Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To

The Members,
Lanco Infratech Limited
Hyderabad.

We have conducted Secretarial Audit pursuant to Section 204 of the Companies Act, 2013, on the compliance of applicable Statutory Provisions and the adherence to good corporate practices by **Lanco Infratech Limited** (hereinafter called as **"the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the Audit Period covering the Financial Year ended on 31st March, 2017 generally complied with the Statutory Provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ending 31st March, 2017 ("Audit Period") according to the provisions of:

   1.1. The Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (the Act) and the Rules made thereunder;

   1.2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

   1.3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

   1.4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under relating to the Overseas Direct Investment;

   1.5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

      1.5.1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

      1.5.2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

      1.5.3. The Securities and Exchange Board of India (Issue of capital and disclosure requirements) Regulations, 2009;

      1.5.4. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

      1.5.5. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

      1.5.6. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 & Listing Agreements entered with the National Stock Exchange of India Limited and the BSE Limited.

   1.6. The Secretarial Standards on the Meetings of the Board of Directors, Committees and General Meetings issued by the Institute of Company Secretaries of India.

2. We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines. With respect to Secretarial Standards on General and Board meetings issued by the Institute of Company Secretaries of India, Company has predominantly complied.

3. The Company is engaged in the Business of Generation of Electricity and Construction. Accordingly, the following Industry Specific Acts are applicable to the Company, in view of the Management and as per the Guidance Note issued by the ICSI. As per the Company view, they have predominantly complied with, stated Act's to the extent it was applicable:

   i. Electricity Act, 2003 & The Electricity Rules, 2005

ii. Energy Conservation Act, 2011

iii. Building and other construction workers (Regulation of Employment and conditions of Service) Act, 1996

iv. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Central Rules, 1998

v. The Building and other Construction Workers' Welfare Cess Act, 1996

vi. Building and Other Construction Workers Welfare Cess Rules, 1998

4. We further report that:

4.1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

4.2. Notice is given to all the Directors to schedule the Board and Committee Meetings along with agenda and detailed notes on agenda were sent by hand delivery/electronically.

4.3. The Company is of the view, that the provisions of Regulation 3 and Regulation 31(2)(b) of the SEBI (Share Based Employee Benefits) Regulations 2014 are not applicable.

4.4. After the resignation of Mr. Rengaraj Viswanathan, Independent Director with effect from 27th February 2017, the said vacancy was filled by the Board of Directors on 30th May 2017.

4.5. A total of 48,759,859 Equity Shares allotted to IDFC Bank Limited, on conversion of CCDs along with interest, are pending grant of trading approval on the same.

4.6. The approval of Central Government for payment of remuneration to three Whole-time Directors and one Managing Director of the Company is still awaited.

4.7. For the purchase and sale of investment made by the Company, the Company confirmed that requisite approval were taken and all these transaction are at arm's length basis and are entered in to at the Fair value obtained on valuation done by Independent Valuer.

4.8. There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.

4.9. Majority decision is carried through and there were no instances of dissenting members in the Board of Directors.

4.10. It is to be noted that for the Audit Period the following acts are not applicable:

i. SEBI (Issue and Listing of Debt Securities) Regulations, 2008.

ii. SEBI (Delisting of Equity Shares) Regulations, 2009.

iii. SEBI (Buyback of Securities) Regulations, 1998.

iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

4.11. There exist adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

4.12. The Hon'ble National Company Law Tribunal (NCLT), Hyderabad Bench vide Order dated 7th August, 2017 has initiated Corporate Insolvency Resolution Process (CIRP) in the Company under Section 7 of the Insolvency and Bankruptcy Code, 2016 based on the application filed by IDBI Bank Limited, Financial Creditor of the Company.

5. We further report that during the audit period, there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as stated above and as reported in the financial Audit Report.

For **DVM & Associates LLP**
Company Secretaries

Place: Hyderabad
Date: November 14, 2017

DVM Gopal
Partner
M No: F 6280
CP No: 6798

Note: This Report is to be read with our letter of even date, which is annexed, and form an integral part of this report.

ANNEXURE

To
The Members,
Lanco Infratech Limited
Hyderabad

Our Report of even date is to be read along with this letter

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **DVM & Associates LLP**
Company Secretaries

Place: Hyderabad
Date: November 14, 2017

DVM Gopal
Partner
M No: F 6280
CP No: 6798

REPORT ON CORPORATE GOVERNANCE

The Company's Report on Corporate Governance for the year ended March 31, 2017 is presented by the Directors:

I. MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company has set for itself the-

Mission of "Development of Society through Leadership, Entrepreneurship and Ownership"

Vision of "Most Admired Integrated Infrastructure Enterprise"

The Company firmly believes that Mission and Vision can be realized only by adopting highest standards of Corporate Governance. The Company is committed to conduct business in a manner which would result in enhancing value to all its Stakeholders. The Company believes that this value enhancement process is possible only by adhering to the principles of Corporate Governance. The Company has put in place systems and practices which enable it to conduct its business in line with the best practices elsewhere in the country and the world, but is also continuously striving to improve such systems and practices. The Company believes in the principles of transparency and disclosures to the extent these do not compromise on its competitiveness.

2. BOARD OF DIRECTORS ('THE BOARD')

(a) Composition of the Board

The Board of Directors has been constituted with an optimum mix of Executive, Non-Executive and Independent Directors to clearly demarcate functions of governance and management. As on date, the Board comprises of 13 (Thirteen) Directors out of which 3 (Three) are Executive Directors and 10 (Ten) are Non-Executive Directors. Out of the 10 (Ten) Non-Executive Directors, 8 (Eight) are Independent Directors including 1 (one) Woman Director, making the current composition in conformity with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations)."

All the Directors have made adequate disclosures regarding their Directorships, Chairmanships and Memberships on the Board / Committees of the Board of other Public Companies. By virtue of the disclosures made, none of the Directors hold Chairmanships of more than 5 (five) Committees and Memberships of more than 10 (ten) Committees across all Public Companies.

(b) Number of Memberships in Boards of other Public Companies and Chairmanships / Memberships in Committees of Boards of other Public Companies:

Name, Designation and Director Identification Number (DIN)	Category of Directorship	Number of Memberships in Boards of other Public Companies	Number of Chairmanships in Committees of Boards of other Public Companies	Number of Memberships of Committees of Boards of other Public Companies
Mr. L. Madhusudhan Rao Executive Chairman DIN: 00074790	Executive	9	0	0
Mr. G. Bhaskara Rao Vice-Chairman DIN: 00075034	Non-Executive	9	0	1
Mr. L. Sridhar Vice-Chairman DIN: 00075809	Non-Executive	8	0	3
Mr. G. Venkatesh Babu Managing Director & CEO DIN: 00075079	Executive	7	2	4
Mr. Raj Kumar Roy Whole-time Director DIN: 05319842	Executive	9	1	1

Name, Designation and Director Identification Number (DIN)	Category of Directorship	Number of Memberships in Boards of other Public Companies	Number of Chairmanships in Committees of Boards of other Public Companies	Number of Memberships of Committees of Boards of other Public Companies
Dr. Uddesh Kumar Kohli Director DIN: 00183409	Non-Executive & Independent	5	4	6
Mr. R. Krishnamoorthy Director DIN: 05292993	Non-Executive & Independent	2	1	2
Mr. R. M. Premkumar Director DIN: 00328942	Non-Executive & Independent	4	0	4
Mr. Gurbir Singh Sandhu Director DIN: 03148569	Non-Executive & Independent	7	4	5
Mr. Vijoy Kumar Director DIN: 02970626	Non-Executive & Independent	5	1	2
Mr. Pawan Chopra Director DIN: 00417967	Non-Executive & Independent	3	0	4
Dr. Jaskiran Arora Director DIN: 07551130	Non-Executive & Independent	0	0	0
Mr. Satish Chandra Sinha Director DIN: 03598173	Non-Executive & Independent	2	0	1

(c) Meetings and attendance during the year

The Board meets at least once in a quarter, *inter alia*, to review quarterly results. The notice and agenda of the Board Meetings are served well in advance.

During the financial year 2016-17, 6 (six) Board Meetings were held. These meetings were held on May 27, 2016, August 12, 2016, September 09, 2016, September 27, 2016, December 09, 2016 and February 13, 2017.

The attendance of each Director at the Board Meetings during the financial year 2016-17 as well as at last Annual General Meeting (AGM) is as under:

Name of the Director	Number of Board Meetings held	Number of Board Meetings attended	Attendance at the last AGM held on September 27, 2016
Mr. L. Madhusudhan Rao	6	6	Yes
Mr. G. Bhaskara Rao	6	5	Yes
Mr. L. Sridhar	6	3	Yes
Mr. G. Venkatesh Babu	6	5	Yes
Mr. K. Raja Gopal#	6	5	Yes
Mr. Raj Kumar Roy	6	6	Yes
Mr. Hiranmoy Biswas$	6	5	Yes
Dr. Rajesh Kumar Yaduvanshi@	6	5	Yes
Dr. Uddesh Kumar Kohli	6	6	Yes
Mr. R. Krishnamoorthy	6	1	No
Mr. R. M. Premkumar	6	6	Yes
Mr. Gurbir Singh Sandhu	6	6	Yes
Mr. Vijoy Kumar	6	5	Yes
Mr. Pawan Chopra	6	6	Yes
Mr. Rengaraj Viswanathan^	6	4	Yes
Dr. Jaskiran Arora	6	5	Yes
Mr. Satish Chandra Sinha*	6	N.A.	N.A.

Mr. K. Raja Gopal resigned from Board of the Company on July 20, 2017.

$ Mr. Hiranmoy Biswas resigned from Board of the Company on July 30, 2017 on account of withdrawal of nominee by IDBI Bank Limited.

@ Dr. Rajesh Kumar Yaduvanshi resigned from the Board on October 09, 2017.

^ Mr. Rengaraj Viswanathan resigned from Board of the Company on February 27, 2017.

* Mr. Satish Chandra Sinha was appointed as Independent Director with effect from May 30, 2017.

(d) None of the Non-Executive Directors has any pecuniary relationship or transaction with the Company, except to the extent of shareholding, if any in the Company. Mr. L. Madhusudhan Rao, Executive Chairman and Mr. L. Sridhar, Vice-Chairman are related to each other. Apart from this, there are no inter-se relationships between the Board Members.

(e) Holding of Non-Executive Directors as on March 31, 2017

S. No.	Name of Director	Equity Shares	Convertible Instruments
1	Mr. G. Bhaskara Rao	5,13,58,933	N.A.
2	Mr. L. Sridhar	3,85,72,971	N.A.
3	Mr. K. Raja Gopal #	Nil	N.A.
4	Mr. Raj Kumar Roy	Nil	N.A.
5	Mr. Hiranmoy Biswas $	Nil	N.A.
6	Dr. Rajesh Kumar Yaduvanshi@	430	N.A.
7	Dr. Uddesh Kumar Kohli	1,69,050	N.A.
8	Mr. R. Krishnamoorthy	Nil	N.A.
9	Mr. R. M. Premkumar	Nil	N.A.
10	Mr. Gurbir Singh Sandhu	Nil	N.A.
11	Mr. Vijoy Kumar	Nil	N.A.

S. No.	Name of Director	Equity Shares	Convertible Instruments
12	Mr. Pawan Chopra	3,556	N.A.
13	Dr. Jaskiran Arora	Nil	N.A.
14	Mr. Satish Chandra Sinha*	N.A.	N.A.

Mr. K. Raja Gopal resigned from Board of the Company on July 20, 2017.

$ Mr. Hiranmoy Biswas resigned from Board of the Company on July 30, 2017 on account of withdrawal of nominee by IDBI Bank Limited.

@ Dr. Rajesh Kumar Yaduvanshi resigned from the Board on October 09, 2017.

* Mr. Satish Chandra Sinha was appointed as Independent Director with effect from May 30, 2017.

(f) The details of Familiarization Programme for Independent Directors of the Company is disclosed on the Company's website at http://www.lancogroup.com/pdf/financials/Policies/Familiarization_Programme_for_Independent_Directors.pdf

3. COMMITTEES OF BOARD

In compliance with the provisions of the Companies Act, 2013 and Listing Regulations, the Board has set up the following mandatory Committees assigning specific roles and responsibilities to the said Committees:

(I) Audit Committee

(II) Nomination and Remuneration Committee

(III) Stakeholders Relationship Committee and

(IV) Corporate Social Responsibility Committee

(I) Audit Committee

a. Brief description of Terms of Reference

The Terms of Reference of Audit Committee include the following scope and responsibilities:

(1) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;

(3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

(a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

(b) changes, if any, in accounting policies and practices and reasons for the same;

(c) major accounting entries involving estimates based on the exercise of judgment by management;

(d) significant adjustments made in the financial statements arising out of audit findings;

(e) compliance with listing and other legal requirements relating to financial statements;

(f) Disclosure of any related party transactions;

(g) Modified opinion(s) in the draft audit report;

(5) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

(6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

(7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(8) Approval or any subsequent modification of transactions of the listed entity with related parties;

(9) Scrutiny of inter-corporate loans and investments;

(10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;

(11) Evaluation of internal financial controls and risk management systems;

(12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(14) Discussion with internal auditors of any significant findings and follow up there on;

(15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as postaudit discussion to ascertain any area of concern;

(17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(18) To review the functioning of the whistle blower mechanism;

(19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee;

(21) To review the following information:

(i) Management discussion and analysis of financial condition and results of operations;

(ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;

(iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;

(iv) Internal audit reports relating to internal control weaknesses; and

(v) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;

(vi) Statement of deviations:

(a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);

(b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

b. Composition

The Audit Committee comprises of 3 (three) Independent Directors and 1 (one) Non-Executive Director, the Chairperson being an Independent Director. The members of the Audit Committee as on date are below:

Dr. Uddesh Kumar Kohli	Chairperson
Mr. R. Krishnamoorthy	Member
Mr. Pawan Chopra	Member
Mr. G. Bhaskara Rao	Member

c. Meetings and Attendance during the year

During the financial year 2016-17, 8 (eight) meetings were held. These meetings were held on May 27, 2016, July 15, 2016, August 12, 2016, September 09, 2016, December 09, 2016, January 20, 2017, February 13, 2017 and March 30, 2017.

The attendance of the members during the financial year 2016-17 is given below:

Name of the Director	Number of Meetings held	Number of Meetings attended
Dr. Uddesh Kumar Kohli	8	8
Mr. R. Krishnamoorthy	8	3
Mr. Pawan Chopra	8	8
Mr. G. Bhaskara Rao	8	5

(II) Nomination and Remuneration Committee

a. Brief description of Terms of Reference

The terms of reference of the Nomination and Remuneration Committee *inter-alia* include the determination of remuneration packages for the Executive and Non-Executive Directors of the Company and include the following:

a) To identify persons who are qualified to become Director(s) and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

b) To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the directors, Key Managerial Personnel and other employees and review / modify the same from time to time.

c) To develop and recommend to the Board for its approval on annual evaluation process for Independent Directors.

d) To devise a Policy on Board diversity.

e) To consider and disclose information pertaining to Director/ Key Managerial Personnel, to Shareholders of the Company under the Companies Act, 2013.

The Nomination and Remuneration Committee shall ensure that –

a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c) remuneration to Directors, KMPs and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

b. Composition

The Nomination and Remuneration Committee comprises of 3 (three) Independent Directors as on date as below:

Mr. R. Krishnamoorthy	Chairperson
Dr. Uddesh Kumar Kohli	Member
Mr. Gurbir Singh Sandhu	Member

c. Meetings and Attendance during the year

During the financial year 2016-17, 4 (four) meetings were held on May 27, 2016, August 12, 2016 February 13, 2017 and March 30, 2017.

The attendance of the members during the financial year 2016-17 is given below:

Name of the Director	Number of Meetings held	Number of Meetings attended
Mr. R. Krishnamoorthy	4	2
Dr. Uddesh Kumar Kohli	4	4
Mr. Gurbir Singh Sandhu	4	4

d. Performance Evaluation Criteria for Independent Directors

Details of methodology adopted for Board evaluation have been provided in the Board's Report.

(III) Stakeholders Relationship Committee

a. Brief description of Terms of Reference

The Committee is responsible, *inter alia*, to specifically look into the redressal of grievances of shareholders, debenture holders and other security holders including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.

b. Composition

The Committee comprises of 2 (two) Non-Executive Directors and 1 (one) Executive Director, the Chairperson being an Independent Director. The members of the Committee are below:

Mr. R. M. Premkumar	Chairperson
Mr. L. Sridhar	Member
Mr. G. Venkatesh Babu	Member

c. Meetings and Attendance during the year

During the financial year 2016-17, 4 (four) meetings were held. These meetings were held on May 27, 2016, August 12, 2016, December 09, 2016 and February 13, 2017.

The attendance of the Members during the financial year 2016-17 is given below:

Name of the Director	Number of Meetings held	Number of Meetings attended
Mr. R. M. Premkumar	4	4
Mr. L. Sridhar	4	2
Mr. G. Venkatesh Babu	4	4

d. Name and Designation of Compliance Officer

Mr. A. Veerendra Kumar, Company Secretary is the Compliance Officer of the Company.

e. Details of complaints/requests received, resolved and pending during the Financial Year 2016-17:

During the Quarter	Received	Resolved	Pending
01.04.2016 - 30.06.2016	0	0	0
01.07.2016 - 30.09.2016	2	2	0
01.10.2016 - 31.12.2016	1	1	0
01.01.2017 - 31.03.2017	1	1	0
Total	**4**	**4**	**0**

(IV) Corporate Social Responsibility Committee

a. Brief description of Terms of Reference

The Committee is responsible, *inter alia*, to specifically look into following:

- To prepare the CSR Policy and to recommend the Board for its approval;
- To recommend the CSR activities to be undertaken by the Company as prescribed under Schedule VII of the Companies Act, 2013;
- To recommend on CSR activities to be undertaken by the Company on its own or in collaboration with Lanco Foundation or any registered trust / society / company permitted under the law;
- To ensure that the activities as are included in CSR Policy of the Company are implemented by the Company with a transparent monitoring mechanism;
- To report periodically on the CSR activities of the Company to the Board and in the Board's report;
- To seek expert advice on CSR activities of the Company that may be appropriate to discharge its responsibilities; and
- To take up any other roles and responsibilities delegated by the Board from time to time.

b. Composition

The Committee comprises of 2 (two) Non-Executive Independent Directors, 1 (one) Non-Executive Director and 1 (one) Executive Director, the Chairperson being an Independent Director. The members of the Committee are below:

Dr. Uddesh Kumar Kohli	Chairperson
Mr. R. M. Premkumar	Member
Mr. G. Bhaskara Rao	Member
Mr. G. Venkatesh Babu	Member

c. Meetings and Attendance during the Year:

During the financial year 2016-17, 1 (one) meeting was held on May 27, 2016.

The attendance of the Members during the financial year 2016-17 is given below:

Name of the Director	Number of Meetings held	Number of Meetings attended
Dr. Uddesh Kumar Kohli	1	1
Mr. R. M. Premkumar	1	1
Mr. G. Bhaskara Rao	1	1
Mr. G. Venkatesh Babu	1	1

4. REMUNERATION OF DIRECTORS

a. None of the Non-Executive Directors has any pecuniary relationship or transaction with the Company, except to the extent of shareholding, if any in the Company.

b. Criteria of making payments to Non-Executive Directors

Details of criteria of making payments to Non-Executive Directors is mentioned in the "Nomination and Remuneration Policy" of the Company, which forms part of the Boards' Report as **Annexure-3**.

Members can access the details of "Criteria of making payments to Non-Executive Directors" on the website of the Company at http://www.lancogroup.com/pdf/financials/Policies/Nomination_and_Remuneration_Policy.pdf

c. Details of Remuneration to all the Directors for the financial year 2016-17 (₹ Lakhs)

Name of the Director	Salary	Perquisites and Allowances	Commission/ Performance Bonus	Sitting Fees	Number of Stock Options granted	Total
Mr. L. Madhusudhan Rao	-	60.00	-	-	-	60.00
Mr. G. Bhaskara Rao	-	60.00	-	-	-	60.00
Mr. L. Sridhar	-	-	-	1.00	-	1.00
Mr. G. Venkatesh Babu	250.00	134.45	-	-	-	384.45
Mr. K. Raja Gopal #	-	-	-	-	-	-
Mr. Raj Kumar Roy	235.44	0.79	-	-	-	236.23
Mr. Hiranmoy Biswas $	-	-	-	1.20	-	1.20
Dr. Rajesh Kumar Yaduvanshi@	-	-	-	1.00	-	1.00
Dr. Uddesh Kumar Kohli	-	-	-	3.80	-	3.80
Mr. R. Krishnamoorthy	-	-	-	1.40	-	1.40
Mr. R. M. Premkumar	-	-	-	2.40	-	2.40
Mr. Gurbir Singh Sandhu	-	-	-	2.20	-	2.20
Mr. Vijoy Kumar	-	-	-	1.20	-	1.20
Mr. Pawan Chopra	-	-	-	2.80	-	2.80
Mr. Rengaraj Viswanathan ^	-	-	-	0.80	-	0.80
Dr. Jaskiran Arora	-	-	-	1.20	-	1.20

Mr. K. Raja Gopal resigned from Board of the Company on July 20, 2017.

$ Mr. Hiranmoy Biswas resigned from Board of the Company on July 30, 2017 on account of withdrawal of nominee by IDBI Bank Limited.

@ Dr. Rajesh Kumar Yaduvanshi resigned from the Board on October 09, 2017.

^ Mr. Rengaraj Viswanathan resigned from Board of the Company on February 27, 2017.

5. GENERAL BODY MEETINGS

(a) Location, Date and Time of Last three Annual General Meetings and Special Resolutions passed thereat:

<table>
<tr><th>Year</th><th>Location</th><th>Date & Time</th></tr>
<tr><td>2015-16</td><td>Marigold Hotel by Greenpark, Greenlands, Begumpet,
Hyderabad – 500 016, Telangana, India</td><td>September 27, 2016
at 3.00 p.m.</td></tr>
<tr><td colspan="3">Special Resolutions passed:</td></tr>
<tr><td colspan="3">1. Approval for re-appointment of Mr. L. Madhusudhan Rao as Executive Chairman of the Company for a period of 3 (three) years with effect from April 01, 2016.
2. Approval for re-appointment of Mr. G. Bhaskara Rao as Executive Vice-Chairman of the Company for a period of 1 (one) year with effect from April 01, 2016.
3. Approval for appointment of Mr. Raj Kumar Roy as Whole-time Director of the Company for a period of 3 (three) years with effect from April 01, 2016.
4. Approval for re-appointment of Mr. G. Venkatesh Babu as Managing Director of the Company for a period of 3 (three) years with effect from June 24, 2016.</td></tr>
<tr><td>2014-15</td><td>Novotel Hyderabad Convention Centre,
Novotel & HICC Complex (Adjacent to HITEC City),
P.O. Bag 1101 Cyberabad, Post Office,
Hyderabad – 500 081, Telangana, India</td><td>September 28, 2015
at 3.30 p.m.</td></tr>
<tr><td colspan="3">Special Resolutions passed:</td></tr>
<tr><td colspan="3">1. Approval for re-appointment of Mr. S. C. Manocha as Deputy Managing Director of the Company for a period of 1 (one) year with effect from August 14, 2015.
2. Approval for increase in limits of investments in other bodies corporate.
3. Approval for increase in number of Directors of the Company from 15 (fifteen) to 16 (sixteen).
4. Approval of Material Related Party Transactions entered between the Company and its subsidiaries.
5. Approval of Material Related Party Transaction entered by the Company on behalf of Lanco Babandh Power Limited, Subsidiary of the Company.
6. Approval of Material Related Party Transaction entered by the Company on behalf of Lanco Vidarbha Thermal Power Limited, Subsidiary of the Company.
7. Approval of Material Related Party Transaction entered by the Company on behalf of Lanco Amarkantak Power Limited, Subsidiary of the Company.
8. Issue of Equity Shares on Preferential Basis to the Promoters of the Company under CDR Package approved for the Company.</td></tr>
<tr><td>2013-14</td><td>Marigold Hotel by Greenpark, Greenlands, Begumpet,
Hyderabad – 500016, Telangana, India</td><td>September 26, 2014
at 3.30 p.m.</td></tr>
<tr><td colspan="3">Special Resolutions passed:</td></tr>
<tr><td colspan="3">1. Approval for payment of remuneration to Mr. L. Madhusudhan Rao, Executive Chairman with effect from April 01, 2014 upto March 31, 2016.
2. Approval for payment of remuneration to Mr. G. Bhaskara Rao, Executive Vice-Chairman with effect from April 01, 2014 upto March 31, 2016.
3. Approval for Payment of remuneration to Mr. G. Venkatesh Babu, Managing Director with effect from April 01, 2014 upto June 23, 2016.
4. Approval for Payment of remuneration to Mr. S. C. Manocha, Deputy Managing Director with effect from April 01, 2014 up to August 13, 2015.</td></tr>
</table>

(b) Special Resolution(s) passed through Postal Ballot in the Financial Year 2016-17 : No

(c) The details of the Voting Pattern: Not Applicable

(d) Persons who conducted the Postal Ballot exercise: Not Applicable

(e) Whether any Special Resolution is proposed to be conducted through Postal Ballot: No

(f) Procedure for Postal Ballot:

Postal Ballot procedure, if any shall be as stipulated under Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014.

6. MEANS OF COMMUNICATION

The Company's quarterly, half-yearly and annual financial results are put on the Company's website www.lancogroup.com. The results are also published in newspapers that include Financial Express and Vaartha. The official news releases and presentations, if any made to investors and analysts are also made available on the website of the Company.

Green Initiative in Corporate Governance

In order to show its contribution to the "Green initiative in the Corporate Governance" taken by Ministry of Corporate Affairs, the Company has been sending all communications including annual reports through email to those shareholders, who have registered their e-mail ID with their depository participant/Company's Registrar and Share Transfer Agent other than those who have specifically chosen to receive documents in physical form.

Further, the members are requested to register and update their e-mail addresses with their Depository Participant to ensure that the Annual Report and other documents reach them on their preferred e-mail.

7. GENERAL SHAREHOLDERS INFORMATION

(a) Annual General Meeting

Date and Time	December 22, 2017 at 02:30 P.M.
Venue	Marigold Hotel by Greenpark, Greenlands, Begumpet, Hyderabad – 500 016, Telangana, India

(b) Financial Calendar for the Year 2017-18

Particulars	**Schedule**
Financial reporting for the quarter ending June 30, 2017	September 26, 2017
Financial reporting for the half-year ending September 30, 2017	November 14, 2017
Financial reporting for the quarter ending December 31, 2017	On or before February 14, 2018*
Financial reporting for the year ending March 31, 2018	On or before May 30, 2018*
Annual General Meeting for the year ending March 31, 2018	Before September 30, 2018*

*Tentative

(c) Dividend Payment Date: Not Applicable.

(d) Listing on Stock Exchanges

The Equity Shares of the Company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

The Company has paid the listing fees for the Financial Year 2017-18 to both the Stock Exchanges. There are no arrears of listing fees with any of the said Stock Exchanges till date.

(e) Stock Code

Exchange	Code
National Stock Exchange of India Limited	Stock Code: LITL
BSE Limited	Stock Code: LITL, Scrip Code: 532778
Demat ISIN Number (Equity Shares) – for NSDL / CDSL	INE785C01048

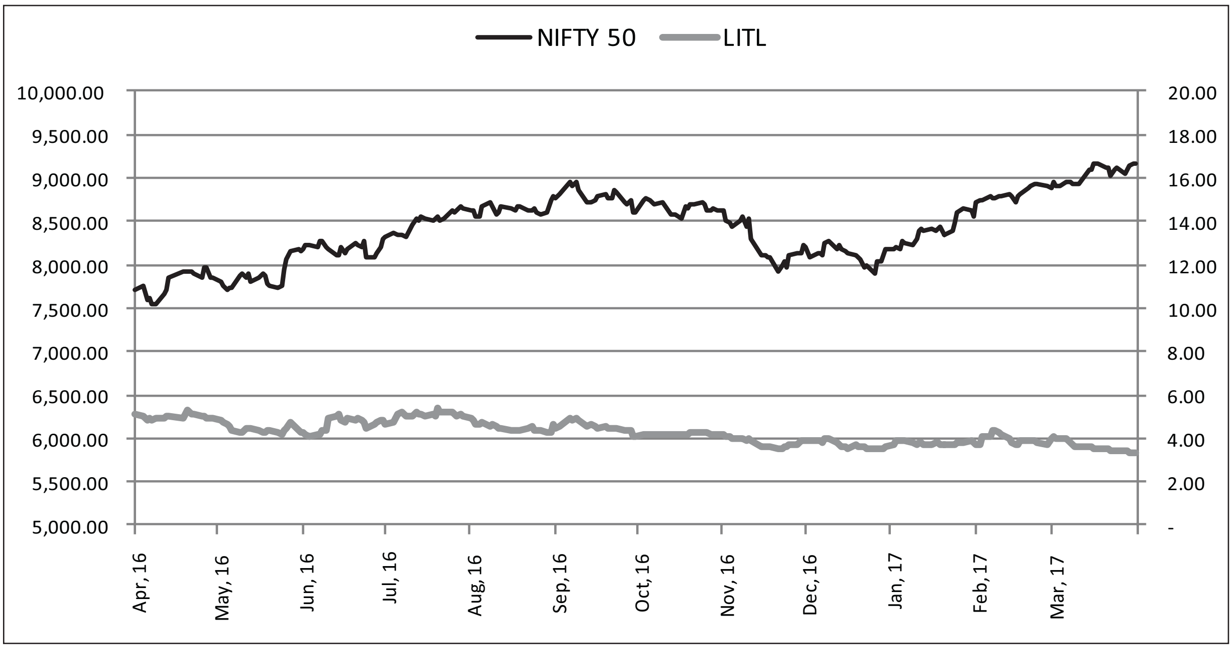
(f) Stock Market Price Data relating to equity shares listed on NSE and BSE

The monthly high and low stock quotations of equity shares of the Company on NSE and BSE during the financial year 2016-17 was as under:

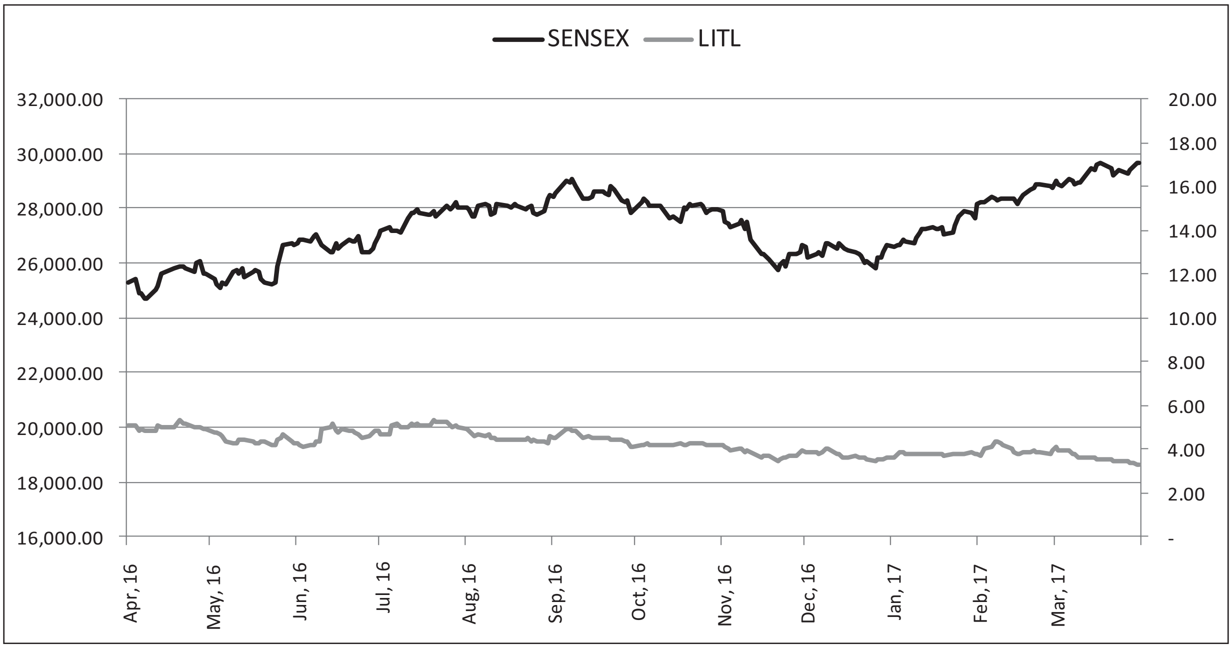
(In ₹)

Month	NSE		BSE	
	HIGH	LOW	HIGH	LOW
April, 2016	5.45	4.70	5.45	4.60
May, 2016	4.95	4.05	5.20	3.81
June, 2016	5.40	4.05	5.43	4.00
July, 2016	5.60	4.20	5.61	4.27
August, 2016	5.05	4.30	5.15	4.29
September, 2016	5.30	4.00	5.25	4.00
October, 2016	4.45	4.10	4.55	4.09
November, 2016	4.20	3.25	4.30	3.31
December, 2016	4.15	3.45	4.15	3.45
January, 2017	4.10	3.60	4.09	3.59
February, 2017	4.60	3.65	4.60	3.67
March, 2017	4.25	3.20	4.23	3.26

g) Stock Performance in comparison to NSE NIFTY 50



Stock Performance in comparison to BSE Sensex



h) Registrar & Share Transfer Agent

Aarthi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad - 500 029 Telangana, India, Phone: +91-40-2763 8111, 2763 4445, Fax: +91-40-2763 2184; E-mail: info@aarthiconsultants.com, Website: www.aarthiconsultants.com

i) Share Transfer System

The shareholders are advised to contact the Registrar & Share Transfer Agent at their address for effecting transfer of shares.

j) Distribution of Shareholding as on March 31, 2017

Nominal Value of Shareholding (₹)	No. of Members Holders	Percentage	No. of Shares	Amount (₹)	Percentage of total (%)
Upto - 5,000	2,17,593	92.37	18,29,61,131	18,29,61,131	5.52
5,001 - 10,000	8,982	3.81	6,84,06,191	6,84,06,191	2.06
10,001 - 20,000	4,598	1.95	6,75,55,018	6,75,55,018	2.04
20,001 - 30,000	1,585	0.67	3,98,69,412	3,98,69,412	1.20
30,001 - 40,000	746	0.32	2,65,14,673	2,65,14,673	0.80
40,001 - 50,000	544	0.23	2,53,73,201	2,53,73,201	0.77
50,001 - 1,00,000	861	0.37	6,25,53,895	6,25,53,895	1.89
1,00,001 & Above	646	0.27	284,08,30,336	284,08,30,336	85.72
Total:	**2,35,555**	**100.00**	**331,40,63,857**	**331,40,63,857**	**100.00**

Shareholding Pattern of the Company as on March 31, 2017

Category of Shareholder	Number of Equity Shares held	Percentage of Shareholding
Promoter and Promoter Group	193,94,50,329	58.52
Financial Institutions/Banks	66,00,53,836	19.92
Bodies Corporate	6,54,57,100	1.98
Non-Resident Indians(NRIs) / Foreign Companies	2,30,07,478	0.69
Foreign Portfolio Investor (Corporate)	1,22,93,287	0.37
Others (Public)	61,38,01,827	18.52
Total	**331,40,63,857**	**100.00**

(k) Dematerialisation of Shares and Liquidity

About 99.99% of the outstanding equity has been in dematerialised form as on March 31, 2017.

(l) Outstanding Convertible Instruments

As of March 31, 2017, there are no outstanding convertible instruments.

(m) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

Please refer to Management Discussion and Analysis Report for details.

(n) Plant Locations of Lanco Infratech Limited

i. Wind Energy Project at Chikkasidavanahalli Village, Chitradurga District, Karnataka;

ii. Solar Energy Project at Bhadrada Village, Tehsil Sami, Patan District, Gujarat;

Plant Locations of Subsidiary Companies

Lanco Kondapalli Power Limited:

Kondapalli IDA, Kondapalli – 521 228, Ibrahimpatnam Mandal, Krishna District, Andhra Pradesh;

Lanco Tanjore Power Company Limited:

Karuppur Village, Thiruvidaimaruthur Taluk, Tanjore District-609807, Tamil Nadu;

Lanco Amarkantak Power Limited:

Pathadi Village, P.O.-Tilkeja, Korba District, Chattisgarh - 495 674;

Lanco Mandakini Hydro Energy Private Limited:

Lanco Campus, Village-Rampur, Po-Phata, Tehsil- Ukhimat, Distt- Rudraprayag, Uttarkhand-246 471;

Lanco Hydro Power Limited:

IKU II :Saleg Village, Tehsil Dharamshala, Kangra District, Himachal Pradesh;

Baner III : Jai Village, Tehsil Palampur, Kangra District, Himachal Pradesh;

Lanco Thermal Power Limited:

Upper Khauli :Salli Village, Tehsil Shahpur, Kangra District, Himachal Pradesh;

Drinidhar :Bhiora Village, Tehsil Sihunta, Chamba District, Himachal Pradesh

Lanco Anpara Power Limited:

Phase I :Anpara Village, Sonebhadra District, Uttar Pradesh;

Phase II :Bhognipur, Rambhai Nagar District, Uttar Pradesh;

Lanco Solar Private Limited:

Solar Manufacturing Plant : Village - Mehrumkhurd, Chawardhal, Dist Rajnandgaon, Chattisgarh;

Solar PV Project : Village Lathi, Tehsil – Pokhran, District Jaisalmer, Rajasthan;

Khaya Solar Projects Private Limited:

Askandra Village, Nachna – II Tehsil Nachana, Jaisalmer District, Rajasthan;

Diwakar Solar Projects Limited:

Askandra Village, Nachna – II Tehsil Nachana, Jaisalmer District, Rajasthan;

Lanco Babandh Power Limited:

PO: Kharagprasad, Via: Meramandali, District: Dhenkanal, Odisha- 759 121;

Himavat Power Limited:

Tehsil Bhognipur, Dist Ramabai Nagar, Uttar Pradesh;

Lanco Vidarbha Thermal Power Limited :

11 Mile Stone, Belgaon, Mandwa Road, Vill & Po. Mandwa, District-Wardha, Maharastra;

Newton Solar Private Limited:

Askandra Village, Nachna – II Tehsil Nachana, Jaisalmer District, Rajasthan;

Lanco Solar (Gujarat) Private Limited (formerly known as Lanco Property Management Company Private Limited):

i. Solar Energy Project at Chadiyana Village, Tehsil Sami, Patan District, Gujarat;

ii. Solar Energy Project at Charanka Village, Tehsil Saltanpur, Patan District, Gujarat;

(o) Address for Correspondence

Registered Office:
Plot No. 4, Software Units Layout, HITEC City,
Madhapur, Hyderabad – 500 081, Telangana, India,
Phone: +91-40-40090400, Fax: +91-40-23116127,
Email:complianceofficer.litl@lancogroup.com,
Website: www.lancogroup.com

Corporate Office:
Lanco House, Plot No. 397, Udyog Vihar, Phase-3,
Gurgaon – 122016, Haryana.
Phone: +91-124-4741000-04, Fax: +91-124-4741878

8. OTHER DISCLOSURES

(a) Materially Significant Related Party Transactions

There are no materially significant related party transactions having potential conflicts with the interests of the Company at large.

(b) Compliances

The Company has duly complied with all rules, regulations, terms of the agreements prescribed/entered with Stock Exchange(s), SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

(c) Whistle Blower Mechanism

With a view to implement the highest ethical standards in the course of business, the Company has formed and adopted a whistle blower policy which provides a platform for reporting concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Directors and Employees of the Company may report noncompliance, to the Chairperson of Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination.

(d) Compliance with mandatory requirements and adoption of the non-mandatory requirements

There has been complete compliance with mandatory requirements and in respect of non-mandatory requirements, disclosures have been made to the extent of adoption.

(e) Web link where 'Policy for determining Material Subsidiaries' is disclosed

'Policy on Material Subsidiaries' of the Company has been provided in the following link: http://www.lancogroup.com/pdf/financials/Policies/Policy_on_Material_Subsidiaries.pdf

(f) Web link where 'Policy on dealing with Related Party Transactions' is disclosed

'Policy on Related Party Transactions' of the Company is uploaded on the Company's website at http://www.lancogroup.com/pdf/CS/LITL_Policy_on_Related_Party_Transactions.pdf

(g) Disclosure of commodity price risks and commodity hedging activities

Please refer to Management Discussion and Analysis Report for details.

9. DISCRETIONARY REQUIREMENTS

(a). THE BOARD: The Chairperson of the Board is an Executive Chairman of the Company.

(b). SHAREHOLDERS RIGHTS

The Company displays the quarterly and half yearly results on the website www.lancogroup.com and also publish the results in widely circulated newspapers. The voting results of shareholder meetings are made available on the website www.lancogroup.com, and is being reported to Stock Exchanges in terms of the Listing Regulations.

(c). MODIFIED OPINION(S) IN AUDIT REPORT

The explanation by the Management on modified opinions in Audit Report forms part of the Boards' Report.

(d). SEPARATE POSTS OF CHAIRPERSON AND CHIEF EXECUTIVE OFFICER

The posts of Chairperson and Managing Director are separate in the Company.

(e). REPORTING OF INTERNAL AUDITOR

The Internal Auditor reports directly to the Audit Committee.

10. COMPLIANCE WITH MANDATORY REQUIREMENTS

The Company has complied with all the mandatory Corporate Governance requirements under the Listing Regulations. Specifically, your Company confirms compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-regulation (2) of Regulation 46 of the Listing Regulations.

DECLARATION BY CEO UNDER THE LISTING REGULATIONS

As the Managing Director of Lanco Infratech Limited, as required under the Listing Regulations, I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct and Ethics for the Financial Year 2016-17.

For **Lanco Infratech Limited**

Place: Gurgaon
Date: November 14, 2017

G. Venkatesh Babu
Managing Director & CEO

EQUITY SHARES IN SUSPENSE ACCOUNT

The disclosure as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is given below:

a. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: 42 shareholders and outstanding Equity Shares are 31,040.
b. Number of shareholders who approached the Company for transfer of shares from suspense account during the year: Nil
c. Number of shareholders to whom shares were transferred from suspense account during the year: Nil
d. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: 42 shareholders and outstanding Equity Shares are 31,040.
e. The voting rights on these equity shares shall remain frozen till the rightful owner of such shares claims the shares.

Profile of Board of Directors

Mr. L. Madhusudhan Rao-Executive Chairman has more than 24 years of varied experience in the industrial field. He is amongst the most successful and admired young entrepreneurs of corporate India. After obtaining his B. Tech from Siddhartha Engineering College, Vijayawada and M. Tech (Design Engineering) from PSG College of Technology, Coimbatore, and MS (Industrial Engineering) from Wayne State University in Detroit, United States, he joined the team involved in building up Lanco Industries Limited near Tirupati, Andhra Pradesh. In the year 1992, he became the Managing Director of Lanco Industries Limited. In 2002, he became Chairman of Lanco Infratech Limited.

Mr. G. Bhaskara Rao - Vice-Chairman has more than 39 years of industrial and entrepreneurial experience. He is one of the founder members of the Lanco Group of enterprises. He has executed various construction projects, including dams, bridges and roads. He was instrumental in organizing and implementing the ductile iron pipes manufacturing project by Lanco Kalahasthi Castings Limited. He has a B.E. (Production) Degree from S.V. University, Tirupati and an M.E (Machine Design) Degree from the Indian Institute of Science, Bangalore.

Mr. L Sridhar-Vice-Chairman has experience of working with 'Acon Building Constructions' in San Jose, United States. He worked as Joint Managing Director of Lanco Infratech Limited from 1997 to 2003. He has done his B.E. (Civil Engineering) from Siddaganga Institute of Engineering in Tumkur, Karnataka and MS (Construction Management in Civil Engineering) from University of Eastern Michigan, United States.

Mr. G. Venkatesh Babu-Managing Director & CEO has rich experience in Commercial Banking, Corporate Advisory, Merger and Acquisitions, Project Finance, Equity Capital Markets, HR and Infrastructure initiatives. He had worked with Indbank & Credit Agricole Indosuez (Calyon) and then had two years of entrepreneurial stint before joining Lanco. He currently looks after Lanco Group's finance functions and is a member of Lanco's Strategy Team. He focuses on Lanco's strategic partnership and growth initiatives. He is extensively involved in financing of Lanco Group's projects and overseeing the resources function of all the Group companies. He is a Bachelor of Commerce from Madras Christian College, Chartered Accountant and Cost and Management Accountant.

Mr. Raj Kumar Roy- Whole-time Director heads the EPC vertical of Lanco in the capacity of Whole-time Director. Joining Lanco in 2011, Mr. Roy led the efforts of Lanco to make a foray into natural gas business. Later, he was entrusted with the 1,200 MW coal fired power generation company (Lanco Anpara) as Whole-time Director. After Lanco Anpara, he moved to Griffin Coal Mining Company (A Lanco Group Company) as President in February, 2014. He then went on to head the Solar business at Lanco as President in May, 2015. Mr. Roy is an Energy Sector Professional with almost two decades of diverse experience in securing energy resources for India be it oil, natural gas, coal, their derivatives and power generation including renewables. Mr. Roy holds a Bachelor's Degree in Mechanical Engineering and a Post Graduate Diploma in Management (Finance) which has enabled him to work across the entire spectrum of energy business ranging from core technical to core commercial and financial aspects of business.

Dr. Uddesh Kumar Kohli-Independent Director holds B.E. (Hons.) degree from the Indian Institute of Technology, Roorkee, a Post-Graduate Diploma in Industrial Administration from the Manchester University, UK and Ph.D. in Economics from the Delhi School of Economics. Dr. Kohli has been Chairman and Managing Director of Power Finance Corporation Limited, and has worked with the Planning Commission, Government of India, reaching the position of Advisor (Additional Secretary level).

Dr. Kohli, is presently the Chairman Emeritus of Construction Industry Development Council and Chairman of Construction Industry Arbitration Council & Engineering Council of India and Senior Adviser, Global Compact, United Nations. He has carried out international assignments for Asian Development Bank, United Nations Industrial Development Organization, United Nations Development Programme and United Nations Office for Project Services.

Dr. Kohli's areas of expertise include development planning, finance, project formulation, appraisal, sustainability and monitoring, power/energy planning, corporate governance, corporate social responsibility, training and human resource development.

Mr. R. Krishnamoorthy - Independent Director is a Fellow Member of the Institute of Cost and Management Accountants of India and an S.A.S. (Commercial) of the Indian Audit & Accounts Department. He is a Science graduate in Maths, from the University of Madras. He has a total experience of more than 35 years, out of which 30 years has been in Power Sector. He was a Member of Central Electricity Regulatory Commission and Delhi Electricity Regulatory Commission and had served Power Finance Corporation Limited for more than 15 years, at various positions and retired as its Chairman and Managing Director. He also worked with National Hydroelectric Power Corporation (NHPC) and Mineral Exploration Corporation, Nagpur.

Mr. R. M. Premkumar - Independent Director, a retired IAS Officer, he has taken up several roles in last 40 years at Government of India such as Development Commissioner, SEEPZ, Chairman of Food Corporation of India and Additional Secretary to Department of Atomic Energy. He was also Principal Secretary, Revenue, at Government of Maharashtra and Managing Director of State Tourism Development Corporation, prior to retiring as Chief Secretary, Government of Maharashtra in February 2006.

Mr. Gurbir Singh Sandhu-Independent Director has been a member of Indian shooting team for 20 years. He has participated in Olympic Games, Commonwealth Games and Asian Games. He has been awarded Arjuna award for best sportsman by the President of India and Maharaja Ranjit Singh award for sports by Government of Punjab.

Mr. Vijoy Kumar-Independent Director have technical experience of more than 4 decades in the field of Power Sector and had worked with Central Electricity Authority (CEA), Ministry of Power, Government of India. During his service tenure with CEA, he had held several senior positions prior to retirement as Secretary, CEA. Post retirement, he served as Chairman of Uttar Pradesh Electricity Regulatory Commission (UPERC), Lucknow. He is currently actively involved in Arbitration Cases for resolution of disputes for Government Companies, Public Sector Undertakings and Private Sector Companies.

Mr. Pawan Chopra-Independent Director, a retired IAS Officer, he has extensive experience of dealing with multilateral international organizations like the World Bank, the Asian Development Bank, UNDP, UNICEF, UNCTAD, UNDCP, UNDP, UNESCO, WHO, FAO, Organization for Prohibition of Chemical Weapons; inter governmental organizations like the erstwhile International Coffee Organization, Infofish, ICOMP; foreign regulators and promotional organizations (including public service broadcasters like BBC & NHK) in the field of audio visual services, cinema and telecommunications.

He held important positions in the Government of India which include Secretary to Government, Ministry of Information & Broadcasting, Additional Secretary Cabinet Secretariat, Chairman and Managing Director, Rajasthan Finance Corporation etc., during his span of service with Government of India.

Dr. Jaskiran Arora-Independent Director is a full time Professor in the area of Accounting and Finance at BML Munjal University. She brings with her over 17 years of industry and teaching experience with reputed institutions. She takes accounting and finance specialization courses with MBA and Executive MBA classes. Prior to joining BML Munjal University, she has held senior positions in reputed academic institutions and corporate houses. Her academic qualifications include PhD; MBA Finance; B.Com; CFA (Level-I), USA and UGC-Net qualification.

Mr. Satish Chandra Sinha -Independent Director is an ex-banker with expertise and interests in Banking Finance, Corporate Debt Restructuring, Regulatory Compliances, Asset Reconstruction, Financial Inclusion, and Social Upliftment. Mr. Satish Chandra Sinha is a B. Com (Hons.) Graduate and CAIIB. In his long Professional Career, apart from serving as the General Manager of Union Bank of India and Executive Director of Oriental Bank of Commerce, he had been a Member of Board of Industrial & Financial Reconstruction (BIFR) for 3 years.

CHIEF EXECUTIVE OFFICER (CEO) AND
CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To
The Board of Directors of
LANCO INFRATECH LIMITED

We, the undersigned, in our respective capacities as the Managing Director and Chief Financial Officer of Lanco Infratech Limited ("the Company"), to the best of our knowledge and belief certify that:

a) We have reviewed Financial Statements and the Cash Flow Statements for the Year ended 31st March, 2017 and based on our knowledge and belief:

   I. these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;

   II. these statements along with notes and disclosures together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable Laws and Regulations.

b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the Financial Reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps we have taken and propose to take to rectify these deficiencies.

d) We have indicated, wherever applicable, to the Auditors and Audit Committee:

   I. significant changes, if any, in internal control over financial reporting during the year;

   II. significant changes, if any, in Accounting Policies made during the year and that the same have been disclosed in the notes to the financial statements; and

   III. instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an Employee having a significant role in the Company's internal control system over financial reporting.

For **Lanco Infratech Limited**

T. Adi Babu
Chief Financial Officer

G. Venkatesh Babu
Managing Director

Place: Gurgaon
Date : May 30, 2017

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
M/s. Lanco Infratech Limited

We have examined the relevant records of M/s. Lanco Infratech Limited for the purpose of certifying compliance of the conditions of the Corporate Governance under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2017. We have obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purposes of Certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the Conditions of the Corporate Governance. This Certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with all the mandatory conditions of Corporate Governance.

For **KBG Associates**
Company Secretaries

Srikrishna S Chintalpati
Partner
CP# 6262

Place: Hyderabad
Date: June 30, 2017

Business Responsibility Report

Section A GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identification Number	L45200TG1993PLC015545
2	Name of company	Lanco Infratech Limited
3	Address of registered office of company	Plot No.4 Software Units Layout, HITEC City Madhapur, Hyderabad-500081
4	Website	www.lancogroup.com
5	E Mail ID	complianceofficer.litl@lancogroup.com
6	Financial Year Reported	2016-17
7	Sector(s) that the Company is engaged in (industrial activity code)	

S. No.	Main Products / Services	NIC CODE
1	EPC & Construction	43900
2	Activities with respect to Investment and Support to various SPVs promoted by the Company	66309
3	Generation, transmission, distribution of electric power	35101 to 35103, 35105 to 35107

8	Three key products/ services that the Company manufactures/ provides (as in balance sheet)	The Company is engaged in Engineering, Procurement and Construction (EPC) business and is a holding company of various SPVs engaged in business of generation of Power(Hydro, Thermal and Solar), trading and distribution of power, Natural Resources and Infrastructure sectors.
9	Locations where business activity is undertaken by the Company	International - The Company has its business in Australia, Singapore, Bangladesh and China. Domestic - LITL along with its subsidiaries have projects/offices/plants across 19 states in India which are Andhra Pradesh, Chattisgarh, Delhi, Gujrat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Madhya Pardesh, Maharashtra, Odisha, Punjab, Rajasthan, Sikkim, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand.
10	Markets served by the Company – Local/ State/ National/International	National.

Section B FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	Rs. 331.40 Crores
2	Total Turnover (INR)	Rs. 1634.90 Crores
3	Total Profit/(Loss) after taxes (INR)	(Rs. 889.52 Crores)
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Rs . 4 Crores irrespective of loss at the Group level.
5	List of activities in which expenditure in 4 above has been incurred	Drinking water facilities, Disability, Medical Health Check-up Camps, Blood Donation Camps etc.,

Section C OTHER DETAILS

1	Does the Company have any subsidiary companies?	Yes
2	Do the Subsidiary companies participate in the BR initiatives of the parent Company? Then indicate the number of such companies	The Subsidiary Companies participate in the Group CSR Policy and Programmes
3	Do any other entities (e.g. suppliers, distributors etc) that the Company does business with participate in BR initiatives of the Company?	No

Section Other details

1 The CSR of the group is undertaken by a Trust which is governed by Trustees who (I) Formulate and recommend the activities to be undertaken by the Company and (II) Recommending the amount of expenditure to be incurred on the activities referred to in CSR Policy and (iii) Monitoring the CSR activities as per the terms of approval for the Group/Company for the subject period.

a) Details of the Director / Directors responsible for implementation of the BR policy / policies:

DIN: 00075079

Name: Mr. G Venkatesh Babu

Designation: Managing Director

b) Details of the BR head:

S. No.	Particulars	Details
1	DIN Number (if applicable)	05319842
2	Name	Mr. Raj Kumar Roy
3	Designation	Whole-time Director
4	Telephone number	+91-124- 474 1000
5	e-mail id	info@lancogroup.com

2 Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

S. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y (ISO 14001:EMS & OHSAS 18001 & QMS)	Y	Y	Y	Y (MoEF, respective State Pollution Control Board and ISO 14001:EMS)	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

S.No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	Not Applicable								
3	The company does not have financial or manpower resources available for the task	Not Applicable								
4	It is planned to be done within next 6 months	Not Applicable								
5	It is planned to be done within the next 1 year	Not Applicable								
6	Any other reason (please specify)	Not Applicable								

3. **Governance related to BR:**

The BR performance will be assessed on an annual basis. Annual Report containing Business Responsibility Report will be uploaded in Company's website.

SECTION E PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. Under this principle, the Company has the following Policies/ Rules which are applicable at group level:
   a. LANCO GROUP Conduct, Discipline and Appeal Rules
   b. Whistle Blower Policy.
   c. Employee Grievances Management Rules
   d. Handling Disciplinary Action Rules
   e. Sexual Harassment at Workplace policy
   f. Code of conduct for prohibition of Insider Trading
2. There were no cases of violation of the Company's Code of Conduct in 2016-17. No case was reported under the Company's Whistle Blower Policy during the year.

Principal 2 BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

1. Occupational Health
2. Safety management
3. Community development

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

1. Total number of employees

TABLE 01	MANPOWER BREAK-UP AS ON MARCH 31, 2017	
Sl. No.	**Manpower category**	**Number**
1	Regular Manpower	3,110
2	Apprentice/ Trainees	130
3	Contractual/ temporary workers	121
	Total Manpower (1+2+3)	3,361

2. Total number of employees hired on temporary/ contractual/ casual basis.

   The total contractual/temporary manpower employed was 121 as on March 31, 2017.
3. The number of permanent women employees

   There were 148 permanent female employees in the Company, as on March 31, 2017.
4. The number of permanent employees with disabilities.

   There were no regular employees with disabilities as on March 31, 2017.
5. Employee association that is recognised by management.

   The employees of Lanco Group have no recognised association.
6. Percentage of permanent employees is members of this recognised employee association.

   Nil.
7. No complaints relating to child labour, forced labour, involuntary labour, sexual harassment were received in the last financial year.
8. Employees were given safety & skill up-gradation training in the last year.

The Company strives to cover majority of employees under training programmes.

S.No	Type of training	Description
a.	Skills upgradation	We have conducted Employee Assessment program across EPC thermal sites and EPC thermal Head Office and mapped the skills and competencies of employee. Identified the employees having the knowledge and skill in different functional domains and deployed the manpower in identified departments to reduce the new hiring.
b.	Training	We have mapped the training needs of the employees, identified the internal resource persons but training could not take place as the project activities have come to a halt.

Safety training is a part of the induction process and all employees go through safety training, including firefighting training. Apart from that regular test is being conducted related to Health safety and Environment.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALISED.

1. Internal and external stakeholders mapped by the Company

   The Company has identified six direct stakeholder groups:

   1. Employees and their families
   2. Local community and society
   3. Environment and regulatory authorities
   4. Customers and their families
   5. Shareholders and investors
   6. Dealers, suppliers and other business partners

2. The disadvantaged, vulnerable & marginalised stakeholders identified by the Company

   The Company has identified the following vulnerable sections:

   i. Local community under the project affected areas are identified for various health and employment preferences.

   ii. Socio-economically disadvantaged sections of the society are identified in consultation with the local authority under the project affected areas for various benefits under the medical camps.

   iii. Land loosers

3. Special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders.

   For the local community at the PAA (Project Affected Areas), to continue with the programmes as per the CSR on a continuous basis .

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

1. The Company doesn't have a standalone Human Rights policy. Aspects of human rights such as child labour, forced labour, occupational safety, non-discrimination are covered by its various Human Resource policies.

2. The Company did not receive any stakeholder complaint in 2016-17 regarding human rights.

PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

1. The company have 'CORPORATE HEALTH, SAFETY AND ENVIRONMENT MANUAL' encompassing various policies and procedures related HSE.

2. Strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.

   To minimise the environmental impacts of its projects, the Company continuously adhere to environmental provisions laid down under various statute.

3. **Potential environmental risks**

   Potential environmental risks are identified as a part of the Company's risk management identification process and these feature in the Company's risk register. The Company regularly reviews its environmental risks and undertakes initiatives to mitigate them.

4. The Company and the Group are actively and has taken the initiative towards developing the projects which are energy efficient, utilizes cleaner fuel, and uses renewable energy resources as fuel. The Group does not have the requirement to file any environmental compliance; however, the environmental aspects related to compliance and sustainability are included in the Project design document and are being complied.

5. All the emissions and waste generated by the company including its subsidiaries is well within the permissible limits prescribed by CPCB / SPCB.

6. No show cause notices from SPCB or CPCB are pending as at end of the financial year 2016-17.

PRINCIPAL 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

The Company is a member of:

A. Confederation of Indian Industry (CII), New Delhi

B. The Associated Chambers of Commerce & Industry of India (ASSOCHAM), New Delhi

C. Federation of Indian Chambers of Commerce & Industry (FICCI), New Delhi

D. Association of Power Producers

2. Yes, following are the broad areas for advancement or improvement of public good.

   (i) Economic Reforms

   (ii) Public Utility

   (iii) Energy Sector

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. Specified programmes/initiatives/projects in pursuit of the policy related to Principle 8.

   The Company supports inclusive growth and equitable development through its Corporate Social Responsibility (CSR) programmes. Details on the same have been shared in Principle 4.

2. The Company has aligned its CSR programmes with the requirements of the Companies Act 2013. The Company's CSR Policy has been approved by the CSR Committee and the Board. The CSR programmes are clearly mentioned in the CSR policy.

   The CSR programmes of the Company are overseen largely by in-house teams.

3. The CSR programmes and their impacts/ outcomes are monitored and reviewed by the management periodically.

4. Details on the Company's CSR programmes on community development forms part of the Boards Report.

5. Steps taken to ensure that this community development initiative is successfully adopted by the community.

   To ensure successful implementation of community development programmes in collaboration with community members, the Company adopts following approach:

   a. Impact assessment and perception survey to measure impact of social initiatives

   b. Necessary approvals are taken from the community prior to the start of work.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

1. No customer complaints / consumer cases are pending as on the end of financial year.

2. Clause of display of product information on the product label is not applicable on the company.

3. No case has been filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour during the last five years and pending as on end of financial year.

Form AOC-1

SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY / ASSOCIATES / JOINT VENTURES AS PER COMPANIES ACT , 2013

[Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 – AOC-1]

PART "A" : SUBSIDIARIES

Sl. No.	Name of the Subsidiary	Date since when subsidiary was acquired	Reporting Currency	Equity Share Capital	Other Equity	Total Liabilities	Total Assets	Investment #	Turnover	Profit Before Taxation	Provision For Taxation	Profit After Taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding as per Ind AS - 110
1	Lanco Power Limited	31-05-2006	INR	5,727.48	(9.16)	131.03	5,849.35	-	28.71	6.35	2.34	4.01	0.12	4.13	-	100.00%
2	Arneb Power Private Limited	15-11-2010	INR	0.16	17.56	4.45	22.17	-	-	-	-	-	-	-	-	93.75%
3	Lanco Thermal Power Limited	31-03-2006	INR	4,805.77	(37.81)	1,726.90	6,494.86	-	10.91	(16.93)	0.00	(16.93)	0.01	(16.93)	-	100.00%
4	Lanco Kondapalli Power Limited	31-05-2006	INR	407.57	699.28	4,199.30	5,306.15	-	1,037.10	(480.45)	0.38	(480.83)	(0.26)	(481.09)	-	58.91%
5	Lanco Tanjore Power Company Limited	07-06-2006	INR	115.05	417.32	54.82	587.19	18.94	138.46	(15.24)	(0.45)	(14.79)	0.07	(14.72)	-	58.45%
6	Lanco Amarkantak Power Limited	07-06-2006	INR	2,216.57	33.52	11,364.03	13,614.12	-	1,124.16	(8.62)	-	(8.62)	0.02	(8.60)	-	80.96%
7	Lanco Anpara Power Limited	30-03-2012	INR	591.50	478.88	3,868.49	4,938.88	-	2,638.76	5.46	1.17	4.29	(0.23)	4.06	-	100.00%
8	Lanco Babandh Power Limited	02-06-2015	INR	110.50	1,394.46	6,700.57	8,205.53	-	-	(0.69)	-	(0.69)	-	(0.69)	-	99.50%
9	Lanco Vidarbha Thermal Power Limited	05-06-2015	INR	286.23	807.43	4,511.29	5,604.95	-	-	(2.17)	-	(2.17)	-	(2.17)	-	99.83%
10	Himavat Power Limited	12-09-2013	INR	0.04	677.98	40.97	719.00	-	-	(0.09)	-	(0.09)	-	(0.09)	-	94.99%
11	Mimas Trading Private Limited	12-09-2013	INR	3.68	(0.07)	0.01	3.62	-	-	(0.00)	-	(0.00)		(0.00)	-	86.14%
12	Charon Trading Pvt Ltd	12-09-2013	INR	15.11	(0.18)	5.07	20.00	-	-	(0.00)	-	(0.00)	-	(0.00)	-	94.97%
13	Portia Properties Private Limited	30-06-2012	INR	67.67	2.38	0.80	70.86	-	-	(0.00)	0.00	(0.00)	-	(0.00)	-	98.97%
14	Regulus Power Private Limited	12-09-2013	INR	2.72	12.86	3.67	19.25	-	-	-	-	-	-	-	-	99.03%
15	Phoebe Trading Private Limited	12-09-2013	INR	4.17	(0.12)	0.02	4.06	-	-	(0.00)	-	(0.00)	-	(0.00)	-	93.28%
16	Lanco Operation and Maintenance Company Limited	12-09-2013	INR	0.50	(0.06)	0.00	0.44	-	-	0.02	(0.01)	0.02	-	0.02	-	93.17%
17	Lanco Hydro Power Limited	31-03-2006	INR	675.34	(218.58)	519.30	976.07	-	7.89	(10.25)	0.01	(10.26)	0.00	(10.26)	-	100.00%
18	Lanco Mandakini Hydro Energy Private Limited	31-03-2006	INR	241.12	(8.30)	787.99	1,020.81	-	-	(3.99)	-	(3.99)	-	(3.99)	-	100.00%

Sl. No.	Name of the Subsidiary	Date since when subsidiary was acquired	Reporting Currency	Equity Share Capital	Other Equity	Total Liabilities	Total Assets	Investment #	Turnover	Profit Before Taxation	Provision For Taxation	Profit After Taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding as per Ind AS - 110
19	Lanco Rambara Hydro Private Limited	04-01-2013	INR	0.01	(0.02)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	(0.00)	-	100.00%
20	Diwakar Solar Projects Limited	03-09-2010	INR	238.33	(0.56)	95.20	332.96	-	-	(0.01)	-	(0.01)	-	(0.01)	-	100.00%
21	Lanco Solar Energy Private Limited	21-04-2010	INR	584.91	110.24	955.38	1,650.53	1.53	684.90	6.40	1.50	4.90	(0.01)	4.89	-	100.00%
22	Lanco Solar Services Private Limited	16-01-2011	INR	0.60	0.04	11.88	12.52	-	6.95	0.64	(0.07)	0.71	(0.00)	0.70	-	100.00%
23	Lanco Solar Private Limited	16-07-2008	INR	567.58	(29.77)	1,293.28	1,831.08	0.07	248.06	(0.16)	-	(0.16)	0.07	(0.08)	-	100.00%
24	Khaya Solar Projects Private Limited	02-09-2010	INR	28.63	(7.35)	43.66	64.94	-	10.60	(0.02)	-	(0.02)	-	(0.02)	-	100.00%
25	Bhanu Solar Projects Private Limited	03-09-2010	INR	0.01	(0.04)	0.04	0.02	-	-	(0.00)	-	(0.00)	-	(0.00)	-	100.00%
26	Newton Solar Private limited	28-03-2016	INR	0.01	7.64	45.96	53.61	-	8.33	(0.91)	-	(0.91)	-	(0.91)	-	100.00%
27	Lanco Solar Power Projects Private Limited	26-08-2011	INR	1.36	(0.06)	0.24	1.54	-	-	(0.00)	-	(0.00)	-	(0.00)	-	100.00%
28	Orion Solar Projects Private Limited	29-09-2011	INR	0.51	0.30	0.10	0.91	-	-	(0.00)	-	(0.00)	-	(0.00)	-	100.00%
29	Pasiphae Power Private Limited	13-02-2012	INR	0.01	(0.02)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	(0.00)	-	100.00%
30	Lanco Energy Talent School for Skills Private Limited (formerly known as Sabitha Solar Projects Private Limited)	14-12-2011	INR	0.36	(0.04)	0.16	0.48	-	-	(0.01)	-	(0.01)	-	(0.01)	-	100.00%
31	Helene Power Private Limited	10-10-2011	INR	0.60	0.01	0.14	0.74	-	-	(0.00)	-	(0.00)	-	(0.00)	-	100.00%
32	Lanco Wind Power Private Limited	04-12-2007	INR	40.62	(0.14)	4.17	44.65	-	-	(0.14)	-	(0.14)	-	(0.14)	-	100.00%
33	Amrutha Power Private Limited	04-07-2008	INR	0.31	0.00	3.90	4.21	-	-	0.03	0.01	0.02	-	0.02	-	100.00%
34	JH Patel Power Project Private Limited	19-02-2011	INR	0.16	(0.00)	3.91	4.07	-	-	(0.00)	-	(0.00)	-	(0.00)	-	99.94%
35	Pragdisa EPC Limited (formerly known as Spire Rotor Pvt. Ltd.)	23-10-2008	INR	0.04	(0.03)	0.02	0.03	-	-	(0.03)	-	(0.03)	-	(0.03)	-	98.74%
36	EO Power Holdco Limited (formerly known as Emerald Orchids Pvt. Ltd.)	28-03-2012	INR	0.08	(0.02)	0.01	0.07	-	-	(0.02)	-	(0.02)	-	(0.02)	-	99.88%
37	National Energy Trading and Services Limited	15-04-2006	INR	36.53	53.67	125.09	215.28	-	589.27	1.36	0.36	1.00	0.02	1.02	-	100.00%

Sl. No.	Name of the Subsidiary	Date since when subsidiary was acquired	Reporting Currency	Equity Share Capital	Other Equity	Total Liabilities	Total Assets	Investment #	Turnover	Profit Before Taxation	Provision For Taxation	Profit After Taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding as per Ind AS - 110
38	Avior Power Private Limited	12-09-2013	INR	0.19	(0.17)	2.43	2.45	-	-	(0.17)	-	(0.17)	-	(0.17)	-	96.11%
39	Basava Power Private Limited	30-05-2014	INR	0.10	(0.09)	0.01	0.01	-	-	(0.09)	-	(0.09)	-	(0.09)	-	92.21%
40	Mirach Power Limited	12-09-2013	INR	0.19	(0.18)	0.01	0.01	-	-	(0.48)	-	(0.48)	-	(0.48)	-	96.03%
41	Nekkar Power Private Limited	30-05-2014	INR	0.09	(0.07)	0.00	0.02	-	-	(0.00)	-	(0.00)	-	(0.00)	-	100.00%
42	Siddheswara Power Private Limited	30-05-2014	INR	0.16	(0.16)	0.01	0.00	-	-	(0.16)	-	(0.16)	-	(0.16)	-	95.38%
43	Vainateya Power Private Limited	30-05-2014	INR	0.01	27.13	26.56	53.70	-	-	(7.56)	-	(7.56)	-	(7.56)	-	100.00%
44	Lanco Solar (Gujrat) Private Limited formerly known as Lanco Property Management Company Private Ltd (LSGPL)	30-05-2015	INR	9.34	(6.40)	415.88	418.82	-	12.09	(1.98)	0.15	(2.13)	-	(2.13)	-	99.99%
45	Lanco Energy Private Limited	24-10-2015	INR	3.08	(0.16)	0.11	3.03	-	-	(0.16)	-	(0.16)	-	(0.16)	-	100.00%
46	Lanco Kanpur Power Limited	29-09-2015	INR	0.10	(0.02)	0.01	0.09	-	-	0.00	-	0.00	-	0.00	-	100.00%
47	Mahatamil Mining and Thermal Energy Limited	02-09-2011	INR	0.68	32.45	172.11	205.23	-	-	(6.61)	-	(6.61)	-	(6.61)	-	73.90%
48	Tasra Mining & Energy Company Private Limited	19-09-2013	INR	11.01	0.96	4.73	16.70	-	-	(0.09)	-	(0.09)	-	(0.09)	-	100.00%
49	Mercury Projects Private Limited	15-02-2007	INR	10.00	2.31	291.09	303.40	-	99.80	(0.54)	-	(0.54)	-	(0.54)	-	100.00%
50	Lanco Kanpur Highways Limited	16-03-2011	INR	10.00	183.81	0.77	194.58	-	-	(0.67)	-	(0.67)	-	(0.67)	-	99.99%
51	Lanco Hoskote Highway Limited	01-04-2014	INR	510.16	(252.37)	576.76	834.55	-	62.09	(82.10)	-	(82.10)	0.01	(82.09)	-	100.00%
52	Lanco Devihalli Highways Limited	01-04-2014	INR	175.92	(137.94)	517.60	555.58	-	57.08	(37.58)	-	(37.58)	0.01	(37.57)		100.00%
53	Belinda Properties Private Limited	12-09-2013	INR	29.50	(0.49)	0.01	29.02	-	-	(0.00)	-	(0.00)	-	(0.00)	-	100.00%
54	Bianca Properties Private Limited	12-09-2013	INR	21.15	(0.64)	0.15	20.66	-	-	(0.10)	-	(0.10)	-	(0.10)	-	100.00%
55	Tethys Properties Private Limited	12-09-2013	INR	21.15	(0.49)	0.01	20.67	-	-	(0.00)	-	(0.00)	-	(0.00)	-	100.00%
56	Ananke Properties Private Limited	12-09-2013	INR	21.37	(0.50)	0.01	20.87	-	-	(0.01)	-	(0.01)	-	(0.01)	-	100.00%

Sl. No.	Name of the Subsidiary	Date since when subsidiary was acquired	Reporting Currency	Equity Share Capital	Other Equity	Total Liabilities	Total Assets	Investment #	Turnover	Profit Before Taxation	Provision For Taxation	Profit After Taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding as per Ind AS - 110
57	Banas Thermal Power Private Limited	02-06-2014	INR	0.01	(1.24)	1.28	0.05	-	-	(4.02)	-	(4.02)	-	(4.02)	-	74.00%
58	Lanco Hills Technology Park Private Limited	28-10-2005	INR	280.50	(127.94)	2,729.16	2,881.72	-	133.98	(130.93)	-	(130.93)	0.02	(130.91)	-	79.14%
59	Lanco Horizon Properties Private Limited	12-09-2013	INR	72.52	0.01	0.74	73.27	-	-	(0.01)	-	(0.01)	0.00	(0.01)	-	99.99%
60	Uranus Projects Private Limited	31-05-2006	INR	18.57	2.18	0.27	21.01	-	-	2.91	0.48	2.43	-	2.43	-	99.99%
61	Jupiter Infratech Private Limited	26-06-2009	INR	0.05	2.62	0.21	2.88	-	-	1.20	-	1.20	-	1.20	-	100.00%
62	Uranus Infratech Private Limited	26-06-2009	INR	0.05	3.01	2.86	5.92	-	-	1.77	-	1.77	-	1.77	-	100.00%
63	Leda Properties Private Limited	26-06-2009	INR	0.08	6.61	0.79	7.48	-	-	(0.00)	-	(0.00)	-	(0.00)	-	100.00%
64	Coral Orchids Private Limited	31-03-2011	INR	0.51	5.44	0.18	6.13	-	-	1.27	0.01	1.26	-	1.26	-	100.00%
65	Thebe Properties Private Limited	26-06-2009	INR	0.44	12.88	1.11	14.42	-	-	(0.00)	-	(0.00)	-	(0.00)	-	100.00%
66	Cressida Properties Private Limited	31-05-2006	INR	0.08	3.16	0.64	3.87	-	-	(0.00)	-	(0.00)	-	(0.00)	-	100.00%
67	Nix Properties Private Limited	22-08-2011	INR	0.03	(0.12)	6.11	6.01	-	-	(0.00)	-	(0.00)	-	(0.00)	-	100.00%
68	Cordelia Properties Private Limited	31-05-2006	INR	2.02	(0.17)	0.06	1.90	-	-	(0.00)	-	(0.00)	-	(0.00)	-	99.99%
69	Deimos Properties Private Limited	31-05-2006	INR	3.57	10.39	1.64	15.59	-	-	12.32	1.79	10.53	-	10.53	-	100.00%
70	Dione Properties Private Limited	31-05-2006	INR	4.29	3.34	0.51	8.14	-	-	3.51	-	3.51	-	3.51	-	100.00%
71	Neptune Projects Private Limited	31-05-2006	INR	1.90	3.20	0.63	5.73	-	-	3.93	0.68	3.26	-	3.26	-	100.00%
72	Pearl Farms Private Limited	31-05-2006	INR	3.72	3.13	0.49	7.35	-	-	0.00	-	0.00	-	0.00	-	99.99%
73	Telesto Properties Private Limited	31-05-2006	INR	5.73	(0.11)	3.90	9.52	-	-	(0.01)	-	(0.01)	-	(0.01)	-	99.99%
74	Lanco International Pte Limited *	01-12-2009	USD	64.84	965.57	1,831.38	2,861.81	-	159.41	(22.23)	11.22	(33.45)	-	(33.45)	-	100.00%
75	Lanco Enterprise Pte Limited	01-12-2009	CNY	0.94	(2.89)	2.45	0.50	-	19.29	(1.22)	1.66	(2.88)	-	(2.88)	-	100.00%
76	Lanco Infratech Nepal Private Limited *	17-04-2011	NPR	0.81	(0.06)	0.00	0.74	-	-	-	-	-	-	-	-	100.00%
77	LE New York - LLC *	06-08-2010	USD	1.17	0.33	0.70	2.20	-	-	-	-	-	-	-	-	100.00%

Sl. No.	Name of the Subsidiary	Date since when subsidiary was acquired	Reporting Currency	Equity Share Capital	Other Equity	Total Liabilities	Total Assets	Investment #	Turnover	Profit Before Taxation	Provision For Taxation	Profit After Taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding as per Ind AS - 110
78	Lanco Power International Pte Limited *	06-12-2010	USD	0.65	(0.65)	-	-	-	-	11.17	-	11.17	-	11.17	-	100.00%
79	Lanco Solar International Pte Limited	06-12-2010	USD	64.84	(74.01)	145.54	136.36	-	-	0.20	0.07	0.13	-	0.13	-	100.00%
80	Lanco Solar Holding Netherland B.V *	07-02-2011	EURO	51.27	(65.11)	20.61	6.77	-	-	(0.05)	-	(0.05)	-	(0.05)	-	100.00%
81	Lanco Solar International USA Inc. *	06-12-2010	USD	1.95	(1.94)	-	0.01	-	-	-	-	-	-	-	-	100.00%
82	Green Solar SRL *	06-12-2010	EURO	0.07	(0.06)	-	0.01	-	-	-	-	-	-	-	-	100.00%
83	Lanco Resources International Pte Limited *	06-12-2010	USD	648.39	(605.38)	7,885.67	7,928.67	-	-	(259.04)	-	(259.04)	-	(259.04)	-	100.00%
84	Lanco Resources Australia Pty. Limited *	13-12-2010	AUD	1,126.27	(1,477.77)	6,678.89	6,327.39	-	-	(141.13)	-	(141.13)	-	(141.13)	-	100.00%
85	The Griffin Coal Mining Company Pty Limited *	28-02-2011	AUD	28.51	2,913.76	4,168.30	7,110.58	-	511.04	(271.14)	-	(271.14)	-	(271.14)	-	100.00%
86	Carpenter Mine Management Pty Limited *	28-02-2011	AUD	-	153.17	169.51	322.67	-	739.29	118.73		118.73	-	118.73	-	100.00%
87	Western Australia Coal Terminal Pty Ltd *	02-08-2012	AUD	-	-	-	-	-	-	-	-	-	-	-	-	100.00%
88	Bhola Electricity Pvt Ltd *	09-07-2012	BDT	0.01	-2.76	2.77	0.02	-	-	-	-	-	-	-	-	100.00%
89	Sirajganj Electric Pvt Limited *	17-07-2013	BDT	0.01	-0.02	0.02	0.01	-	-	-	-	-	-	-	-	100.00%

Entities becoming as subsidiaries as per companies act which are not considered in the consolidation as per the Accounting Standards

Sl. No.	Subsidiary Name	Date since when subsidiary was acquired	Reporting Currency	Equity Share Capital	Other Equity	Total Liabilities	Total Assets	Investment #	Turnover	Profit Before Taxation	Provision For Taxation	Profit After Taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding as per Ind AS - 110
1	Pragdisa Power Private Limited	30-05-2014	INR	0.01	7.57	0.01	7.59	-	-	(3.077)	-	(3.077)	-	(3.077)	-	26.00%

1 The Indian rupee equivalents of the figures given in the foreign currencies in the accounts of the subsidiary companies, have been given based on the exchange rate on 31.03.2017.

INR vs.	USD	EURO	CNY	AUD	BDT	NPR
Exchange rate	64.839	69.248	9.406	49.537	1.237	1.610

2 * Based on the unaudited financial statements

3 ^ Amounts below INR fifty thousand are appearing as zero.

4 # Investments except investment in subsidiaries and associates.

Names of Subsidiaries which are yet to commence operations -

Sl. No.	Name of the Companies	Sl. No.	Name of the Companies
1	Arneb Power Private Limited	19	Basava Power Private Limited
2	Lanco Babandh Power Limited	20	Mirach Power Limited
3	Lanco Vidarbha Thermal Power Limited	21	Nekkar Power Private Limited
4	Himavat Power Limited	22	Siddheswara Power Private Limited
5	Regulus Power Private Limited	23	Vainateya Power Private Limited
6	Lanco Mandakini Hydro Energy Private Limited	24	Lanco Energy Private Limited
7	Lanco Rambara Hydro Private Limited	25	Lanco Kanpur Power Limited
8	Diwakar Solar Projects Limited	26	Mahatamil Mining and Thermal Energy Limited
9	Bhanu Solar Projects Private Limited	27	Tasra Mining & Energy Company Private Limited
10	Orion Solar Projects Private Limited	28	Lanco Kanpur Highways Limited
11	Pasiphae Power Private Limited	29	Banas Thermal Power Private Limited
12	Helene Power Private Limited	30	Lanco Horizon Properties Private Limited
13	Lanco Wind Power Private Limited	31	Lanco Infratech Nepal Private Limited
14	Amrutha Power Private Limited	32	Western Australia Coal Terminal Pty Ltd
15	JH Patel Power Project Private Limited	33	Bhola Electricity Pvt Ltd
16	Pragdisa EPC Limited	34	Sirajganj Electric Pvt Limited
17	EO Power Holdco Limited	35	Pragdisa Power Private Limited
18	Avior Power Private Limited		

Names of Subsidiaries which have been liquidated or sold during the year

Sl. No.	Name of the Subsidiary
1	Lanco Infratech (Mauritius) Limited
2	Lanco Holding Netherland B.V (LHNBV)
3	P.T Lanco Indonesia Energy (LInE)

PART "B" : ASSOCIATES

Statement pursuant to Section 129 (3) of the Companies Act , 2013 related to Associate Companies
[Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 – AOC-1]

Sr. No.	Name of Associate	Latest audited Balance Sheet Date	Date on which became Associate	Shares of Associate held by the company / Subsidiary on the year end			Description of how there is significant influence	Reason why the associate is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in crore)	Profit/(Loss) for the year	
				No.	Amount of Investment in Associates (₹ in crore)	Extend of Holding % *				Considered in Consolidation (₹ in crore)	Not Considered in Consolidation
1	Genting Lanco Power (India) Private Limited#	3/31/2017	5/31/2006	486702	2.10	26.00%	Note A	NA	**16.07**	2.04	NA
2	Bay of Bengal Gateway Terminal Private Limited#	3/31/2017	8/31/2010	12584	0.01	26.00%	Note A	NA	**-**	-	NA
3	Lanco Teesta Hydro Power Limited	3/31/2017	10/20/2015	668954957	668.95	48.94%	Note A	NA	**665.75**	-0.14	NA
4	DDE Renewable Energy Private Limited	3/31/2017	2/14/2011	7452900	7.80	49.00%	Note A	NA	**2.91**	-0.62	NA
5	Electromech Maritech Private Limited	3/31/2017	2/22/2011	7452900	8.16	49.00%	Note A	NA	**5.59**	0.17	NA
6	Finehope Allied Engineering Private Limited	3/31/2017	4/14/2011	7451800	7.54	38.00%	Note A	NA	**4.86**	0.16	NA
7	KVK Energy Ventures Private Limited#	3/31/2017	4/11/2011	113508500	116.23	49.00%	Note A	NA	**112.61**	0.00	NA
8	Saidham Overseas Private Limited	3/31/2017	4/11/2011	7451500	7.61	35.00%	Note A	NA	**5.59**	-0.30	NA
9	Vasavi Solar Power Private Limited	3/31/2017	4/14/2011	7497000	7.63	49.00%	Note A	NA	**4.09**	-0.08	NA

Note A : There is significant influence due to percentage (%) of Share Capital

* Based on Equity & Convertible Preference share holding

Based on the unaudited financial statements

Names of Associates which are yet to commence operations :-

Sl. No.	Name of the Companies
1	Bay of Bengal Gateway Terminal Private Limited
2	Lanco Teesta Hydro Power Limited
3	KVK Energy Ventures Private Limited

Names of Associates which have been liquidated or sold during the year - Nil.

For and on behalf of the Board of Directors of
Lanco Infratech Limited

L. Madhusudhan Rao
Executive Chairman
DIN - 00074790

G. Venkatesh Babu
Managing Director
DIN - 00075079

T. Adi Babu
Chief Financial Officer

A. Veerendra Kumar
Company Secretary

Date: May 30, 2017

Standalone
Financial Statements

INDEPENDENT AUDITOR'S REPORT

To

The Members of Lanco Infratech Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of **Lanco Infratech Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, 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 Standalone 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, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone 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 standalone 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 standalone 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 standalone 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 standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone 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 standalone 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 standalone 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 of the Company as at March 31, 2017 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matters

Attention is invited to

(a) (i) Note 55 to the standalone Ind AS financial statements, regarding the adequacy of disclosure concerning the Company's ability to meet its financial obligations including repayment of various loans and unpaid interest and the ability to fund various obligations pertaining to operations including unpaid/overdue creditors, for ensuring/commencing normal operations and further investments required towards ongoing projects under construction. These matters essentially require the Company to garner such additional cash flows to fund and meet the requirements.

(ii) The Company incurred a Net Loss of ₹ 888.97 Crores for the year and has loans and unpaid dues aggregating ₹ 3,213.18 Crores falling due over next twelve month period which also includes repayment of loans sanctioned under Corporate Debt Restructuring (CDR) scheme in respect of which, the Company obtained certain reliefs in relation to repayment timelines of loans and accumulation of unpaid interest and additional funding for commencing normal operations.

(iii) The Company obtained approval of CDR Empowered Group for its CDR scheme, envisaging a revival in the activities of EPC. The Company also obtained the approvals towards Long Term Working Capital Loan (LTWCL) from majority of its lenders. However, variances stated to have occurred in sanctioned/contracted terms under CDR scheme and non-approval by certain lenders in the LTWCL, resulted in delayed and lower disbursements including their variations in utilization thereon. Consequently, the scheme did not enable the Company to achieve the anticipated revival in performance levels of operations at Engineering, Procurement & Construction (EPC). Continued incurrence of further losses and cost overruns in projects under constructions due to delayed execution have been reported. In view of this, the Company has recently approached the lenders with a debt reorganisation scheme which was approved by certain lenders and the management is expecting approvals from balance lenders. As explained by the management, though the Company has recommenced operations at EPC as well implementation works at the projects which are under construction, taking into account the continued limitations on availability of required funds, in our view, there may be further delays in achieving optimal operations at EPC and in timelines envisaged for implementation of projects under constructions which may result in further cost overruns, requiring the Company to arrange further funding for such additional costs. As further explained by the management, the Company is making efforts to reorganise the funding pattern including participation by strategic investors to ensure the completion of under construction projects and disposal of assets to meet the funding gaps. In regard to projects under implementation, the management's approach includes appraising the lenders on various strategic initiatives, requesting modification in repayment timelines and additional funding for completion of the project including cost overruns. The proposals by the management are under evaluation by lenders which envisage that certain projects under construction have the ability to fulfill its part of obligations both financial and otherwise to complete the projects, which have not been independently assessed by us. The impact, if any on the standalone IND AS financial statements on account of non-achievement of any of the envisaged initiatives including the lenders concurrence for the proposals are currently not ascertainable at this point in time.

(iv) Notwithstanding the efforts as stated above to meet the funding obligations which would involve time to materialise, these standalone Ind AS financial statements have been prepared based on the assumption, and considering the project budgets and estimates of the management which are based on technical aspects and inputs and management's assessment to get requisite additional funding from various sources explained above. Relying on the above, no adjustments have been made in these standalone Ind AS financial statements towards any possible impact on account of low key operations and delayed execution of projects under implementation and accordingly these standalone Ind AS financial statements have been prepared on a going concern basis.

b) Note 56 to the standalone Ind AS financial statements, dealing with cancellation of coal blocks by the Hon'ble Supreme Court, which included coal mine jointly allotted to Tamil Nadu Electricity Board and Maharashtra State Mining Corporation Limited, the Allottees. Mahatamil Mining and Thermal Energy Limited (MMTEL), a subsidiary of the Company, entered into Coal Mining Services Agreement with the Allottees of the mine, pursuant to which, the amount invested amounting to ₹ 171.28 Crores, the realizability of which is dependent on the compensation to be awarded under the Ordinance issued by the Government of India. The Company obtained a legal opinion in this regard, based on which, the investment is considered to be recoverable, notwithstanding the denial of obligation by the Allottees in regard to certain cost components, and no adjustments have been made in these standalone Ind AS financial statements.

c) Note 57 to the standalone Ind AS financial statements, in relation to the carrying value of investment in Lanco Resources International Pte Limited (LRIPL), a subsidiary of the Company. On account of certain events in regard to debt obligations, the lenders have enforced the securities, which comprise the entire investments held by the Company in LRIPL and accordingly, appointed receivers and managers to monitor the assets at LRIPL and transferred the said investment in shares in favour of the lenders nominee. In view of the above, the realization of carrying values of the investment is dependent on certain factors detailed in the note and the impact, if any, on the standalone IND AS financial statements is currently not ascertainable at this point in time.

d) Note 58 to the standalone IND AS financial statements, in relation to Lanco Kanpur Highways Limited (LKHL), a subsidiary of the Company, which has received a notice of termination to the Concession Agreement from National Highways Authority of India (NHAI) and LKHL has also issued a notice of termination to NHAI. Arbitration proceedings have been initiated to settle the claims and the counter claims associated with the termination as per the Concession Agreement. As on March 31, 2017, LKHL has incurred certain costs towards the project, the realizability of these amounts is dependent on the outcome of the arbitration proceedings. Accordingly, no adjustments have been made in these standalone IND AS financial statements.

e) Note 59 to the standalone IND AS financial statements, in relation to the carrying value of investment in Lanco Hoskote Highway Limited (LHHL) and Lanco Devihalli Highways Limited (LDHL), subsidiaries of the Company, which have been incurring losses ever since the commencement of commercial operation and accumulated losses incurred so far eroded the net worth significantly. Taking into consideration the management's assessment of the situation including its efforts, the management of the Company is of the view that the carrying value of the investment is realizable at the value stated therein. Accordingly, no adjustments have been made in these standalone IND AS financial statements.

f) Note 60 to the standalone IND AS financial statements, in relation to the carrying value of investment amounting to ₹ 219.59 Crores in Diwakar Solar Projects Ltd (DSPL), a subsidiary of the Company which explains the management's efforts in obtaining the extension of revised COD and revision in tariff. In the opinion of the management, the execution of the project with the extended timelines for bringing the assets to its intended use with revised tariff being considered favourably, is still viable even taking into account low implementation activities. Accordingly, in the opinion of the management, no provision is required for any diminution in the carrying value of the investment. Pending the final outcome in the matters relating to extension of revised COD and revision of tariff, no adjustments have been carried out to the carrying value of the investment, the impact, if any is currently unascertainable.

Our opinion is not qualified in the respect of the above matters.

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 of India in terms of Sub Section (11) of Section 143 of the Act, we give in the "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 including other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder.

e) The matters described in the Clause (a), Clause (b) and Clause (c) of the Emphasis of Matter Paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

f) On the basis of 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.

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report "Annexure B" and

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us::

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone IND AS financial statements. Refer Note 44 (A) to the standalone IND AS financial statements.

   ii. The Company has made provisions, as required under applicable laws or accounting standards in respect of the material foreseeable losses on the long term contract. The Company did not have any long term derivative contracts.

   iii. There are 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 the standalone IND AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016. Based on the audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company as produced to us by the Management. Refer Note 53 to the standalone IND AS financial statements.

For Brahmayya & Co.,
Chartered Accountants
Firm's Regn No. 000511S

Lokesh Vasudevan
Partner
Membership No. 222320

Place : Gurgaon
Date : May 30, 2017

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Clause 1 of "Report on Other Legal and Regulatory Requirements" Paragraph of the Independent Auditor's Report of even date to the members of Lanco Infratech Limited on the Standalone Ind AS financial statements as of and for the year ended March 31, 2017

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

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on physical verification of inventory. In respect of inventories lying with third parties, these have been substantially confirmed by them.

(iii) According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to Companies, Firms, Limited Liability Partnership or other parties covered in the register maintained under Section189 of the Companies Act, 2013. Therefore, the provisions of clause (iii), (iii) (a),(iii) (b) and (iii) (c) of Paragraph 3 of the Order are not applicable to the Company.

(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 Section 186 to the extent applicable, with respect to the loans, advances and guarantee made.

(v) The Company has not accepted any deposits from the public.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

(vii) (a) The Company is not regular in depositing the undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues with the appropriate authorities and substantial delays have been noticed during the year.

According to the information and explanations given to us, no undisputed statutory dues payable in respect of Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues with the appropriate authorities which were outstanding at the year end for a period of more than six months from the date they became payable except as follows: -

Name of the Statute	Nature of the Dues	Amount (₹ in Crores)	Due Date	Date of Payment
The Building and Other Construction Workers Welfare Cess Act, 1996	Labour Building and other Construction Workers Welfare Cess	0.29	FY 2012-13 to FY 2016-17	Yet to be remitted
Mines and Minerals (Development and Regulation) Act, 1957	Royalty and Seinerage	0.01	FY 2014-15 to FY 2015-16	Yet to be remitted
Finance Act, 1994	Service Tax under Reverse Charge Mechanism	3.22	Various Dates	Yet to be remitted
Employees Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund	1.32	Various Dates	Yet to be remitted
Value Added Tax	Value Added Tax	1.71	Various Dates	Yet to be remitted
Work Contract Tax-TDS	Work Contract Tax	0.83	Various Dates	Yet to be remitted
The Central Sales Tax Act, 1956	Central Sales Tax	0.01	Various Dates	Yet to be remitted
The Employees State Insurance Act. 1948	Employee State Insurance	0.07	Various Dates	Yet to be remitted
Professional Tax	Professional Tax	0.01	Various Dates	Yet to be remitted

(b) According to the records of the Company and the explanation and information given to us, the dues outstanding of income tax or sales tax or service tax or duty of custom or duty of excise or value added tax or cess, that have not been deposited, on account of dispute are as follows:

Name of the Statute	**Nature of the Dues**	**Amount (₹ in Crores)**	**Amount paid under Protest (₹ in Crores)**	**Period to which the amount relates**	**Forum where dispute is pending**
Income Tax Act, 1961	Income Tax	1.97	-	Assessment year 2002-03	Honourable High Court-Hyderabad
Income Tax Act, 1961	Income Tax	2.26	-	Assessment Year 2003-04	Honourable High Court-Hyderabad
Income Tax Act, 1961	Income Tax	2.06	-	Assessment Year 2003-04	Honourable High Court-Hyderabad
Income Tax Act, 1961	Income Tax	0.13	-	Assessment Year 2004-05	Honourable High Court-Hyderabad
Income Tax Act, 1961	Income Tax	0.46	-	Assessment Year 2006-07	Honourable High Court-Hyderabad.
Income Tax Act, 1961	Income Tax	0.41	-	Assessment Year 2007-08	Honourable High Court-Hyderabad
Income Tax Act, 1961	Income Tax	227.52	-	Assessment Year 2011-12	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	192.80	-	Assessment Year 2012-13	Income Tax Appellate Tribunal
Income Tax Act,1961	Income Tax-TDS	0.01	-	Assessment Year 2012-13	Income Tax Appellate Tribunal
Income Tax Act, 1961*	Income Tax	-	-	Assessment Year 2013-14	Dispute Resolution Panel
Income Tax Act, 1961	Income Tax	36.13	-	Assessment Year 2010-11	Commissioner of Income Tax-Appeals
Income Tax Act, 1961	Income Tax-TDS	0.40	-	Assessment Year 2012-13	Commissioner of Income Tax-Appeals
Income Tax Act, 1961	Income Tax-TDS	0.02	-	Assessment Year 2013-14	Commissioner of Income Tax-Appeals
Income Tax Act, 1961	Income Tax-TDS	0.25	-	Assessment Year 2014-15	Commissioner of Income Tax -Appeals
Income Tax Act, 1961	Income Tax -TDS	0.40	-	Assessment Year 2015-16	Commissioner of Income Tax-Appeals
Tamil Nadu Value Added Tax Act, 2006	Sales Tax (Including Penalty)	0.38	0.38	Financial Year 2007-08	The Appellate Deputy Commissioner, CT Chennai
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	0.46	-	Financial Year 2007-08	Assistant Commissioner (CT), T. Nagar (East) Assessment Circle, Chennai
Bihar Value Added Tax Act, 2005	Sales Tax	1.08	1.14	Financial Year 2007-08	The Joint Commissioner of Commercial Taxes (Appeals) Central Division, Patna
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	0.85	-	Financial Year 2008-09	Assistant Commissioner (CT), T. Nagar (East) Assessment Circle, Chennai

Name of the Statute	Nature of the Dues	Amount (₹ in Crores)	Amount paid under Protest (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	17.18	-	Financial Year 2009-10	Assistant Commissioner (CT), T. Nagar (East) Assessment Circle, Chennai
Tamil Nadu Value Added Tax Act, 2006	Sales Tax	0.89	0.42	Financial Year 2010-11	Joint Commissioner (North) Chennai
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	49.78	-	Financial Year 2010-11	Assistant Commissioner (CT), T. Nagar (East) Assessment Circle, Chennai
West Bengal Value Added Tax, 2003	Value Added Tax	0.10	-	Financial Year 2010-11	Joint Commissioner of Commercial Taxes, CTO, Raiganj
Maharashtra Value Added Tax Act, 2002	Value Added Tax	0.12	0.02	Financial Year 2010-11	Assistant Commissioner of Commercial Taxes, Audit Wing – 2
Maharashtra Value Added Tax Act, 2002	Sales Tax	1.09	0.18	Financial Year 2010-11	Assistant Commissioner of Commercial Taxes, Audit Wing – 2
Gujarat Value Added Tax Act, 2003	Value Added Tax	1.06	0.13	Financial Year 2010-11	Assistant Commissioner of Commercial Taxes, Vyara, Gujarat
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	19.99	-	Financial Year 2011-12	Assistant Commissioner (CT), T. Nagar (East) Assessment Circle, Chennai
The Central Sales Tax Act, 1956	Central Sales Tax	0.20	-	Financial Year 2011-12	Assistant Commissioner (CT), T. Nagar (East) Assessment Circle, Chennai
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	3.80	0.13	Financial Year 2012-13	Assistant Commissioner (CT), T. Nagar (East) Assessment Circle, Chennai
Madhya Pradesh Value Added Tax Act, 2002	Sales Tax	0.26	0.25	Financial Year 2012-13	Additional Commissioner of Commercial Taxes, Jabalpur Division.
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	0.11	0.02	Financial Year 2013-14	Assistant Commissioner of Commercial Taxes, T. Nagar East Assessment Circle, Chennai
Madhya Pradesh Value Added Tax Act, 2002	Sales Tax	2.76	0.69	Financial Year 2013-14	Additional Commissioner of Commercial Taxes, Jabalpur, Division 1
The Finance Act, 1994	Service Tax	0.14	-	April 2005 - March 2008	CESTAT, Bengaluru
The Finance Act, 1994	Service Tax	15.47	-	April 2005 - March 2008	CESTAT, Hyderabad

Name of the Statute	Nature of the Dues	Amount (₹ in Crores)	Amount paid under Protest (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service Tax	0.16	-	June 2005 - August 2008	CESTAT, Bengaluru
The Finance Act, 1994	Service Tax	15.58	2.66	June 2007- March 2008	CESTAT, Bengaluru
The Finance Act, 1994	Service Tax	3.86	-	June 2007- July 2008	CESTAT, Bengaluru
The Finance Act, 1994	Service Tax	0.01	0.01	April 2008 - March 2009	CESTAT, Hyderabad
The Finance Act, 1994	Service Tax	6.58	-	April 2008 - June 2009	CESTAT, Hyderabad
The Finance Act, 1994	Service Tax	0.38	0.38	July 2008- September 2009	CESTAT, Bengaluru
The Finance Act, 1994	Service Tax	0.00**	-	April 2008 - March 2009	The Commissioner-Delhi
The Finance Act, 1994	Service Tax	8.98	-	July 2009- March 2010	CESTAT, Hyderabad
The Finance Act, 1994	Service Tax	0.11	-	October 22, 2009 - February 28, 2011	CESTAT, Bengaluru
The Finance Act, 1994	Service Tax	64.42	-	April 2010 - March 2011	The Commissioner-Gurgaon
The Finance Act, 1994	Service Tax	0.18	0.01	March 2011 - March 2012	The Commissioner-Delhi
The Finance Act, 1994	Service Tax	18.02	-	April 2011 - March 2012	The Commissioner-Gurgaon
The Finance Act, 1994	Service Tax	6.01	-	April 2012 - March 2013	The Commissioner-Gurgaon
The Finance Act,1994	Service Tax	0.23	-	April 2013-March 2014	The Commissioner, Delhi

*Case is pending with Dispute Resolution Panel - refer Note 40(A).

**Amount involved is ₹ 16,927.

(viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has defaulted in repayment of principal of ₹ 1,009.19 Crores to the lenders as on the reporting date. Details of default to the Banks and Financial Institutions are as follows:

S. No.	Bank	Amount (₹ in Crores)
1.	Allahabad Bank	75.58
2.	Andhra Bank	62.02
3.	Bank of Baroda	25.69
4.	Bank of Maharashtra	37.53
5.	Canara Bank	42.43
6.	Central Bank of India	88.82
7.	Corporation Bank	5.23
8.	Dena Bank	36.65
9.	ICICI Bank	118.59
10.	IDBI Bank	56.58
11.	Kotak Mahindra Bank	4.97
12.	Indian Overseas Bank	87.04
13.	Jammu and Kashmir Bank	17.44

S. No.	Bank	Amount (₹ in Crores)
14.	Oriental Bank of Commerce	45.09
15.	Punjab and Sind Bank	22.85
16.	Punjab National Bank	129.14
17.	State Bank of Bikaner and Jaipur	6.88
18.	State Bank of Hyderabad	10.12
19.	State Bank of India	33.26
20.	State Bank of Mysore	12.53
21.	State Bank of Patiala	40.55
22.	Union Bank of India	21.83
23.	United Bank of India	9.79

S. No.	Financial Institution	Amount (₹ in Crores)
1.	Life Insurance Corporation	18.58

(ix) Based on the information and explanations given to us by the management, term loans disbursed, including Priority Loan under CDR scheme have been utilized for the purposes of CDR Scheme cash flows envisaged as approved by the lenders under the CDR package.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employee has been noticed or reported during the course of our audit nor have we been informed of such case by the Management except for suspected fraud by an erstwhile employee, the amount in the opinion of the management is not material, for which suitable legal measures have been taken by the management.

(xi) According to the information and explanations given to us and based on our examination of records of the Company, the appointment and payment of managerial remuneration, during the year as per the provision of Section 197 read with Schedule V to the Companies Act, 2013, is pending approval from the Central Government. The Company is also awaiting approval from Central Government for the appointment and payment of remuneration to Mr S.C.Manocha, Deputy Managing Director for the period August 14, 2015 to March 15, 2016.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions of clause (xii) of Paragraph 3 of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties, prima facie are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with directors. Accordingly, the provisions of clause (xv) of Paragraph 3 of the Order is not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provision of clause (xvi) of Paragraph 3 of the Order is not applicable.

For Brahmayya & Co.
Chartered Accountants
Firm's Regn No: 000511S

Lokesh Vasudevan
Partner
Membership No: 222320

Place: Gurgaon
Date: May 30, 2017

Annexure B to the Independent Auditor's Report

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 **Lanco Infratech Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone 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 "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" as issued by The Institute of Chartered Accountants of India & Standard Operating Procedures as adopted by the Company". 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.

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 Companies Act, 2013, 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 judgement, including the assessment of the risks of material misstatement of the standalone 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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 "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting as issued by The Institute of Chartered Accountants of India & Standard Operating Procedures as adopted by the Company"

For Brahmayya & Co.
Chartered Accountants
Firm's Regn No: 000511S

Lokesh Vasudevan
Partner
Membership No: 222320

Place: Gurgaon
Date: May 30, 2017

Balance Sheet as at March 31, 2017

(₹ Crores)

	Particulars	Notes	As at March 31, 2017	As at March 31, 2016
I	**ASSETS**			
(1)	**Non Current Assets**			
	(a) Property, Plant and Equipment	3	310.11	767.74
	(b) Capital work-in-progress	4	1.08	1.34
	(c) Investment Property	5	1.25	1.31
	(d) Other Intangible assets	6	1.33	1.82
	(e) Financial Assets			
	(i) Investments	7	10,144.43	9,979.20
	(ii) Trade receivables	8	479.28	411.31
	(iii) Loans	9	496.33	507.40
	(iv) Other financial assets	10	4.41	11.33
	Total Financial Asset		**11,124.45**	10,909.24
	(f) Deferred tax assets (net)	21	17.75	17.75
	(g) Other non current assets	11	512.90	733.07
	Total Non Current Assets		**11,968.87**	12,432.27
(2)	**Current assets**			
	(a) Inventories	12	1,448.81	1,403.23
	(b) Financial Assets			
	(i) Trade receivables	8	1,571.57	2,135.32
	(ii) Loans	9	537.95	454.16
	(iii) Cash and cash equivalents	13	32.76	24.89
	(iv) Bank balances	14	20.12	40.49
	(v) Other financial assets	10	1,455.03	1,456.53
	Total Financial Asset		**3,617.43**	4,111.39
	(c) Current tax assets (Net)	15	-	-
	(d) Other current assets	11	1,032.85	891.74
	Total Current Assets		**6,099.09**	6,406.36
	Total Assets		**18,067.96**	18,838.63
II	**EQUITY AND LIABILITIES**			
A	**EQUITY**			
	(a) Equity Share Capital	16	330.26	273.78
	(b) Other Equity		707.40	1,630.78
	Total Equity		**1,037.66**	1,904.56
B	**LIABILITIES**			
(1)	**Non Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	17	3,824.17	5,142.78
	(ii) Trade payables	18	726.97	784.30
	(iii) Other financial liabilities	19	-	2.03
	Total Financial Liabilities		**4,551.14**	5,929.11
	(b) Provisions	20	27.70	33.96
	(c) Other non current liabilities	22	2,508.00	2,894.27
	Total Non Current Liabilities		**7,086.84**	8,857.34
(2)	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	23	1,392.41	1,258.65
	(ii) Trade payables	18	2,432.67	2,634.00
	(iii) Other financial liabilities	19	3,017.81	1,655.99
	Total Financial Liabilities		**6,842.89**	5,548.64
	(b) Other current liabilities	22	3,089.24	2,511.19
	(c) Provisions	20	10.69	16.26
	(d) Current tax liabilities (Net)	24	0.64	0.64
	Total Current Liabilities		**9,943.46**	8,076.73
	Total Equity and Liabilities		**18,067.96**	18,838.63
	Summary of Significant Accounting Policies	2.2		

The accompanying notes and other explanatory information are an integral part of the Financial Statements.
As per our report of even date.

For and on behalf of the Board of Directors of Lanco Infratech Limited

For Brahmayya & Co.
Chartered Accountants
Firm Registration No. 000511S

Lokesh Vasudevan
Partner
Membership No. 222320

Place: Gurgaon
Date: May 30, 2017

L. Madhusudhan Rao
Executive Chairman
DIN - 00074790

G. Venkatesh Babu
Managing Director
DIN - 00075079

T. Adi Babu
Chief Financial Officer

A. Veerendra Kumar
Company Secretary

Place: Gurgaon
Date: May 30, 2017

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

(₹ Crores)

	Particulars	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
I	Revenue from Operations	25	1,634.90	2,671.34
II	Other Income	26	122.63	73.60
III	**Total Income (I + II)**		**1,757.53**	2,744.94
IV	**EXPENSES**			
	Cost of Materials Consumed	27	750.10	1,323.47
	Purchase of Traded Goods	28	49.37	143.39
	Subcontract Cost		368.20	419.32
	Construction and Site Expenses	29	122.21	101.04
	(Increase) / Decrease in Construction Work in Progress	30	(82.81)	67.74
	Employee benefits expenses	31	186.49	205.28
	Finance cost	32	1,030.13	932.53
	Depreciation and Amortization expense	33	87.78	110.50
	Other expenses	34	135.58	(21.18)
	Total Expenses (IV)		**2,647.05**	3,282.09
V	**Profit / (Loss) before Exceptional Items and Tax (III - IV)**		(889.52)	(537.15)
VI	Exceptional Items		-	84.62
VII	**Profit / (Loss) before Tax (V + VI)**		**(889.52)**	(452.53)
VIII	**Tax Expense**			
	Current tax / Minimum alternate tax (MAT) payable		-	0.09
	Less: MAT credit entitlement		-	-
	Net Current Tax		-	0.09
	Deferred tax		-	-
	Total Tax Expense (VIII)		**-**	0.09
IX	**Profit / (Loss) for the Period (VII -VIII)**		(889.52)	(452.62)
X	**Other Comprehensive Income**	35		
	Items that will not be reclassified to profit and loss		0.55	(0.41)
XI	**Total Comprehensive Income for the period (IX + X)**		**(888.97)**	(453.03)
XII	**Earnings Per Equity Share - (Face value of share ₹ 1/-)**			
	Basic **(₹)**		(3.25)	(1.76)
	Diluted **(₹)**		(3.25)	(1.76)
	Summary of Significant Accounting Policies	2.2		

The accompanying notes and other explanatory information are an integral part of the Financial Statements.
As per our report of even date.

For and on behalf of the Board of Directors of Lanco Infratech Limited

For Brahmayya & Co.
Chartered Accountants
Firm Registration No. 000511S

Lokesh Vasudevan
Partner
Membership No. 222320

Place: Gurgaon
Date: May 30, 2017

L. Madhusudhan Rao
Executive Chairman
DIN - 00074790

G. Venkatesh Babu
Managing Director
DIN - 00075079

T. Adi Babu
Chief Financial Officer

A. Veerendra Kumar
Company Secretary

Place: Gurgaon
Date: May 30, 2017

Cash Flow Statement for the year ended March 31, 2017

(₹ Crores)

		For the year ended March 31, 2017	For the year ended March 31, 2016
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit / (Loss) before Tax	(889.52)	(452.53)
	Adjustments for:		
	Depreciation and Amortization	87.78	110.50
	(Profit) / Loss on Sale of Non - Current Investments	-	(97.92)
	(Profit) / Loss on Sale of PPE, Intangible Assets and Investment Property	7.88	0.55
	Unrealised (Gain) / loss on Foreign Exchange Fluctuations (Net)	(22.49)	(56.14)
	Net (gain)/loss recorded in profit or loss on financial assets / liabilities measured or designated as at fair value through profit or loss	(58.09)	3.54
	Provision for Expected Credit Loss on Financial Assets (Net)	72.65	20.59
	Liabilities and Provisions no longer required written back	(10.51)	(9.33)
	Employee Stock Option Charge during the year	(1.43)	0.33
	Interest Income	(31.24)	(35.25)
	Dividend Income	(0.12)	(0.44)
	Interest Expenses	1,030.13	932.53
	Cash Generated Before Working Capital Changes	**185.04**	416.43
	Movement In Working Capital		
	Increase / (Decrease) in Trade Payables	(232.30)	525.29
	Increase / (Decrease) in Provisions	(11.21)	(2.07)
	Increase / (Decrease) in Other Financial Liabilities	86.14	(434.98)
	Increase / (Decrease) in Other Liabilities	59.92	(2,047.25)
	(Increase) / Decrease in Trade Receivables	356.03	(375.98)
	(Increase) / Decrease in Inventories	(45.58)	23.41
	(Increase) / Decrease in Other Financial Assets	21.21	215.34
	(Increase) / Decrease in Other Loans	(2.55)	(2.35)
	(Increase) / Decrease in Other Assets	48.51	116.81
	Cash Generated From Operations	**465.21**	(1,565.35)
	Direct Taxes Paid	(5.66)	(27.31)
	Net Cash Flow From / (Used in) Operating Activities	**459.55**	(1,592.65)
B.	**CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES**		
	Purchase of PPE, Intangible Assets and Investment Property	(4.43)	(26.69)
	Proceeds from Sale of PPE, Intangible Assets and Investment Property	1.55	30.12
	Cash and Cash Equivalents transferred pursuant to Slump sale	(5.38)	-
	Purchase of Non Current Investments - Subsidiaries	(199.43)	(405.70)
	Proceeds from disposal of Non Current Investments - Subsidiaries	40.57	1,159.04
	Purchase of Non Current Investments - Others	(0.15)	(0.17)
	Inter Corporate Loans (given) / refunded	(44.99)	37.57
	Maturities / (Purchase) of FDs/MMDs (Net)	28.29	(19.44)
	Advance for investment	(1.30)	(0.30)

Cash Flow Statement for the year ended March 31, 2017 (contd.)

(₹ Crores)

		For the year ended March 31, 2017	For the year ended March 31, 2016
	Dividend Income received	0.12	0.44
	Interest Income Received	1.49	10.99
	Net Cash Flow From / (Used in) Investing Activities	**(183.66)**	785.86
C.	**CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES**		
	Proceeds from/(to) Short - Term Borrowings (Net)	238.57	44.37
	Proceeds from Long Term Borrowings	161.59	1,498.83
	Repayment of Long Term Borrowings	(154.90)	(349.55)
	Proceeds from Foreign Currency Loan	26.20	130.02
	Repayment of Foreign Currency Loan	(131.01)	(7.62)
	Inter Corporate Loans received	-	(52.11)
	Interest Paid	(408.47)	(735.94)
	Net Cash Flow From / (Used in) Financing Activities	**(268.02)**	528.00
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	7.87	(278.79)
	Cash and Cash Equivalents at the beginning of the year	24.89	303.68
	Cash and Cash Equivalents at the end of the year	**32.76**	24.89
	Components of Cash and Cash Equivalents		
	Cash and cheques on Hand	0.04	0.06
	Balances with Banks		
	- On Current Accounts	32.72	24.83
	Cash and cash Equivalent (as per Note 13)	**32.76**	24.89

Notes:

1 The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS - 7 on Cash Flow Statements.

2 Previous year's figures have been regrouped and reclassified to conform to those of the current year.

The accompanying notes and other explanatory information are an integral part of the Financial Statements.
As per our report of even date.

For and on behalf of the Board of Directors of
Lanco Infratech Limited

For Brahmayya & Co.
Chartered Accountants
Firm Registration No. 000511S

Lokesh Vasudevan
Partner
Membership No. 222320

Place: Gurgaon
Date: May 30, 2017

L. Madhusudhan Rao
Executive Chairman
DIN - 00074790

G. Venkatesh Babu
Managing Director
DIN - 00075079

T. Adi Babu
Chief Financial Officer

A. Veerendra Kumar
Company Secretary

Place: Gurgaon
Date: May 30, 2017

Statement of changes in equity for the year ended March 31, 2017
Attributable to the equity holders

(₹ Crores)

Particulars	Equity Share Capital	Debentures - Equity component	Inter corporate Loans payable - Equity component	Reserves and Surplus						Items of other comprehensive Income	Total equity attributable to equity shareholders of the company
				Capital Reserve	Securities Premium Account	Share Option Outstanding Account	General Reserve	Foreign Currency Monetary Item Translation Difference Account (Net) (FCMITD)	Retained earnings	Remeasurement of Defined Benefit Plans	
Balance as at 01.04.2015	**245.09**	**-**	**167.06**	**4.29**	**1,928.25**	**19.79**	**1.46**	**(7.20)**	**(325.91)**	**(0.23)**	**2,032.60**
Total Comprehensive Income after tax									(452.62)	(0.41)	(453.03)
Additions		321.45			151.93	(1.52)		2.95			474.81
Converted in to Equity Share Capital	28.69		(167.06)								(138.37)
Additions/(Reduction)on account of ESOP					4.41	(4.41)					-
Amortisation of FCMITD								(11.45)			(11.45)
Balance as at 31.03.2016	**273.78**	**321.45**	**-**	**4.29**	**2,084.59**	**13.86**	**1.46**	**(15.70)**	**(778.53)**	**(0.64)**	**1,904.56**
Current year profit									(889.52)		(889.52)
Other Comprehensive Income after tax										0.55	0.55
Additions					295.36			(4.43)			290.93
Additions/(reduction) on account of ESOP					1.56	(3.50)					(1.94)
On account of Slump sale of Solar Business				17.41					(13.72)		3.69
Converted in to Equity Share Capital	56.48	(321.45)									(264.97)
Amortisation of FCMITD								(5.64)			(5.64)
Balance as at 31.03.2017	**330.26**	**-**	**-**	**21.70**	**2,381.51**	**10.36**	**1.46**	**(25.77)**	**(1,681.77)**	**(0.09)**	**1,037.66**

The accompanying notes and other explanatory information are an integral part of the Financial Statements.
As per our report of even date.

For and on behalf of the Board of Directors of Lanco Infratech Limited

For Brahmayya & Co.
Chartered Accountants
Firm Registration No. 000511S

Lokesh Vasudevan
Partner
Membership No. 222320

Place: Gurgaon
Date: May 30, 2017

L. Madhusudhan Rao
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DIN - 00075079

T. Adi Babu
Chief Financial Officer

A. Veerendra Kumar
Company Secretary

Place: Gurgaon
Date: May 30, 2017

Notes and other explanatory information to financial statements for the year ended March 31, 2017

1. Corporate Information

Lanco Infratech Limited (the Company/LITL) is an integrated infrastructure developing company. The Company provides engineering, procurement, construction, commissioning and project management services on a turnkey basis to the power sector for thermal (coal fired and gas fired) and hydro power plants as well and also construction of highways, power plants, water supply and irrigation projects including dam, tunnels etc. The Company is also into generation of energy from wind and solar power plants.

2. Basis of preparation

This note provides a list of the significant accounting policies adopted in the preparation of these Ind AS financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with [Companies (Indian Accounting Standards) Rules, 2015], [Companies (Accounts) Amendment Rules, 2016], and other relevant provisions of the Act.

The financial statements upto year ended 31 March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value;
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and
- Share-based payments.

(iii) Recent accounting pronouncement

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.' The amendments are applicable to the Company 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 its impact on the Ind AS financial statements.

Amendment to Ind AS 102

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes. It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards.

Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest.

Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that includes a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

2.1 First Time Adoption of Ind-AS

Transition to Ind AS

These are the company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2.2 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet as at 1 April 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the Note 50.

Exemptions and Exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

Exceptions to retrospective application of other Ind AS (Mandatory Exceptions)

(i) Estimates: An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is an objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

(ii) Ind AS 109 Financial Instruments (De recognition of previously recognised financial assets/ financial liabilities): An entity shall apply the de recognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. The Company has applied the de recognition requirements prospectively.

(iii) Ind AS 109 Financial Instruments (Classification and measurement of Financial assets): Classification and measurement of financial assets shall be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of financial assets and accordingly has classified and measured financial assets on the date of transition.

(iv) Ind AS 109 Financial Instrument (Impairment of Financial Assets): Impairment requirements under Ind AS 109 should be applied retrospectively based on the reasonable and supportable information that is available on transition date without undue cost or effort. The Company has applied impairment requirement retrospectively.

Exceptions from retrospective application of other Ind AS (Optional Exemption)

(i) Ind AS 103 Business Combinations: An entity may elect not to apply Ind AS 103 retrospectively to all business combinations that occurred before the date of transition to Ind AS. The Company has elected not to apply Ind AS 103 to business combinations that occurred before the date of transition to Ind AS.

(ii) Ind AS 102 Share Based Payment: An entity may elect to apply Ind AS 102 to equity instruments that vested before the date of transition to Ind AS. The Company has not applied Ind AS 102 to grants which vested before the date of transition to Ind AS.

(iii) Ind AS 16 Property, Plant and Equipment & Ind AS 38 Intangible Assets: An entity may elect to measure an item of property, plant and equipment and intangible asset at the date of transition to Ind AS at its fair value and use that fair value as deemed cost at that date or may measure the items of Property, Plant and Equipment, intangibles by applying Ind AS retrospectively or use of the carrying amount under Previous GAAP on the date of transition as deemed cost.

The Company has elected to continue with the carrying amount for all of its property, plant and equipment and intangible assets measured as per Previous GAAP and use that as its deemed cost as at the date of transition except freehold land for which fair value on the date of transition has been adopted as deemed cost.

(iv) Ind AS 17 Leases: An entity shall determine based on facts and circumstances existing at the date of transition to Ind AS whether an arrangement contains a Lease and when a lease includes land and building elements, an entity shall assess the classification of each element as finance lease or operating lease. The company has used this exemption and assessed all arrangements based on conditions existing as at the date of transition.

(v) Ind AS 21 The effect of changes in foreign exchange rates:

Long Term Foreign Currency Monetary Items: A first-time adopter may continue the policy adopted for accounting for exchange difference arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. The Company adopted the policy of amortizing exchange differences on long term foreign currency monetary items and accordingly this exemption has been applied by the company.

(vi) Ind AS 27 Separate Financial Statements: An entity is required to account for its investments in subsidiaries, joint ventures and associates either:

a. at cost; or

b. in accordance with Ind AS 109.

Such cost shall be cost as per Ind AS 27 or deemed cost. The deemed cost of such an investment shall be its fair value on the date of transition to Ind AS or Previous GAAP carrying amount at that date. The Company has elected to measure its investment in subsidiaries & associates at cost determined in accordance with Ind AS 27 i.e. original cost of investment in subsidiaries and associates.

(vii) Ind AS 109 Financial Instruments: Ind AS 109 permits an entity to designate a financial liability/asset (meeting certain criteria) at fair value through profit or loss. A financial liability/ asset shall be designated at fair value through the facts and circumstances that exist at the date of transition to Ind AS. There are no financial liabilities or assets except quoted investment that are specifically designated at FVTPL and hence this exemption is not applicable.

An entity may designate an investment in an equity instruments as at fair value through other comprehensive income (FVTOCI) in accordance with the Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS. The company has not designated equity instruments as at FVTOCI and hence this exemption is not applicable.

(viii) Ind AS 105 Non-current Assets held for Sale and Discontinued Operations: Ind AS 105 requires that non-current assets or disposal groups that meet the criteria to be classified as held for sale, non-current assets or disposal groups that are held for distribution to owners and operations that meet the criteria to be classified as discounted operations shall be carried at lower of its carrying amount and fair value less costs to sell on the date of such identification. A first-time adopter can measure such assets or operations on the date of transition to Ind AS and recognise the difference between that amount and carrying amount under previous GAAP directly in retained earnings. The company has applied this exemption.

2.2 Summary of significant accounting policies

I. Significant Accounting Estimates and Judgments

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Company's accounting policies, reporting amounts of assets, liabilities, income and expense and disclosures made. Although these estimates are based on management's best knowledge of current events and actions, actual result may differ from those estimates.

The critical accounting estimates and assumptions used and areas involving a high degree of judgments are described below:

Use of estimation and assumptions

In the process of applying the entity's accounting policies, management had made the following estimation and assumptions that have the significant effect on the amounts recognised in the financial statements.

Income tax

The company recognizes tax liabilities based upon self-assessment as per the tax laws. When the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Property, plant and equipment & Intangible Assets

Key estimates related to long-lived assets (property, plant and equipment, mineral leaseholds and intangible assets) include useful lives, recoverability of carrying values and the existence of any retirement obligations. As a result of future decisions, such estimates could be significantly modified. The useful lives as mentioned in the note II is applied as per schedule II of Companies Act, 2013 and estimated based upon our historical experience, engineering estimates and industry information. These estimates include an assumption regarding periodic maintenance and an appropriate level of annual capital expenditures to maintain the assets.

Construction Contracts

The Company uses expertise of internal technical team and quantity surveyors to estimate the costs to complete the construction contracts. Factors such as changes in material prices, labour costs, defects liability costs and other costs are included in the construction cost estimates based on best estimates.

In the Construction and EPC industry, there are various contractual matters relating to possible penalties for delays in contract completion, claims of suppliers/subcontractors, recovery of additional claims, expected costs during defect liability period etc., that are subject to various uncertainties and future negotiations. The management regularly reviews estimates and suitably accounts for the possible financial impact of such contractual matters based on their assessment, past experience and available information.

Contract work in progress and Contract revenues are recognised on a percentage of completion basis that requires the management to estimate the costs expected to be incurred in future to complete the contracts. Further, profits on contracts in progress are recognized only when the final outcome can be reliably estimated.

Employee Benefits-Measurement of Defined Benefit Obligation

Management assesses post-employment and other employee benefit obligations using the projected unit credit method based on actuarial assumptions which represent management's best estimates of the variables that will determine the ultimate cost of providing post-employment and other employee benefits.

Critical judgments made in applying accounting policies

Lease Classifications

At the inception of an arrangement entered into for the use of property, plant and equipment (PPE), the Company determines whether such an arrangement is, or contains, a lease. The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of (i) whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets, and (ii) the arrangement conveys a right to use the asset(s).

Lease transactions where substantially all risks and rewards incident to ownership are transferred from the lessor to the lessee are accounted for as finance leases. All other leases are accounted for as operating leases.

Impairment in subsidiaries

When a subsidiary is in net equity deficit and has suffered operating losses, a test is made whether the investment in the investee has suffered any impairment, in accordance with the stated accounting policy. This determination requires significant judgment. An estimate is made of the future profitability of the investee, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, and operational and financing cash flow.

Impairment of plant & equipment and Intangible assets

The company assesses whether plant & equipment and intangible assets have any indication of impairment in accordance with the accounting policy. The recoverable amounts of plant & equipment and intangible asset have been determined based on value-in-use calculations. These calculations require the use of judgment and estimates.

Expected credit loss

Expected credit losses of the company are based on an evaluation of the collectability of receivables. A considerable amount of judgment is required in assessing the ultimate realization of these receivables, including their current credit worthiness, past collection history of each customer and ongoing dealings with them. If the financial conditions of the counterparties with which the Company contracted were to deteriorate, resulting in an impairment of their ability to make payments, additional expected credit loss may be required.

II. Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Cost includes its purchase price (after deducting trade discounts and rebates), import duties & non-refundable purchase taxes, any costs directly attributable to bringing the asset to the location & condition necessary for it to be capable of operating in the manner intended by management, borrowing costs on qualifying assets and asset retirement costs. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The activities necessary to prepare an asset for its intended use or sale extend to more than just physical construction of the asset. It may also include technical (DPR, environmental, planning, Land acquisition and geological study) and administrative work such as obtaining approvals before the commencement of physical construction.

The cost of replacing a part of an item of property, plant and equipment is capitalized if it is probable that the future economic benefits of the part will flow to the Company and that its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

Costs of day to day repairs and maintenance costs are recognized into the statement of profit and loss account as incurred.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

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

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

An item of plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset is recognised in the profit or loss in the year the asset is derecognized.

Assets under installation or under construction as at the Balance Sheet date are shown as Capital Work in Progress.

Depreciation

Depreciation is provided on Straight Line Method, as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment. Asset class wise useful lives in years are as under:

Plant and Machinery	1 to 25
Buildings	30 to 60
Computers and equipment	3 to 6
Furniture & fixtures	10 to 15
Vehicles	8 to 10
Office equipment	5 to 15

Leasehold improvements are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

In respect of additions / deletions to the fixed assets / leasehold improvements, depreciation is charged from the date the asset is ready to use / up to the date of deletion.

Depreciation on adjustments to the historical cost of the assets on account of reinstatement of long term borrowings in foreign currency, if any, is provided prospectively over the residual useful life of the asset.

III. Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property.

Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset’s carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment Properties are depreciated using the straight-line method as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment.

IV. Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

The company amortizes Computer software using the straight-line method over the period of 4 years.

V. Financial Assets

Financial assets comprise of investments in equity and debt securities, trade receivables, cash and cash equivalents and other financial assets.

Initial recognition:

All financial assets are recognised initially at fair value. Purchases or sales of financial asset 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 assets.

Subsequent Measurement:

(i) Financial assets measured at amortised cost:

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortization is recognised as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortised cost:

a) Trade receivable

b) Cash and cash equivalents

c) Other Financial Asset

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

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

Fair Value movements in financial assets at FVTOCI are recognised in other comprehensive income.

Equity instruments held for trading are classified at fair value through profit or loss (FVTPL). For other equity instruments the company classifies the same at FVTOCI. The classification is made on initial recognition and is irrevocable. Fair value changes on equity investments at FVTOCI, excluding dividends are recognised in other comprehensive income (OCI).

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

Financial asset are measured at fair value through profit or loss if it does not meet the criteria for classification as measured at amortised cost or at fair value through other comprehensive income. All fair value changes are recognised in the statement of profit and loss.

(iv) Investment in subsidiaries, joint ventures & associates are carried at cost in the separate financial statements.

Impairment of Financial Assets:

Financial assets are tested for impairment based on the expected credit losses.

(i) Trade Receivables

An impairment analysis is performed at each reporting date. The expected credit losses over life time of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rates reflecting current condition and forecasts of future economic conditions. In this approach assets are grouped on the basis of similar credit characteristics such as customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

(ii) Other financial assets

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the life time when there is significant increase in credit risk.

De-recognition of financial assets

A financial asset is derecognized only when:

- The company has transferred the rights to receive cash flows from the financial asset or
- The contractual right to receive cash flows from financial asset is expired or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset and transferred substantially all risks and rewards of ownership of the financial asset, in such cases the financial asset is derecognized. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is also derecognized if the company has not retained control of the financial asset.

VI. Impairment of Non-Financial Assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

VII. Inventories

Construction materials, raw materials, consumables, stores and spares and finished goods are valued at lower of cost and net realizable value. Cost is determined on weighted average cost method.

Construction/Development work-in-progress related to project works is valued at lower of cost or net realizable value, where the outcome of the related project is estimated reliably. Cost includes cost of land, cost of materials, cost of borrowings and other related overheads.

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

VIII. Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

IX. Non-current Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets, or components of the disposal group, are re-measured in accordance with the Company's accounting policies. Thereafter, the assets, or disposal group, are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment losses on initial classification as held for sale or subsequent gain on re-measurement are recognized into the statement of profit and loss account. Gains are not recognized in excess of any cumulative impairment losses.

X. Share Capital

Equity shares are classified as equity.

XI. Financial Liabilities

Initial recognition

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

All financial liabilities are recognized initially at fair value plus any directly attributable transaction costs, such as loan processing fees and issue expenses.

Subsequent measurement - at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are de recognised, and through the amortization process.

De recognition

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

XII. Borrowing Costs

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 capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

XIII. Employee Benefits

- Employee benefits are charged to the Statement of Profit and Loss for the year and for the projects under construction stage are capitalised as other direct cost in the Capital Work in Progress / Intangible asset under development.

- Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognised, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds.
- Gratuity liability is defined benefit obligation and is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year. Re measurement in case of defined benefit plans gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and they are included in retained earnings in the statement of changes in equity in the balance sheet.
- Compensated absences are provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year. Re measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit or loss account.
- The amount of Non-current and Current portions of employee benefits is classified as per the actuarial valuation at the end of each financial year.

XIV. Employee Stock Option Scheme

The company has formulated an Employees Stock Option Scheme to be administered through a Trust. The scheme provides that subject to continued employment with the company or the group, employees of the company and its subsidiaries are granted an option to acquire equity shares of the company that may be exercised within a specified period. The company follows the fair value method for computing the compensation cost for all options granted which is amortized over the vesting period.

XV. Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period.

Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and reduced accordingly to the extent that it is no longer probable that they can be utilized.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period.

Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

Deferred tax assets and liabilities are offset when there is legally enforceable right of offset current tax assets and liabilities when the deferred tax balances relate to the same taxation authority. Current tax asset and liabilities are offset where the entity has legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

XVI. Leases

As a lessee

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Lease-hold land:

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease.

The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

XVII. Provisions , Contingent Liabilities and Contingent Assets

Provisions

A provision is recognized 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.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense and is recorded over the estimated time period until settlement of the obligation. Provisions are reviewed and adjusted, when required, to reflect the current best estimate at the end of each reporting period.

The Company recognizes decommissioning provisions in the period in which a legal or constructive obligation is incurred. A corresponding decommissioning cost is added to the carrying amount of the associated property, plant and equipment, and it is depreciated over the estimated useful life of the asset.

A provision for onerous contracts is recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting its obligations under contract. The provision is measured at the present value of the lower of expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the company recognizes any impairment loss on the assets associated with that contract.

Liquidated Damages / Penalty as per the contracts / Additional Contract claims/Counter claims under the contract entered into with Vendors and Contractors are recognised at the end of the contract or as agreed upon.

Contingent Liabilities

Contingent liability is disclosed in case of

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimate is possible;
- A possible obligation arising from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company where the probability of outflow of resources is not remote.

Contingent Assets

Contingent assets are not recognized but disclosed in the financial statements when as inflow of economic benefits is probable.

XVIII. Fair Value Measurements

Company uses the following hierarchy when determining fair values:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and,

Level 3 – Inputs for the asset or liability that are not based on observable market data.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting dates. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The fair value for these instruments is determined using Level 1 inputs.

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is fair valued using level 2 inputs.

If one or more of the significant inputs is not based on observable market data, the instrument is fair valued using Level 3 inputs. Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting dates, with the resulting value discounted back to present value;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

XIX. Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

The company collects service tax, sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. The following specific recognition criteria must also be met before revenue is recognized:

EPC and Construction Services

For EPC and construction contracts, contract prices are either fixed or subject to price escalation clauses.

Revenues are recognised on a percentage of completion method measured on the basis of stage of completion which is as per joint surveys and work certified by the customers.

Profit is recognised in proportion to the value of work done (measured by the stage of completion) when the outcome of the contract can be estimated reliably.

The estimates of contract cost and the revenue thereon are reviewed periodically by management and the cumulative effect of any changes in estimates in proportion to the cumulative revenue is recognised in the period in which such changes are determined. When the total contract cost is estimated to exceed total revenues from the contract, the loss is recognised immediately. Modifications to contracts involving technical aspects/inputs are based on management assessment.

Amounts due in respect of price escalation claims and/or variation in contract work are recognized as revenue only if the contract allows for such claims or variations and/or there is evidence that the customer has accepted it and are capable of being reliably measured.

Liquidated Damages / Penalty as per the contracts / Additional Contract Claims/Counter claims under the contracts entered into with Vendors and Contractors are recognised at the end of the contracts or as agreed upon.

Sale of Power

The Company has entered into Power Purchase Agreements (PPAs) to sell power at predetermined prices. Revenue from sale of energy is recognised on the accrual basis in accordance with the provisions of Power Purchase Agreement. Claims for delayed payment charges and any other claims, which the company is entitled to under the Power Purchase Agreement, are accounted for in the year of acceptance.

Carbon Credits

Revenue from sale of Verified Emission Reductions (VERs) and Certified Emission Reductions (CERs) is recognized on sale of the eligible credits.

Sale of Goods

Revenue from the sale of Goods is recognized when there is persuasive evidence, usually in the form of an executed sales agreement at the time of delivery of the goods to customer, indicating that there has been a transfer of risks and rewards to the customer, no further work or processing is required, the quantity and quality of the goods has been determined, the price is considered fixed and generally title has passed.

Management Consultancy

Income from project management / technical consultancy is recognized as per the terms of the agreement on the basis of services rendered.

Insurance Claims

Insurance claims are recognized on acceptance / actual receipt of the claim.

Interest

Revenue is recognized as the interest accrues, using the effective interest rate (EIR) method. This is the method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established.

XX. Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency of the company, at exchange rates in effect at the transaction date.

At each reporting date monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at the date of the financial statement.

The translation for other non-monetary assets is not updated from historical exchange rates unless they are carried at fair value.

XXI. Duty Drawback Claims

Claims for duty drawback are accounted for on accrual basis.

- Where there is reasonable assurance that the enterprise will comply with the conditions attached to them; and
- Where such benefits have been earned by the enterprise and it is reasonably certain that the ultimate collection will be made.

XXII. Minimum Alternative Tax (MAT)

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

XXIII. Earnings per Share

Basic earnings per share are calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

XXIV. Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers, who are responsible for allocating resources and assessing performance of the operating segments.

XXV. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated.

3 Property, Plant and Equipment

₹ Crores

Particulars	Owned Assets							
	Lease Land Development	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures *	Vehicles	Office Equipment	Total
Gross Block								
As at April 01, 2015	6.82	15.40	14.43	789.46	45.94	8.58	13.89	894.52
Additions	-	-	14.34	11.03	0.48	0.27	0.81	26.93
Disposals	-	0.46	1.10	35.66	14.67	1.50	1.60	54.99
Adjustments								
- Exchange Difference	-	-	-	0.02	-	-	-	0.02
As at March 31, 2016	6.82	14.94	27.67	764.85	31.75	7.35	13.10	866.48
Additions	-	-	0.95	1.74	0.07	0.01	1.25	4.02
Disposals	6.82	5.56	3.97	411.46	1.56	1.26	1.03	431.66
As at March 31, 2017	**-**	**9.38**	**24.65**	**355.13**	**30.26**	**6.10**	**13.32**	**438.84**
Depreciation								
For the Period 2015-2016								
Charged For the Period	0.26	-	5.84	78.35	10.50	2.67	6.58	104.20
On Disposals	-	-	0.64	6.64	2.07	0.26	0.65	10.26
Adjustments								
- Exchange Difference	-	-	-	4.80	-	-	-	4.80
As at March 31, 2016	0.26	-	5.20	76.51	8.43	2.41	5.93	98.74
Charged For the Period	0.22	-	5.48	64.84	6.66	1.47	3.45	82.12
On Disposals	0.48	-	0.49	48.16	0.39	0.59	0.37	50.48
Adjustments								
- Exchange Difference	-	-	-	4.28	-	-	-	4.28
- Exchange Difference - On disposal	-	-	-	5.93	-	-	-	5.93
As at March 31, 2017	**-**	**-**	**10.19**	**91.54**	**14.70**	**3.29**	**9.01**	**128.73**
Net Block								
As at March 31, 2016	6.56	14.94	22.46	688.34	23.32	4.93	7.19	767.74
As at March 31, 2017	**-**	**9.38**	**14.46**	**263.59**	**15.56**	**2.81**	**4.31**	**310.11**

Note : Gross Block as on 01.04.2015 represents deemed cost (Gross Block - Accumulated Depreciation) as per Ind AS 101.

* Includes Leasehold Improvements as on April 1, 2015 - ₹ 27.35 Crores, as on March 31, 2016 - ₹ 30.62 Crores, as on March 31, 2017 - ₹ 29.89 Crores and Accumulated Depreciation as on March 31, 2016 - ₹ 20.08 Crores, as on March 31, 2017 - ₹ 23.15 crores.

4 **Capital Work In Progress**

₹ Crores

	As at March 31, 2017	As at March 31, 2016
Asset Under Construction	1.34	1.73
Less: Capitalised over the Cost of Fixed Assets	0.26	0.39
	1.08	1.34

5 **Investment Property**

₹ Crores

Particulars	**Owned Assets**
	Buildings
Gross Block	
As at April 01, 2015	1.37
Additions	-
Disposals	-
As at March 31, 2016	1.37
Additions	-
Disposals	-
As at March 31, 2017	1.37
Depreciation	
For the Period 2015-2016	
Charged For the Period	0.06
On Disposals	-
As at March 31, 2016	0.06
Charged For the Period	0.06
On Disposals	-
As at March 31, 2017	0.12
Net Block	
As at March 31, 2016	1.31
As at March 31, 2017	**1.25**

Note : Gross Block as on 01.04.2015 represents deemed cost (Gross Block - Accumulated Depreciation) as per Ind AS 101.

Disclosure:

As at 31 March 2017 and 31 March 2016, the fair values of the investment properties are INR 7.94 Cr. These valuations are based on valuations performed by an accredited independent valuer. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied.

6 **Other Intangible Assets**

₹ Crores

Particulars	**Computer Software**
Gross Block	
As at April 01, 2015	3.11
Additions	0.15
Disposals	-
As at March 31, 2016	3.26
Additions	0.67
Disposals	0.30
As at March 31, 2017	**3.63**

₹ Crores

Particulars	Computer Software
Amortisation	
For the period 2015-16	
Amortised For the Period	1.44
As at March 31, 2016	1.44
Amortised For the Period	1.15
On Disposals	0.29
As at March 31, 2017	**2.30**
Net Block	
As at March 31, 2016	1.82
As at March 31, 2017	**1.33**

Note : Gross Block as on 01.04.2015 represents deemed cost (Gross Block - Accumulated Depreciation) as per Ind AS 101.

7 Non Current Investments

		As at March 31, 2017	As at March 31, 2016	**As at March 31, 2017**	As at March 31, 2016
		No. Crores	No. Crores	**₹ Crores**	₹ Crores
I	**Investment at Cost**				
A	**Un-Quoted**				
	Investment in Equity Shares of ₹10 each, fully paid up				
(i)	**Investment in Subsidiary Companies**				
	Ananke Properties Private Limited	2.14	0.11	21.37	1.05
	Avior Power Private Limited	0.02	-	0.18	-
	Belinda Properties Private Limited	2.95	0.10	29.51	1.04
	Bhola Electricity Private Limited $	0.00	0.00	0.01	0.01
	Bianca Properties Private Limited	2.12	0.10	21.16	1.04
	Basava Power Private Limited	0.01	-	0.09	-
	Diwakar Solar Projects Limited	21.96	23.83	219.59	238.33
	EO Power Holdco Private Limited (formerly known as Emerald Orchids Private Limited)	0.01	-	0.08	-
	Lanco Amarkantak Power Limited	3.15	-	31.54	-
	Lanco Devihalli Highways Limited	13.19	13.19	131.94	131.94
	Lanco Energy Private Limited	0.31	0.31	3.09	3.09
	Lanco Hills Technology Park Private Limited	22.20	22.20	222.00	222.00
	Lanco Hoskote Highway Limited	46.32	14.33	463.21	143.33
	Lanco Horizon Properties Private Limited	7.25	-	72.51	-
	Lanco International Pte Limited #	1.00	1.00	45.66	45.66
	Lanco Kanpur Highways Limited	1.00	1.00	10.00	10.00
	Lanco Kanpur Power Limited	0.01	0.01	0.10	0.10
	Lanco Mandakini Hydro Energy Private Limited	0.42	0.42	4.23	4.23
	Lanco Power Limited	572.75	570.73	5,730.23	5,710.07
	Lanco Resources International Pte. Limited #	10.00	10.00	534.16	534.16
	Lanco Solar Energy Private Limited	52.28	47.84	710.39	632.89

		As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
		No. Crores	No. Crores	**₹ Crores**	₹ Crores
	Lanco Solar Gujarat Private Limited (formerly known as Lanco Property Management Company Pvt. Ltd.)	0.93	-	8.78	-
	Lanco Vidarbha Thermal Power Limited	11.71	-	117.07	-
	Lanco Wind Power Private Limited	4.06	4.06	40.62	40.62
	Mahatamil Mining and Thermal Energy Limited	0.05	0.05	0.50	0.50
	Mercury Projects Private Limited	1.00	0.00	10.00	0.01
	Mirach Power Limited	0.02	0.00	0.18	0.00
	National Energy Trading and Services Limited	3.65	3.65	31.24	31.17
	Nekkar Power Private Limited	0.01	-	0.09	-
	Portia Properties Private Limited	0.28	-	2.82	-
	Pragdisa EPC Private Limited (formerly known as Spire Rotor Pvt. Ltd.)	0.00	-	0.04	-
	Regulus Power Private Limited	0.02	-	0.22	-
	Siddheshwara Power Private Ltd	0.02	-	0.15	-
	Sirajgunj Electricity Private Limited $	0.00	0.00	0.01	0.01
	Tasra Mining & Energy Company Private Limited	1.10	0.72	11.01	7.18
	Tethys Properties Private Limited	2.12	0.10	21.16	1.04
	Uranus Projects Private Limited	1.86	0.12	18.57	1.20
	Vainateya Power Private Limited	0.00	0.00	0.01	0.00
	Sub Total			**8,513.52**	7,760.67
	# Face Value of USD 1/-				
	$ Face Value of Bangladesh Taka 1000/-				
(ii)	**Investment in Associate Companies**				
	Bay of Bengal Gateway Terminal Private Limited	0.00	0.00	0.01	0.01
	Genting Lanco Power (India) Private Limited	0.05	0.05	2.10	2.10
	Pragdisa Power Private Limited	0.00	0.00	0.00	0.00
	Sub Total			**2.11**	2.11
	Total Equity Investment At Cost			**8,515.63**	7,762.78
	Investments in Preference Shares				
(i)	**Investment in Subsidiary Companies**				
	0.01% Redeemable Convertible Cumulative Preference Shares of ₹ 100 each, Fully paid up				
	Lanco Hills Technology Park Private Limited	3.02	2.00	302.25	200.00
	0.001% Optionally Convertible Cumulative Redeemable Preference Shares of ₹ 10 each, Fully paid up				
	Ananke Properties Private Limited	-	3.30	-	32.99
	Arneb Power Private Limited	-	0.19	-	1.91
	Avior Power Private Limited	-	0.02	-	0.18
	Banas Thermal Power Private Limited	0.28	0.28	2.77	2.78
	Basava Power Private Limited	-	0.01	-	0.09
	Belinda Properties Private Limited	-	3.30	-	32.98
	Bianca Properties Private Limited	-	3.30	-	32.98
	Coral Orchids Private Limited	-	0.04	-	0.41
	Cordelia Properties Private Limited	-	0.01	-	0.14

		As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
		No. Crores	No. Crores	**₹ Crores**	₹ Crores
	Cressida Properties Private Limited	-	0.01	-	0.05
	Deimos Properties Private Limited	-	0.00	-	0.01
	Lanco Devihalli Highways Limited	1.40	1.40	14.03	14.03
	Mercury Projects Private Limited	-	20.84	-	208.42
	Mimas Trading Private Limited	-	0.00	-	0.01
	Mirach Power Private Limited	-	0.02	-	0.18
	Pearl Farms Private Limited	-	0.58	-	5.82
	Regulus Power Private Limited	-	0.02	-	0.22
	Siddheswara Power Private Limited	-	0.02	-	0.15
	Telesto Properties Private Limited	-	0.40	-	3.95
	Tethys Properties Private Limited	-	3.30	-	32.98
	Uranus Projects Private Limited	-	1.74	-	17.37
	Vainateya Power Private Limited	-	1.52	-	15.25
	0.001% Cumulative Compulsory Convertible Preference Shares of ₹10/- each, fully paid up				
	Himavat Power Limited	0.19	0.19	1.88	1.88
	Lanco Babandh Power Limited	6.48	6.48	64.85	64.85
	Lanco Kanpur Highways Limited	18.65	18.65	186.50	186.50
	Coral Orchids Private Limited	0.44	-	4.36	-
	Cressida Properties Private Limited	0.32	-	3.22	-
	Jupiter Infratech Private Limited	0.15	-	1.47	-
	Leda Properties Private Limited	0.67	-	6.70	-
	Thebe Properties Private Limited	0.16	-	1.55	-
	Uranus Infratech Private Limited	0.13	-	1.30	-
	Arneb Power Private Limited	0.19	-	1.91	-
	Mirach Power Limited	0.03	0.03	0.30	0.30
	0.1% Optionally Convertible Preference Shares of ₹ 10/- each, fully paid up				
	Mahatamil Mining and Thermal Energy Limited	8.99	8.99	89.92	89.92
	0.01% Cumulative Compulsory Convertible Preference Shares of ₹ 10/- each, fully paid up				
	Lanco Vidarbha Thermal Power Limited	2.82	2.82	28.24	28.24
	Total Preference Investment At Cost			**711.25**	974.59
	Investments in debentures				
(i)	**Investment in Subsidiary Companies**				
	0% Convertible Debentures of ₹ 10/- each, fully paid up with redeemable option				
	Lanco Devihalli Highways Limited	10.56	9.54	105.55	95.42
	Lanco Hills Technology Park Private Limited	80.48	82.23	804.79	822.29
	Lanco Hoskote Highway Limited	-	24.41	-	244.15
	Total Debentures at Cost			910.34	1,161.86
	Total Un-Quoted Investments at Cost			**10,137.22**	9,899.23

		As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
		No. Crores	No. Crores	**₹ Crores**	₹ Crores
II	**Investment at Fair Value through Profit and Loss (FVTPL)**				
A	**Unquoted**				
	Investment in Mutual Funds				
	Birla Sunlife Insurance Platinum Premier Plan	0.08	0.06	1.15	1.15
	Canara HSBC OBC Insurance ISP	0.02	0.02	0.45	0.36
	MetLife-Met Smart One	0.00	0.00	0.05	0.05
	MetLife-Met Suvidha Non Par Single	-	-	0.30	0.30
	SBI Life Insurance Company Ltd	0.02	0.02	0.12	0.06
	Star Union Dai-Ichi Life Insurance	-	-	1.03	1.03
	Total Mutual Funds Investment At Fair Value			3.10	2.95
	Investment in Debentures				
	Investment in 9.2% Debentures of ₹ 0.10 Crores each fully paid up				
	Central Bank of India	0.00	0.00	1.00	1.00
	Total Debenture Investment At Fair Value			1.00	1.00
	Total Un-Quoted Investments At Fair Value			**4.10**	3.95
B	**Quoted**				
	Investment in Equity Shares				
(i)	**Investment in Other Company**				
	Andhra Bank	0.00	0.00	0.18	0.16
	Bank of Baroda	0.00	0.00	0.62	0.53
	Central Bank of India	0.00	0.00	0.02	0.01
	Indian Bank	0.00	0.00	0.19	0.07
	Power Finance Corporation Limited	0.02	0.02	3.63	4.26
	Rural Electrification Corporation Limited	0.00	0.00	0.88	0.81
	Total Equity Investment At Fair Value			**5.52**	5.84
	Total Quoted Investments At Fair Value			**5.52**	5.84
III	**Investment at Amortised Cost**				
A	**Un-Quoted**				
(i)	**Investment in Other Company**				
	6% Optionally Convertible Redeemable Cumulative Preference Shares of ₹ 1/- each, fully paid up				
	Clarion Power Corporation Limited	0.25	0.25	0.25	0.25
	Rithwik Energy Systems Limited	0.14	0.14	0.14	0.14
	0.001% Optionally Convertible Cumulative Redeemable Preference shares @ ₹10/- each				
	Nekkar Power Private Limited	-	0.01	-	0.08
	0.01% Redeemable Cumulative Convertible Preference Shares @ ₹ 10/- each				
	Lanco Horizon Properties Private Limited	-	7.25	-	72.51
	Total Preference Investment At Amortised Cost			**0.39**	72.98
	Total Un-Quoted Investments At Amortised Cost			**0.39**	72.98
	Total Non-Current Investments			**10,147.23**	9,982.00

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
	No. Crores	No. Crores	**₹ Crores**	₹ Crores
Aggregate amount of impairment in value of investments	-	-	(2.80)	(2.80)
Total Non Current Investments (Net of provision)			**10,144.43**	9,979.20
Aggregate amount of Quoted Investments and Market value			5.52	5.84
Aggregate amount of Unquoted Investments			10,141.71	9,976.16
Aggregate amount of impairment in value of investments			(2.80)	(2.80)

Details of Shares pledged with Banks and Financial institutions who have extended loan and credit facilities to their respective investee Company and Company :

	As at Mar 31, 2017	As at Mar 31, 2016
	No. Crores	No. Crores
Non-Current Investment#		
Lanco Hoskote Highway Limited - Equity Shares	14.33	14.33
Lanco Devihalli Highways Limited - Equity Shares	13.19	13.19
Lanco Hills Technology Park Private Limited - Equity Shares	22.20	22.20
Lanco Hills Technology Park Private Limited - Preference Shares	2.00	2.00
Diwakar Solar Projects Limited - Equity Shares	19.18	19.18
Lanco Resources International Pte Limited.- Equity Shares	10.00	10.00
Lanco Mandakini Hydro Energy Private Limited - Equity Shares	0.42	0.42
Lanco Vidarbha Thermal Power Limited - Preference Shares	2.82	2.82

The above shares were pledged with banks and financial institutions who have extended loans and credit facilities to the respective investee companies.

8 Trade Receivables

₹ Crores

	Non-Current		Current	
	As at Mar 31, 2017	As at Mar 31, 2016	**As at Mar 31, 2017**	As at Mar 31, 2016
Trade Receivables				
Unsecured, Considered Good	479.28	411.31	1,657.02	2,163.31
Doubtful	-	-	11.11	10.29
	479.28	411.31	1,668.13	2,173.60
Less: Provision for ECL on Financial Assets	-	-	85.45	27.99
Less : Allowance for bad & doubtful debts	-	-	11.11	10.29
	479.28	411.31	**1,571.57**	2,135.32

9 Loans

₹ Crores

	Non-Current		Current	
	As at Mar 31, 2017	As at Mar 31, 2016	**As at Mar 31, 2017**	As at Mar 31, 2016
Security Deposit				
Unsecured, Considered Good	14.18	14.13	3.98	1.48
Doubtful	-	-	0.38	0.38
	14.18	14.13	4.36	1.86
Less: Provision for Bad & doubtful Security Deposit	-	-	0.38	0.38
	14.18	14.13	3.98	1.48
Loans to Related Parties (Note No. 47)				
Unsecured, Considered Good				
Loans Receivable	482.15	493.27	730.16	648.87
Less : Provision for ECL on Financial Assets	-	-	196.19	196.19
	482.15	493.27	533.97	452.68
Total Loans	**496.33**	507.40	**537.95**	454.16

10 Other Financial Assets

₹ Crores

	Non-Current		Current	
	As at Mar 31, 2017	As at Mar 31, 2016	**As at Mar 31, 2017**	As at Mar 31, 2016
Bank Deposits Having Maturity more than 12 Months from date of deposit (Note No.14)	3.11	11.03		
Advances to related parties				
Advances for Investment*	1.30	0.30	-	-
Others				
Loans and Advances to Employees	-	-	0.58	0.52
Interest Accrued on Deposits/ Inter Corporate Loans	-	-	169.84	93.08
Others Assets	-	-	1,284.61	1,362.93
	4.41	11.33	**1,455.03**	1,456.53

* Amounts paid to related parties and others, towards share application money, to the extent not refunded/allotted, have been considered as advances for investment and will be adjusted on allotment.

11 Other Assets

₹ Crores

	Non-Current		Current	
	As at Mar 31, 2017	As at Mar 31, 2016	**As at Mar 31, 2017**	As at Mar 31, 2016
Capital Advances Other than Related Party				
Capital Advances	0.08	0.08	-	-
Advances other than Capital Advances				
Advances to related parties				
Advances for services / goods	75.06	147.36	104.14	264.98
Other Advances				
Advances for services / goods	235.85	380.48	745.42	436.33
Advances doubtful	0.13	-	28.83	28.65
	235.98	380.48	774.25	464.98
Less: Provision for Doubtful Advances	0.13	-	28.83	28.65
	235.85	380.48	745.42	436.33

₹ Crores

	Non-Current		Current	
	As at Mar 31, 2017	As at Mar 31, 2016	**As at Mar 31, 2017**	As at Mar 31, 2016
Tax Assets (Note No.15)	177.01	171.35		
Prepayment for lease hold land	-	5.19	-	-
Prepaid Expense	-	-	3.38	4.95
Cenvat / Vat / Service Tax Credit Receivable	19.30	24.60	179.71	185.48
Taxes Paid Under protest	5.60	4.01	0.20	-
	437.76	585.63	928.71	626.76
Total	**512.90**	733.07	**1,032.85**	891.74

12 Inventories
(At lower of cost and net realisable value unless otherwise stated)

₹ Crores

	As at Mar 31, 2017	As at Mar 31, 2016
Raw Materials	89.18	127.33
Construction / Development Work In Progress	1,342.45	1,259.64
Consumables, Stores and Spares	17.18	16.26
	1,448.81	1,403.23

13 Cash and Cash Equivalents

₹ Crores

	As at Mar 31, 2017	As at Mar 31, 2016
Cash on Hand	0.04	0.06
Balances with Banks		
- On Current Accounts	32.72	24.83
	32.76	24.89

14 Bank Balances

₹ Crores

	Non-Current		Current	
	As at Mar 31, 2017	As at Mar 31, 2016	**As at Mar 31, 2017**	As at Mar 31, 2016
On Deposit Accounts				
Having Maturity more than 3 Months but less than or equal to 12 months from date of deposit			5.45	26.97
Having Maturity more than 12 Months from date of deposit	1.46	7.35	-	-
On Margin Money Deposit Accounts	1.65	3.68	14.67	13.52
	3.11	11.03	**20.12**	40.49
Less: Shown in Other Financial Assets (Note No.10)	3.11	11.03		
Less: Shown in Cash and Cash Equivalents			-	-
Net Bank Balances	**-**	**-**	**20.12**	40.49

The Margin Money Deposits are towards Letters of Credit and Bank Guarantee

15 Tax Assets (Net) ₹ Crores

	Non-Current		Current	
	As at Mar 31, 2017	As at Mar 31, 2016	**As at Mar 31, 2017**	As at Mar 31, 2016
Advance Tax (Net of Provision for Tax)	153.88	148.22	-	-
Minimum Alternate Tax Credit Entitlement	23.13	23.13	-	-
	177.01	171.35	-	-
Less: Disclosed under the Other Assets (Note No. 11)	177.01	171.35		
Total	**-**	**-**		

16 Equity Share Capital ₹ Crores

	As at Mar 31, 2017	As at Mar 31, 2016
Authorised		
12000 Mar 31, 2017 (March 31, 2016: 12000 of ₹1/-each) Crores Equity Shares of ₹1/-each	12,000.00	12,000.00
	12,000.00	12,000.00
Issued, Subscribed and Paid Up		
Equity Shares		
331.41 Mar 31, 2017 (March 31, 2016: 274.93 of ₹1/- each) Crores Equity Shares of ₹1/- each, Fully Paid Up	331.41	274.93
Less: Amount recoverable from LCL - Foundation (ESOP Trust)	1.15	1.15
Total Equity Share Capital	**330.26**	273.78

16.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period ₹ Crores

	As at Mar 31, 2017 No. Crores	**As at Mar 31, 2017 ₹ Crores**	As at Mar 31, 2016 No. Crores	As at Mar 31, 2016 ₹ Crores
Equity Shares of ₹ 1/- Each, Fully paid up				
At the Beginning	274.93	274.93	246.24	246.24
Issued during the period - Conversion *	56.48	56.48	28.69	28.69
At the end	**331.41**	**331.41**	274.93	274.93

* 1. During the Year, 56.48 (March 31, 2016 : NIL) Crores Equity Shares of ₹1/- each were allotted to IDFC Bank Limited at a Price of ₹ 6.23/- per Equity Share (premium of ₹ 5.23/- per share), by conversion of ₹ 351.83 (March 31, 2016 : NIL) Crores debentures and interest on debentures into Equity Share Capital of the Company.

* 2. During the Year NIL (March 31, 2016 : 2.17) Crores Equity Shares of ₹1/- each were allotted to ICICI Bank Limited at a Price of ₹ 6.23/- per Equity Share (premium of ₹ 5.23/- per share), by conversion of NIL (March 31, 2016 ₹ 13.56) Crores Funded Interest Term Loan into Equity Share Capital of the Company.

3. During the Year NIL (March 31, 2016 : 26.52) Crores Equity Shares of ₹1/- each were allotted to Lanco Group Limited at a Price of ₹ 6.30/- per Equity Share (premium of ₹ 5.30/- per share), by conversion of NIL (March 31, 2016 : ₹167.06) Crores Inter Corporate Loan into Equity Share Capital of the Company.

16.2 Terms / Rights attached to Equity Shares

The company has only one class of equity shares having a par value of ₹1 per share. Each Holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in the proportion to the number of equity shares held by the shareholders.

16.3 Shares held by holding / ultimate holding and / or their subsidiary / associates

	As at Mar 31, 2017 No. Crores	**As at Mar 31, 2017 ₹ Crores**	As at Mar 31, 2016 No. Crores	As at Mar 31, 2016 ₹ Crores
Equity Shares of ₹ 1/- each fully paid up Held By				
Lanco Group Limited, the holding company	161.89	161.89	161.89	161.89

16.4 Details of Shareholder holding more than 5% shares of the company

	As at Mar 31, 2017 No. Crores	**As at Mar 31, 2017 % Holding in the Class**	As at Mar 31, 2016 No. Crores	As at Mar 31, 2017 % Holding in the Class
Equity Shares of ₹ 1/- each Held By				
Lanco Group Limited, the holding company	161.89	48.85	161.89	58.88
IDFC Bank Limited	56.47	17.04	-	-

The above information is as per register of share holders / members.

16.5 Details of Shares Reserved for issue under Options

For details of shares reserved for issue under Employee Stock Options (ESOP) plan of the company, refer Note No.41

16.6 Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date

During the year ended March 31, 2014 the Company's proposal to restructure the debt has been approved by the Corporate Debt Restructuring Empowered Group (CDR EG) vide letter of approval dated December 20, 2013. The company executed Master Restructuring Agreement (MRA) on December 27, 2013. As a result of this the lenders of CDR have a right to convert restructured debt into equity shares at the sole discretion and on demand as per the agreed terms in the MRA.

In relation to the loans restructured by the CDR lenders a total amount to ₹ 3,518.96 (March 31,2016 : ₹ 3,431.45) Crores would qualify for the conversion of 576.82 (March 31,2016 : 563.60) Crores shares at the sole discretion and on demand of the CDR lenders.

During the year, Debentures of NIL (March 31,2016 : 321.45 Crores have been alloted to Non-CDR lender after conversion of term Loan and interest payable on term loan upto March 10, 2016 and would qualify for the conversion into equity shares at the end of 12 months (i.e. March 14, 2017) from the date of allotment alongwith outstanding interest at the SEBI determined price or price applicable to CDR lenders whichever is higher)

17 Long Term Borrowings ₹ Crores

	Non-Current Portion		**Current Maturities**	
	As at Mar 31, 2017	As at Mar 31, 2016	**As at Mar 31, 2017**	As at Mar 31, 2016
Rupee Term Loans				
Secured				
From Banks (Refer (a) below)	3,525.61	4,769.60	2,035.65	1,095.19
From Financial Institutions (Refer (b) below)	43.72	53.36	19.60	9.96
Foreign Currency Term Loans				
Secured				
From Banks (Refer (c) below)	293.41	366.39	64.72	66.22
	3,862.74	5,189.35	**2,119.97**	1,171.37
Amount disclosed under the head "Other financial liabilities" (Note 19)			(2,119.97)	(1,171.37)
Less: Unamortised Upfront Fees and other borrowing Cost	38.57	46.57	-	-
Net Amount	**3,824.17**	5,142.78	**-**	-

The Board of Directors of LITL in its meeting held on July 27, 2013 had accorded its approval for restructure of the debts of the Company under Corporate Debt Restructuring (CDR) Mechanism of the Reserve Bank of India. CDR Empowered Group (CDR EG) in its meeting held on December 11, 2013 has approved the CDR scheme submitted by the Company and issued letter of approval on December 20, 2013.

The details of securities and terms of repayment are as follows:

a) Rupee Term Loans from Banks*

1. Term Loan of ₹ 652.29 (March 31, 2016 : ₹ 657.68) Crores out of which ₹198.95 (March 31, 2016 : ₹104.34 Crores) is current, WCTL- I of ₹ 967.19 (March 31, 2016 : ₹ 985.62) Crores out of which ₹288.54 (March 31,2016 :₹157.28) Crores is current, WCTL- II of ₹ 601.54 (March 31, 2016 : ₹552.28) Crores out of which ₹223.00 (March 31,2016: ₹90.33) Crores is current, FITL of ₹507.85 (March 31,2016 : ₹517.15) Crores out of which ₹150.07 (March 31,2016 : ₹81.92) Crores is current as per the CDR package approved by CDR EG and MRA dated December 27, 2013. These loans are having charge on the TRA of the Company and first pari passu charge on fixed assets and current assets (present and future) of the Company except assets with exclusive charge. Further, this loan is secured by pledge of equity shares of the Company held by its Promoters, Corporate Guarantee given by Promoter Company, Personal Guarantee of Promoters, subservient charge on the asset of 7 SPVs / Subsidiaries and unencumbered shares of 8 SPVs held by Promoters, Company and its step down subsidiaries and associates. These loans are having moratorium period of 2 years from the cutoff date of April 1, 2013 and are repayable in 30 quarterly installments starting from June 30, 2015. Further Land admeasuring 924 acres (approx.) held by one of the step down subsidiary is offered as collateral security for ₹ 394.00 Crores of the Term Loan and shares of subsidiary held by another subsidiary are offered as collateral security for ₹ 213.43 Crores of the Term Loan.

2. Priority Loan of ₹2,215.61 (March 31,2016 : ₹2,284.14) Crores out of which ₹1,157.93 (March 31, 2016: ₹625.16) Crores is current classified as long term borrowings as per the CDR package approved by CDR EG and MRA dated December 27, 2013. These loans are having priority charge on the Trust and Retention Account (TRA) of the company and first pari passu charge on fixed assets and current assets (present and future) of the Company except assets with exclusive charge. Further, this loan is secured by pledge of equity shares of the Company held by its Promoters, Corporate Guarantee given by Promoter Company, Personal Guarantee of Promoters, subservient charge on the asset of 7 SPVs / Subsidiaries and unencumbered shares of 8 SPVs held by Promoters, Company and its step down subsidiaries and associates. These loans are having moratorium period of 2 years from the cutoff date of April 1, 2013 and are repayable in 18 quarterly installments starting from June 30, 2015.

3. Long Term Working Capital Loan of ₹586.73 (March 31,2016 : ₹432.16) Crores, out of which ₹11.81 (March 31,2016: NIL) Crores is current, classified as long term borrowings as per proposal appraised by the lead bank, IDBI and respective sanctions of the banks. These loans are having first pari passu charge on fixed assets and current assets (present and future) of the Company except assets with exclusive charge. Further, this loan is secured by pledge of equity shares of the Company held by its Promoters, Corporate Guarantee given by Promoter Company, Personal Guarantee of Promoters, subservient charge on the asset of 7 SPVs / Subsidiaries and unencumbered shares of 8 SPVs held by Promoters, Company and its step down subsidiaries and associates. These loans are having moratorium period of 2 years from the cutoff date of April 1, 2015 and are repayable in 24 quarterly installments starting from June 30, 2017.

4. ₹30.05 (March 31,2016 : ₹ 35.41) Crores, Term Loan availed from Non-CDR lender, out of which ₹ 5.35 (March 31, 2016: ₹5.35) Crores is Current is secured by way of mortgage on immovable assets pertaining to solar projects and hypothecation of movable assets both present and future of the solar project of company on first charge basis and is being repaid in 48 quarterly installments ending on September 30, 2023.

5. ₹NIL (March 31,2016 : ₹ 400.35) Crores, Term Loan availed from Non-CDR lender, out of which ₹ NIL (March 31,2016 : ₹30.81) Crores is Current are secured by way of first Charge on the cash flows, project documents pertaining to the solar projects and all accounts including TRA, DSRA for the solar projects, mortgage on the immovable assets pertaining to the solar power projects and hypothecation of movable assets both present & future of those projects on first charge basis and is being repaid in 82 structured quarterly installments starting from October 1, 2015 and ending on March 31, 2036. Further Land admeasuring 572.29 acres held by one of the associate company and personal guarantee of promoter of the company are offered as collateral security for this Term Loan.

b) Rupee Term Loans from Financial Institutions*

₹63.32 (March 31,2016 : ₹ 63.32) Crores, out of which ₹19.60 (March 31,2016 : ₹9.96) Crores is current. This Loan is having charge on the TRA of the Company and first pari passu charge on fixed assets and current assets (present and future) of the Company except assets with exclusive charge. Further, this loan is secured by pledge of equity shares of the Company held by its Promoters, Corporate Guarantee given by Promoter Company, Personal Guarantee of Promoters, subservient charge on the asset of 7 SPVs / Subsidiaries and unencumbered shares of 8 SPVs held by Promoters, Company and its step down subsidiaries and associates. This loan is having moratorium period of 2 years from the cutoff date i.e. April 1, 2013 and is repayable in 30 structured quarterly installments starting from June 30, 2015.

c) Foreign Currency Term Loans*

Foreign Currency Non-Resident (FCNR) Loan from banks of ₹358.13 (March 31, 2016: ₹432.61) Crores out of which ₹64.72 (March 31,2016 :₹66.22) Crores is current is having first pari passu charge on fixed assets and current assets (present and future) of the Company except assets with exclusive charge. Further, this loan is secured by pledge of equity shares of the Company held by its Promoters, Corporate Guarantee given by Promoter Company, Personal Guarantee of Promoters, subservient charge on the asset of 7 SPVs / Subsidiaries and unencumbered shares of 8 SPVs held by Promoters, Company and its step down subsidiaries and associates. These loans are having moratorium period of 2 years from the cutoff date i.e. April 1, 2013 and are repayable in 30 quarterly installments starting from June 30, 2015.

*Rate of interest on the above borrowings is as per the agreement with the respective banks i.e. bank rate (+/-) spread as applicable.

18 Trade payables

₹ Crores

	Non-Current		Current	
	As at Mar 31, 2017	As at Mar 31, 2016	**As at Mar 31, 2017**	As at Mar 31, 2016
Trade Payables (including acceptances)				
(a) Total outstanding dues of micro enterprises and small enterprises (Refer Note 52)	-	-	6.65	3.26
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	726.97	784.30	2,426.02	2,630.74
	726.97	784.30	**2,432.67**	2,634.00

19 Other financial liabilities

₹ Crores

	Non-Current		Current	
	As at Mar 31, 2017	As at Mar 31, 2016	**As at Mar 31, 2017**	As at Mar 31, 2016
Current maturities of long term borrowings (Refer Note 17)			2,119.97	1,171.37
Interest accrued but not due on borrowings	-	1.49	0.29	0.89
Interest accrued and due on borrowings	-	-	806.49	221.12
Salaries and other benefits Payable	-	-	50.25	35.82
Other Payables	-	0.54	40.81	226.79
	-	2.03	**3,017.81**	1,655.99

20 Provisions

₹ Crores

	Non -Current		Current	
	As at Mar 31, 2017	As at Mar 31, 2016	**As at Mar 31, 2017**	As at Mar 31, 2016
Provision for Leave Encashment	17.74	22.22	6.86	8.81
Provision for Gratuity	9.77	11.53	2.64	4.27
Provision for Bonus	-	-	0.71	0.77
Provision for Retention Bonus	-	-	0.46	2.10
Provision for Lease Equalisation	0.19	0.21	0.02	0.31
	27.70	33.96	**10.69**	16.26

21 Deferred Tax Liability / (Asset) - Net

₹ Crores

	As at Mar 31, 2017	As at Mar 31, 2016
Deferred Tax Liabilities		
Differences in Written Down Value in Block of Fixed Assets as per Tax Books and Financial Books	24.01	75.01
Gross Deferred Tax Liabilities	24.01	75.01
Deferred Tax Assets		
Provision for Gratuity and Compensated Absences	28.00	28.00
Carry Forward Losses as per the Income Tax Act 1961	13.76	64.76
Gross Deferred Tax Assets	41.76	92.76
Deferred Tax Liability / (Asset) - Net	**(17.75)**	(17.75)

22 Other liabilities

₹ Crores

	Non-Current		Current	
	As at Mar 31, 2017	As at Mar 31, 2016	**As at Mar 31, 2017**	As at Mar 31, 2016
Advance from Customers	2,507.17	2,893.43	3,019.81	2,460.03
Advance received against proposed sale of Investments	-	-	11.50	11.50
Taxes Payable (Other than Income Tax)	-	-	52.78	37.31
Employee Contributions Payable	-	-	4.78	2.03
Other Payables	0.83	0.84	0.37	0.32
	2,508.00	2,894.27	**3,089.24**	2,511.19

23 Short Term Borrowings

₹ Crores

	As at Mar 31, 2017	As at Mar 31, 2016
Cash Credits and Working Capital Demand Loan from Banks (Secured) (Refer (a) below)	1,354.91	1,116.34
Foreign Currency Loans and Advances		
Secured		
From Banks (Refer (b) below)	22.50	127.31
Loans and Advances from Related Parties		
Unsecured		
Rupee Loans and Advances (Refer (c) below)	15.00	15.00
	1,392.41	1,258.65

a) Cash Credits and Working Capital Demand Loans from Banks*:-

₹ 1,354.91 (March 31, 2016: ₹1,116.34) Crores is having first pari passu charge on fixed assets and current assets (present and future) of the Company except assets with exclusive charge as per the CDR scheme approved by CDR EG. Further, this loan is secured by pledge of equity shares of the Company held by its Promoters, Corporate Guarantee given by Promoter Company, Personal Guarantee of Promoters, subservient charge on the asset of 7 SPVs / Subsidiaries and unencumbered shares of 8 SPVs held by Promoters, Company and its step down subsidiaries and associates.

b) *₹22.50 (March 31,2016: ₹127.31) Crores, Foreign Currency Term Loans (Buyers Credit) from banks is secured by hypothecation of movable assets both present and future of the project were having first pari passu charge on fixed assets and current assets (present and future) of the Company except assets with exclusive charge along with pledge of equity shares of the Company held by its Promoters, Corporate Guarantee given by Promoter Company, Personal Guarantee of Promoters, subservient charge on the asset of 7 SPVs / Subsidiaries and unencumbered shares of 8 SPVs held by Promoters, company and its step down subsidiaries and associates.

c) Unsecured Loans and Advances includes:-

₹15.00 (March 31,2016 : ₹ 15.00) Crores, Inter Corporate Loans from one subsidiary bearing interest rate of 13% p.a. to be repayable on or before March 31, 2018.

*Rate of interest on the above borrowings is as per the agreement with the respective banks i.e. bank rate (+/-) spread as applicable

24 Tax Liabilities (Net)

₹ Crores

	Non-Current		Current	
	As at Mar 31, 2017	As at Mar 31, 2016	**As at Mar 31, 2017**	As at Mar 31, 2016
Provision for Taxation (Net of Advance taxes)	-	-	**0.64**	0.64

25 Revenue From Operations

₹ Crores

		For the year ended March 31, 2017	For the year ended March 31, 2016
Contract Operations	(A)	1,478.57	2,370.47
Sale of Services			
Management Consultancy		37.88	73.52
	(B)	37.88	73.52
Sale of Products			
Electrical Energy		63.64	77.59
Other Goods		51.49	147.51
	(C)	115.13	225.10
Other Operating Revenue			
Other Operating Income		3.32	2.25
	(D)	3.32	2.25
Gross Revenue from Operations	(A+B+C+D)	**1,634.90**	2,671.34

26 Other Income

₹ Crores

	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest Income on		
Deposits and Margin money	3.65	6.29
Inter Corporate Loans	31.15	35.16
Long Term Investments	0.09	0.09
Others	-	4.92
Dividend Income on		
Long Term Investments	0.12	0.44

	For the year ended March 31, 2017	For the year ended March 31, 2016
Net Gain on sale of		
Long Term Investments	-	13.30
Other Non-Operating Income (Net of expenses directly attributable to such Income)		
Net Gain on Fair valuation of Financial assets & liabilities	75.40	-
Insurance Claims Received / Receivable	0.72	1.91
Liabilities and Provisions no longer required written back	10.51	9.33
Rental Income from Investment Property	0.50	0.46
Miscellaneous Income	0.49	1.70
	122.63	73.60

27 Cost of Materials Consumed ₹ Crores

	For the year ended March 31, 2017	For the year ended March 31, 2016
Construction Material Consumed	750.10	1,323.47
	750.10	1,323.47

28 Purchase Of Traded Goods ₹ Crores

	For the year ended March 31, 2017	For the year ended March 31, 2016
Steel and Other Goods	49.37	143.39
	49.37	143.39

29 Construction and Site Expenses ₹ Crores

	For the year ended March 31, 2017	For the year ended March 31, 2016
Equipment / Machinery Hire charges	8.42	16.19
Repairs, Operations and Maintenance	11.10	16.20
Consumption of Stores and Spares	4.09	6.38
Insurance	24.21	16.76
Electricity	14.72	13.37
Security Charges	9.71	12.36
Others	49.96	19.78
	122.21	101.04

30 (Increase) / Decrease in Construction Work in Progress (WIP) ₹ Crores

	For the year ended March 31, 2017	For the year ended March 31, 2016
Construction Work in Progress (WIP)		
WIP at the beginning of the period	1,259.64	1,327.38
Less : WIP at the end of the period	1,342.45	1,259.64
(Increase) / Decrease in WIP	**(82.81)**	67.74

31 Employee Benefits Expenses

₹ Crores

	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries, allowances and benefits to employees	170.02	184.01
Contribution to provident fund and other funds	9.80	10.34
Employee Stock Option Charge	(1.43)	0.33
Recruitment and training	1.02	1.74
Staff welfare expenses	7.08	8.86
	186.49	205.28

32 Finance Cost

₹ Crores

	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest	998.44	887.85
Other Borrowing Cost	31.69	44.68
	1,030.13	932.53

33 Depreciation And Amortization Expense

₹ Crores

	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation on PPE	86.57	109.00
Amortization on Intangible Assets	1.15	1.44
Depreciation on Investment Property	0.06	0.06
	87.78	110.50

34 Other Expenses

₹ Crores

	For the year ended March 31, 2017	For the year ended March 31, 2016
Rent	14.20	11.21
Rates and taxes	27.80	13.58
Repairs and Maintenance:		
Office Building	-	0.48
Others	2.29	3.20
Office maintenance	4.38	5.12
Insurance	0.12	0.12
Printing and stationery	0.65	0.92
Consultancy and other professional charges	11.55	10.89
Directors sitting fee	0.19	0.24
Electricity charges	3.52	4.76
Net Loss on Foreign Exchange Fluctuations	(37.77)	(110.10)
Net Loss on Fair valuation of Financial assets & liabilities	17.31	3.54
Remuneration to auditors (As Auditor):		
Audit Fee	0.80	0.80
Tax audit fees	0.06	0.06

	For the year ended March 31, 2017	For the year ended March 31, 2016
Reimbursement of expenses to Auditors	0.06	0.11
Travelling and conveyance	14.34	15.56
Communication expenses	2.42	2.81
Net Loss on Sale/ Write off of fixed assets	7.88	0.55
Provision for Expected Credit Loss on Financial Assets	72.65	20.59
Business Promotion and Advertisement	0.67	1.31
Miscellaneous expenses	1.56	1.44
	144.68	(12.81)
Less: Recovery of Common Expenses	9.10	8.37
	135.58	(21.18)

35 Other Comprehensive Income ₹ Crores

	For the year ended March 31, 2017	For the year ended March 31, 2016
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	0.55	(0.41)
	0.55	(0.41)

36 Exceptional Items

Exceptional item of NIL (March 31, 2016 ₹ 84.62 Crores is on sale of investments in a step down subsidiary) for the year ended March 31, 2017.

37 During the year, pursuant to the approval of the Shareholders and other authorities as required, the Company has transferred the 30 MW Solar Power Plant business to its wholly owned subsidiary named Lanco Solar Gujarat Private Limited (LSGPL), on a slump sale basis with effect from the close of business on 31.01.2017 for a consideration of ₹ 8.74 Crores in the form of equity investment . The Solar business was reported as part of power segment of the Company.

38 Earning Per Share (EPS)

₹ Crores

		March 31, 2017	March 31, 2016
Total Operations for the year			
Net Profit/(Loss) for calculation of basic EPS	(A)	**(889.52)**	(452.62)
Net Profit as above		(889.52)	(452.62)
Add : Interest on Debentures/Loan convertible into equity shares		409.83	368.81
Net Profit/(Loss) for calculation of diluted EPS	(B)	**(479.69)**	(83.81)
Weighted average number of Equity Shares for Basic EPS	(C)	273.20	256.70
Effect of dilution :			
Stock options under ESOP*		0.22	0.29
Convertible Debentures/Loan into equity shares*		576.82	566.14
Weighted Average number of Equity shares for Diluted EPS	(D)	**850.24**	823.13
Basic EPS on the basis of Total Operations	(A) / (C)	(3.25)	(1.76)
Diluted EPS on the basis of Total Operations	(B) / (D)	(3.25)	(1.76)

*Diluted EPS when anti dilutive is restricted to basic EPS.

39 Disclosure pursuant to IND AS 11–"Construction Contracts"

₹ Crores

	March 31, 2017	March 31, 2016
Amount of contract revenue recognised as revenue during the period	1,478.57	2,370.47
The aggregate amount of costs incurred and recognised profits (less recognised losses) upto the reporting date (including foreseeable Losses)	23,879.16	24,883.95
Amount of customer advances outstanding for contracts in progress	5,255.95	5,195.67
Retention amount due from customers for contracts in progress	1,449.86	1,413.58
Gross amount due from customers for contract works as an asset	1,301.47	1,248.64
Gross amount due to customers for contract works as a liability	47.85	41.39

40 Employee Benefits

Defined Benefit Plans

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary for each completed year of service subject to a maximum of ₹ 0.15 Crores. The plan for the same is unfunded.

₹ Crores

	Gratuity	
	March 31, 2017	March 31, 2016
Net Employee benefit expense recognized in the employee cost in statement of profit & loss account		
Current service cost	1.85	2.35
Interest cost on benefit obligation	1.19	1.04
Expected return on plan assets	-	-
Sub Total	**3.04**	3.39
Recognised in Other Comprehensive Income		
Net actuarial (gain)/loss recognized in the year		
i. Demographic Assumptions on obligation	-	-
ii. Financial Assumptions on obligation	0.23	0.33
iii. Experience Adjustments on obligation	(0.78)	0.08
iv. Financial Assumptions on plan assets	-	-
Sub Total	**(0.55)**	0.41
Net benefit expense	**2.49**	3.80
Balance Sheet		
Benefit asset / liability		
Present value of defined benefit obligation	12.41	15.80
Fair value of plan assets	-	-
Assets / (Liability) recognized in the balance sheet	**(12.41)**	(15.80)
Change in the present value of the defined benefit obligation		
Opening defined benefit obligation	15.80	13.00
Benefit transferred in	0.05	1.06
Benefit transferred Out	(2.13)	(0.64)
Benefits paid	(3.79)	(1.42)
Expenses Recognised in Statement of Profit and Loss Account		
Current service cost	1.85	2.35
Interest cost on benefit obligation	1.18	1.04
Recognised in Other Comprehensive Income		
Actuarial (gain)/loss on obligation	(0.55)	0.41
Closing defined benefit obligation	**12.41**	15.80

₹ Crores

	Gratuity	
	March 31, 2017	March 31, 2016
Assumptions		
Discount Rate (%)	7.00	7.50
Attrition Rate (%)	19.00	19.00
Expected rate of salary increase (%)	6.00	6.00
Expected Average Remaining Service (years)	21.36	22.24
Expected Average Remaining Service/mortality and withdrawal (years)	4.43	3.98

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts of Defined benefit plan for the current and previous four periods are as follows ₹ Crores

	Present value of Defined benefit obligation	Surplus / (deficit)	Experience adjustments on plan liabilities	Experience adjustments on plan assets
March 31, 2017	12.41	(12.41)	0.78	-
March 31, 2016	15.80	(15.80)	(0.08)	-
March 31, 2015	13.01	(13.01)	0.20	-
March 31, 2014	9.73	(9.73)	0.62	-
March 31, 2013	9.96	(9.96)	1.35	-

₹ Crores

Sensitivity analysis of the defined benefit obligation	**0.5% Increase**		**0.5% Decrease**	
Particulars	**2017**	2016	**2017**	2016
Impact of the change in discount rate	(0.23)	-	0.24	-
Impact of the change in salary increase	0.24	-	(0.23)	-

Note : Sensitivity due to mortality and withdrawals are not material and hence impact of change not calculated.

Defined Contribution Plans

In respect of the defined contribution plan (Provident fund), an amount of ₹ 6.72 (March 31,2016: ₹ 6.85) Crores has been recognized as expenditure in the Statement of Profit and Loss.

In respect of the State Plans (Employee State Insurance), an amount of ₹ 0.01 ((March 31,2016: NIL) Crores has been recognized as expenditure in the Statement of Profit and Loss.

The provision for compensated absences as per actuarial valuation as at March 31, 2017 is ₹ 24.60 (March 31, 2016 is ₹ 31.03) Crores.

41 Employee Stock Option Scheme

The Company has till March 31, 2017 allotted 1.11 (March 31,2016: 1.11) Crores equity shares of ₹ 10 each to LCL Foundation (ESOP - Trust) towards the Employee Stock option plan 2006 (The Plan) which was formulated by the Company. The plan provides for grant of stock options of equity shares of the Company to employees of the Company and its subsidiaries subject to continued employment with the Company or Group.

Each option comprises of one equity share which will vest on annual basis at 20% each over five years and shall be capable of being exercised within a period of ten years from the date of first annual vesting.

Each option granted under the above plans entitles the holder to one equity share of the company at an exercise price, which is approved by the compensation committee.

The Plan is in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Stock Purchase Scheme) Guidelines, 1999.

Consequent to the splitting of Equity Share of ₹ 10 each into 10 equity shares of ₹ 1 each in the year 2009-10, the number of shares allotted to the trust and the options granted, forfeited, exercised are disclosed at ₹ 1 each.

A summary of the status of the Company's plan is given below:

Particulars	**March 31, 2017**		March 31, 2016	
	No. Crores	**Weighted Average Exercise Price (₹)**	No. Crores	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	0.31	0.24	0.51	0.24
Granted during the year	-	-	-	-
Forfeited during the year	(0.04)	-	(0.10)	-
Exercised during the year	(0.03)	0.24	(0.10)	0.24
Expired during the year	-	-	-	-
Outstanding at the end of the year	0.24	0.24	0.31	0.24
Exercisable at the end of the year	0.24	0.24	0.31	0.24

The weighted average share price for the period over which stock options were exercised was ₹ 3.84 (March 31, 2016 ₹ 5.61)

The details of exercise price for stock options outstanding at the end of the year are:

Grant No. (Grant Date)	**March 31, 2017**			
	Range of Exercise Price (₹)	**Number of Options outstanding (Crores)**	**Weighted average remaining contractual life of options (in years)**	**Weighted average exercise price (₹)**
Grant 1 (24.06.2006)	0.24	0.01	-	0.24
Grant 2 (02.07.2007)	0.24	0.06	-	0.24
Grant 3 (26.09.2007)	0.24	0.01	-	0.24
Grant 4 (24.04.2008)	0.24	0.03	-	0.24
Grant 5 (04.07.2008)	0.24	0.01	-	0.24
Grant 6 (01.11.2008)	0.24	0.00	-	0.24
Grant 7 (19.02.2009)	0.24	0.00	-	0.24
Grant 8 (29.07.2009)	0.24	0.03	-	0.24
Grant 9 (27.01.2010)	0.24	0.02	-	0.24
Grant 10 (30.04.2010)	0.24	0.01	-	0.24
Grant 11 (13.08.2010)	0.24	0.06	-	0.24
Grant 12 (12.11.2010)	0.24	0.00	-	0.24

	March 31, 2016			
Grant 1 (24.06.2006)	0.24	0.01	-	0.24
Grant 2 (02.07.2007)	0.24	0.06	-	0.24
Grant 3 (26.09.2007)	0.24	0.01	-	0.24
Grant 4 (24.04.2008)	0.24	0.03	-	0.24
Grant 5 (04.07.2008)	0.24	0.02	-	0.24
Grant 6 (01.11.2008)	0.24	0.00	-	0.24
Grant 7 (19.02.2009)	0.24	0.00	-	0.24
Grant 8 (29.07.2009)	0.24	0.05	-	0.24
Grant 9 (27.01.2010)	0.24	0.02	-	0.24
Grant 10 (30.04.2010)	0.24	0.01	0.08	0.24
Grant 11 (13.08.2010)	0.24	0.10	0.37	0.24
Grant 12 (12.11.2010)	0.24	0.00	0.62	0.24

42 Leases

Operating Lease : Company as lessee

The Company has entered into certain cancellable operating lease agreements mainly for office premises, land and infrastructure facilities' which are renewable on mutual agreement with the parties. There is an escalation clause in the lease arrangements during the lease period inline with the expected general inflation. The lease rentals charged during the year as per the agreements are as follows :

₹ Crores

	March 31, 2017	March 31, 2016
Lease rentals charged during the year		
Under Cancellable Leases	10.36	7.17

43 Capital and Other Commitments ₹ Crores

	March 31, 2017	March 31, 2016
Investment Commitment in Subsidiaries and Associates	3,568.23	4,482.91

44 Contingent Liabilities - Not probable and therefore not provided for

A. Claims disputed by the company ₹ Crores

	March 31, 2017	March 31, 2016
Sales Tax / Entry Tax Demands disputed by the Company, under appeal	100.12	613.53
Service Tax demands disputed by the Company, under appeal	140.14	140.44
Income Tax Demands disputed by the Company, under appeal*	464.83	246.13
Claims against the Company not accepted by the company	584.27	451.87

* Does not include the amounts. not quantifiable at present pertaining to draft assessment order of AY 2013-14 which is under appeal with Dispute Resolution Panel.

B. Outstanding Corporate Guarantees ₹ Crores

	March 31, 2017	March 31, 2016
Given to Financial Institutions, Banks on behalf of other group companies	32,481.20	29,061.58

45 Deferral/capitalisation of Exchange Difference

The Company has adopted the policy as per Para D13 AA of the Ind AS 101 for accounting for exchange difference arising from translation of long term foreign currency monetary items recognised in the financial statement for the period ending immediately before the beginning of first Ind AS financial reporting period as per the previous GAAP. The foreign exchange (gain) / loss arising on revaluation of long term foreign currency monetary items in so far as they relate to the acquisition of depreciable capital assets to be depreciated over the balance life of such assets and in other cases the foreign exchange (gain) / loss to be amortised over the balance period of such long term foreign currency monetary items. On availment of option, foreign exchange difference remains unamortized is ₹ 43.56 (March 31 2016: ₹ 79.39) Crores.

46 Segment Reporting

Segment information under IND AS 108 "Operating Segments" as notified under section 133 of the Companies Act has not been presented in these financial statements as the same has been presented in the Consolidated Financial Statements of the Company.

47 Related Party Transactions

a) Names of Related Parties and description of relationship.

i. Names of related parties controled by or over which control exists

S. No	Holding Company
1	Lanco Group Limited (LGL) till 13.03.2017

S. No	Subsidiary Companies		
1	Amrutha Power Private Limited (APPL)	37	Lanco Hydro Power Limited (LHPL)
2	Ananke Properties Private Limited (AnPPL)	38	Lanco Power Limited (LPL)
3	Arneb Power Private Limited (ArPPL)	39	Lanco Rambara Hydro Power Private Limited
4	Avior Power Private Limited (AvPPL)	40	Lanco Resources Australia Pty. Limited (LRAPL)
5	Banas Thermal Power Private Limited (BTPPL)	41	Lanco Resources International Pte. Limited (LRIPL)
6	Basava Power Private Limited (BPPL)	42	Lanco Solar Energy Private Limited (LSEPL)
7	Belinda Properties Private Limited (BePPL)	43	Lanco Solar Gujarat Private Limited (LSGPL) (formerly known as Lanco Property Management Company Pvt. Ltd.)
8	Bhanu Solar Projects Private Limited (BSPPL)	44	Lanco Solar Holding Netherlands B.V.
9	Bhola Electricity (Pvt) Limited (BEPL)	45	Lanco Solar International Pte Limited (LSIPL)
10	Bianca Properties Private Limited (BiPPL)	46	Lanco Solar International USA Inc.
11	Carpenter Mine Management PTY Ltd	47	Lanco Solar Power Projects Private Limited (LSPPPL)
12	Charon Trading Private Limited (CTPL)	48	Lanco Solar Private Limited (LSPL)
13	Coral Orchids Private Limited (COPL)	49	Lanco Solar Services Private Limited (LSSPL)
14	Cordelia Properties Private Limited (CoPPL)	50	Lanco Tanjore Power Company Limited (LTPCL)
15	Cressida Properties Private Limited (CrPPL)	51	Lanco Teesta Hydro Power Limited (LTHPL) (till 19.10.2015)
16	Deimos Properties Private Limited (DPPL)	52	Lanco Thermal Power Limited (LTPL)
17	Dione Properties Private Limited (DiPPL)	53	Lanco Vidarbha Thermal Power Limited (LVTPL)
18	Diwakar Solar Projects Limited (DSPL)	54	Lanco Wind Power Private Limited (LWPPL)
19	EO Power Holdco Limited (EOPHPL) (formerly known as Emerald Orchids Pvt. Ltd.)	55	LE New York - LLC
20	Green Solar SRL	56	Leda Properties Private Limited (LPPL)
21	Helene Power Private Limited		
22	Himavat Power Limited (HPL)	57	Mahatamil Mining and Thermal Energy Limited (MMTEL)
23	JH Patel Power Project Private Limited (JhPL)	58	Mercury Projects Private Limited (MPPL)
24	Jupiter Infratech Private Limited (JIPL)	59	Mimas Trading Private Limited (MTPL)
25	Khaya Solar Projects Private Limited (KSPPL)	60	Mirach Power Limited (MiPL)
26	Lanco Amarkantak Power Limited (LAPL)	61	National Energy Trading and Services Limited (NETS)
27	Lanco Anpara Power Limited (LAnPL)	62	Nekkar Power Private Limited (NPPL) (From 31.03.2017)
28	Lanco Babandh Power Limited (LBPL)	63	Neptune Projects Private Limited (NPPL)
29	Lanco Devihalli Highways Limited (LDHL)	64	Newton Solar Private Limited (NSPL)
30	Lanco Energy Private Limited(LEnPL)	65	Nix Properties Private Limited
31	Lanco Energy Talent School for Skills Private Limited (LETSSPL) (formerly known as Sabitha Solar Projects Pvt. Ltd.)	66	Orion Solar Projects Private Limited
32	Lanco Enterprise Pte. Ltd, China (LEPL)	67	P.T Lanco Indonesia Energy (LInE) (till 20.06.2016)
33	Lanco Hills Technology Park Private Limited (LHTPPL)	68	Pasiphae Power Private Limited
34	Lanco Holding Netherlands B.V (Upto 23.11.2016)	69	Pearl Farms Private Limited (PFPL)
35	Lanco Horizon Properties Private Limited (LHrPPL) (From 31.03.2017)	70	Phoebe Trading Private Limited (PTPL)
36	Lanco Hoskote Highway Limited (LHHL)	71	Portia Properties Private Limited (PPPL)

S. No	Subsidiary Companies		
72	Pragdisa EPC Limited (PEPL) (formerly known as Spire Rotor Pvt. Ltd.)	84	Lanco Power International Pte. Limited (LPIPL)
73	Regulus Power Private Limited (RPPL)	85	Sirajganj Electric (Pvt.) Limited (SEPL)
74	Siddheswara Power Private Limited (SiPPL)	86	Tasra Mining & Energy Company Private Limited (TMECPL)
75	Lanco Infratech (Mauritius) Limited (LIML) (Upto 07.10.2016)	87	Telesto Properties Private Limited (TePPL)
76	Lanco Infratech Nepal Private Limited	88	Tethys Properties Private Limited (TPPL)
77	Lanco International Pte Limited (LInPL)	89	The Griffin Coal Mining Company Pty Ltd (GCMCPL)
78	Lanco IT P.V. Investments B.V. (till 11.01.2016)	90	Thebe Properties Private Limited (ThPPL)
79	Lanco Kanpur Highways Limited (LKHL)	91	Udupi Power Corporation Limited (UPCL) (till 20.04.2015)
80	Lanco Kanpur Power Limited (LKaPL)	92	Uranus Infratech Private Limited (UIPL)
81	Lanco Kondapalli Power Limited (LKPL)	93	Uranus Projects Private Limited (UPPL)
82	Lanco Mandakini Hydro Energy Private Limited (LMHEPL)	94	Vainateya Power Private Limited (VPPL)
83	Lanco Operation & Maintenance Company Limited	95	Western Australia Coal Terminal Pty. Ltd

ii. Name of other related parties with whom transactions were carried out

S. No	Associate Companies		
1	Bay of Bengal Gateway Terminal Private Limited (BBGTPL)	6	KVK Energy Ventures Private Limited (KEVPL)
2	DDE Renewable Energy Private Limited (DREPL)	7	Lanco Teesta Hydro Power Limited (LTHPL) (from 20.10.2015)
3	Electromech Maritech Private Limited (EMPL)	8	Pragdisa Power Private Limited (PrPPL)
4	Finehope Allied Engg. Private Limited (FAEPL)	9	Saidham Overseas Private Limited (SOPL)
5	Genting Lanco Power (India) Private Limited	10	Vasavi Solar Power Private Limited (VSPPL)

S. No	Key Management Personnel		
1	Sri L. Madhusudhan Rao (Chairman) (LMR)	4	Sri Raj Kumar Roy (Whole Time Director) (RKR) (from 01.04.2016)
2	Sri G. Bhaskara Rao (Vice Chairman) (GBR)	5	Mr. S. C. Manocha (Whole Time Director) (SCM) (till 15.03.2016)
3	Sri G. Venkatesh Babu (Managing Director) (GVB)		

S. No	Close Family Members of Key Management Personnel		
1	Smt L. Rajya Lakshmi (Spouse of LMR) (LRL)	5	Sri G. Avinash (Son of GBR) (GA) (till 31.03.2016)
2	Smt. G. Padmavathi (Spouse of GBR) (GP)	6	Sri L. Rajagopal (Brother of Chairman) (LR)
3	Smt. L. Padma (Spouse of LR) (LP)	7	Sri L. Sridhar (Brother of LMR) (LS)
4	Smt. L. Sirisha (Spouse of LS) (LSi)		

S. No	Enterprises Controlled or significantly influenced by Key Management Personnel or their Close Family Members		
1	Chatari Hydro Power Private Limited (CaPTL)	6	Lanco Kerala Seaports Private Limited (LKSPL)
2	Cygnus Solar Projects Private Limited (CsPPL)	7	Lanco Rani Joint Venture (LR)
3	Lanco Bay Technology Park Private Limited (LBTPL)	8	Lanco Transport Network Company Private Limited (LTNCPL)
4	Lanco Foundation (LF)	9	LCL Foundation (LCL)
5	Lanco Horizon Properties Private Limited (LHrPPL) (Till 30.03.2017)	10	Nekkar Power Private Limited (NePPL) (Till 30.03.2017)

b) Summary of transactions with related parties are as follows:

(₹ Crores)

	For the Year ended March 31, 2017											
Nature of Transaction	**Parent Company**		**Subsidiary Companies**		**Associate Companies**		**Key Management Personnel**		**Close Family Members of Key Management Personnel**		**Enterprises Controlled or significantly influenced by key management personnel or their close family members**	
	Party Name	**Amount**	**Party Name**	**Amount**	**Party Name**	**Amount**	**Party Name**	**Amount**	**Party Name**	**Amount**	**Party Name**	**Amount**
Rent Received			LTPCL	0.23								
Contract Services Rendered			LAPL	501.72								
			LBPL	164.72								
			LSPL	129.40								
			LHTPPL	60.40								
			LMHEPL	53.06								
			LVTPL	8.99								
			LSEPL	7.53								
				925.83								
Contract Services/ Shared Services Provided/(Availed)			LPL	1.83	LTHPL	0.45						
			LSEPL	1.31								
			LAPL	1.02								
			LSPL	0.82								
			LBPL	0.80								
			LAnPL	0.69								
			TMECPL	0.66								
			LVTPL	0.46								
			NETS	0.42								
			LSSPL	0.16								
			LMHEPL	0.16								
			LHPL	0.11								
			LTPL	0.11								
			HPL	0.11								
				8.65		**0.45**						
Interest Received			LRIPL	30.47								
			LSPL	0.54								
			LHTPPL	0.14								
				31.15								
Interest Paid on Intercorporate Loans			NETS	2.17								
Interest paid on mobilisation advance			LAPL	12.92								
Managerial Remuneration : Short Term/ Post Term Employee Benefits							GVB	3.98				
							RKR	2.54				
							LMR	0.79				
							GBR	0.65				
								7.96				
Sitting Fee									LS	0.01		
Investment in Debentures			LDHL	10.13								
Share Application Money Paid during the year			LSEPL	77.50								
			LVTPL	66.07								
			LPL	20.15								
			LHTPPL	17.00								
			TMECPL	4.83								
				185.55								
Management Consultancy Fee Charged			LAnPL	14.40	LTHPL	3.00						
			LKPL	10.04								
			LAPL	7.20								
			NETS	1.80								
			LTPCL	1.20								
			LTPL	0.12								
			LHPL	0.12								
				34.88		**3.00**						
Work Contract Expenses			LInPL	142.14								

(₹ Crores)

	For the Year ended March 31, 2017											
Nature of Transaction	**Parent Company**		**Subsidiary Companies**		**Associate Companies**		**Key Management Personnel**		**Close Family Members of Key Management Personnel**		**Enterprises Controlled or significantly influenced by key management personnel or their close family members**	
	Party Name	**Amount**	**Party Name**	**Amount**	**Party Name**	**Amount**	**Party Name**	**Amount**	**Party Name**	**Amount**	**Party Name**	**Amount**
Operation & Maintenance Expenses			LSSPL	3.20								
Receipts/Payments/ Adjustments (Net)+(-)			LInPL	297.54	LTHPL	(0.36)	LMR	0.02	LS	0.03	LR	0.01
			AnPPL	36.10			GBR	0.02	LR	0.02	LF	0.00
			BePPL	35.90			RKR	(0.01)	LP	0.00		
			BiPPL	35.90			GVB	(0.02)	GP	0.00		
			TPPL	35.90								
			LSIPL	23.88								
			LPL	10.24								
			LSSPL	7.66								
			LPPL	5.92								
			LSGPL	3.28								
			CrPPL	2.55								
			AvPPL	2.42								
			PPPL	2.05								
			COPL	1.74								
			HPL	1.05								
			LTPL	0.93								
			LKHL	0.83								
			TMECPL	0.56								
			ThPPL	0.45								
			NETS	0.29								
			EOPL	0.08								
			LWPPL	0.07								
			PEPL	0.04								
			LEnPL	0.03								
			MMTEL	0.03								
			LHPL	0.02								
			NePPL	0.01								
			LSPPPL	(0.00)								
			MTPL	(0.01)								
			LEPL	(0.05)								
			CPPL	(0.14)								
			JIPL	(1.13)								
			LTPCL	(1.44)								
			LHHL	(1.78)								
			UIPL	(2.44)								
			UPPL	(3.00)								
			LDHL	(3.35)								
			TePPL	(3.93)								
			NPPL	(4.64)								
			PFPL	(5.82)								
			DiPPL	(7.30)								
			LKPL	(11.33)								
			LSEPL	(11.54)								
			LRIPL	(12.21)								
			DPPL	(14.11)								
			VPPL	(15.24)								
			DSPL	(18.74)								
			LAnPL	(20.82)								
			LHTPPL	(22.41)								

(₹ Crores)

Nature of Transaction	For the Year ended March 31, 2017											
	Parent Company		Subsidiary Companies		Associate Companies		Key Management Personnel		Close Family Members of Key Management Personnel		Enterprises Controlled or significantly influenced by key management personnel or their close family members	
	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount
			LMHEPL	(45.67)								
			GCMCPL	(54.70)								
			MPPL	(87.53)								
			LVTPL	(100.44)								
			LSPL	(147.51)								
			LAPL	(348.60)								
			LBPL	(406.92)								
				(847.30)		**(0.36)**		**0.00**		**0.04**		**0.01**
Purchase of Shares			MPPL	114.30			GBR	0.02	LS	0.02		
			TPPL	1.92			LMR	0.02	LR	0.02		
			AnPPL	1.92					LP	0.01		
			BePPL	1.92					GP	0.00		
			BiPPL	1.92								
			LWPPL	0.11								
			CTPL	0.00								
			PTPL	0.00								
				122.09				**0.04**		**0.05**		
Sale of Shares			DPPL	14.10								
			DiPPL	7.30								
			NPPL	4.64								
			UIPL	3.43								
			UPPL	3.00								
			JIPL	2.60								
			COPL	2.21								
			ThPPL	1.10								
			LPPL	0.78								
			PPPL	0.78								
			CrPPL	0.63								
			LSEPL	0.01								
			LTPL	0.01								
				40.59								
Purchase of Goods			MPPL	49.99								
			LSEPL	21.37								
			LHTPPL	0.56								
				71.92								
Sale of Goods/Power			LHTPPL	0.05								
			LHHL	0.01								
				0.06								
Inter Corporate Loans given/ (refunded)/ (Converted) during the year			LSGPL	40.00	LTHPL	37.41						
			MPPL	27.43								
			VPPL	15.25								
			LHTPPL	(7.26)								
			LAPL	(31.54)								
				43.88		**37.41**						
Sale of Fixed Assets			LHHL	0.15								
			LHTPPL	0.04								
			LTPL	0.00								
			LAnPL	0.00								
				0.19								

(₹ Crores)

Nature of Transaction	For the Year ended March 31, 2017											
	Parent Company		Subsidiary Companies		Associate Companies		Key Management Personnel		Close Family Members of Key Management Personnel		Enterprises Controlled or significantly influenced by key management personnel or their close family members	
	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount
Debts Outstanding in respect of Corporate Guarantee Given to Bank/FI on Behalf of Related Parties			LAPL	9,128.02	SOPL	45.35						
			LBPL	6,794.64	DREPL	38.07						
			LRIPL	5,705.80	VSPPL	25.19						
			LVTPL	4,577.69	FAEPL	25.19						
			LKPL	3,683.96	EMPL	22.60						
			LSPL	1,017.62								
			LIPL	387.09								
			LDHL	323.33								
			LAnPL	200.06								
			LMHEPL	169.01								
			LHTPPL	142.75								
			LSEPL	128.38								
			KSPPL	43.84								
			NSPL	22.60								
				32,324.79		**156.40**						
Outstanding Bank Guarantee given to beneficiaries on behalf of Related Parties			LSEPL	595.11								
			LBPL	211.57								
			LAPL	184.17								
			LANPL	129.10								
			HPL	99.10								
			TMECPL	50.00								
			LVTPL	38.45								
			LKHL	7.20								
			LMHEPL	5.72								
				1,320.40								
Balance Receivable at the year end-Share Application Money			TMECPL	1.30							CaPTL	0.03
Balance Receivable at the year end-Inter Corporate Loans			LRIPL	482.16	LTHPL	37.41						
			LTPL	293.96								
			LHPL	196.19								
			LPL	112.08								
			LSGPL	40.00								
			MPPL	27.43								
			VPPL	15.25								
			LSPL	4.50								
			LWPPL	3.34								
				1,174.91		**37.41**						
Balance Receivable at the year end-OTHERS (Trade Receivables and Other Receivables)			LTPL	980.35	LTHPL	116.39					LR	11.57
			LAPL	463.25							LF	0.53
			LBPL	282.02							CSPPL	0.00
			LHPL	185.03								
			MPPL	131.05								
			LInPL	116.89								
			LHTPPL	104.46								
			MMTEL	80.87								
			LRIPL	77.98								
			LHHL	63.26								
			LAnPL	28.82								
			LSEPL	18.18								
			LDHL	5.89								

(₹ Crores)

Nature of Transaction	For the Year ended March 31, 2017											
	Parent Company		Subsidiary Companies		Associate Companies		Key Management Personnel		Close Family Members of Key Management Personnel		Enterprises Controlled or significantly influenced by key management personnel or their close family members	
	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount
			HPL	4.48								
			LMHEPL	4.10								
			TMECPL	2.53								
			AvPPL	2.42								
			NETS	2.23								
			LSPL	1.94								
			VPPL	1.34								
			BTPPL	1.27								
			DSPL	1.00								
			LPL	0.92								
			LWPPL	0.46								
			LTPCL	0.22								
			LVTPL	0.20								
			LKHL	0.17								
			LEPL	0.10								
			LEnPL	0.10								
			GCMCPL	0.04								
			TePPL	0.02								
			LHrPPL	0.02								
			PPPL	0.01								
			PFPL	0.00								
			DPPL	0.00								
			LKPL	(0.03)								
			LSGPL	(5.50)								
				2,556.09		**116.39**						**12.10**
Balance Payable at the year end-Inter Corporate Loans			NETS	15.00								
Balance Payable at the year end-OTHERS			LBPL	1,599.97	LTHPL	172.79	GVB	0.04	LS	0.01	LR	0.88
			LAPL	996.85	PrPPL	7.28	RKR	0.01			LF	0.17
			LVTPL	974.81			GBR	0.01			LCL	0.14
			LInPL	820.32								
			LAnPL	279.20								
			HPL	223.36								
			LSPL	199.63								
			LHTPPL	194.79								
			LKHL	143.57								
			LMHEPL	84.19								
			MPPL	57.48								
			LSEPL	11.70								
			LKPL	11.02								
			LSIPL	2.66								
			NETS	1.95								
			LSSPL	0.93								
			PTPL	0.90								
			UIPL	0.31								
			UPPL	0.07								
			LHrPPL	0.07								
			LRAPL	0.05								
			CTPL	0.00								
				5,603.81		**180.07**		**0.06**		**0.01**		**1.19**

(₹ Crores)

	For the Year ended March 31, 2016											
Nature of Transaction	Parent Company		Subsidiary Companies		Associate Companies		Key Management Personnel		Close Family Members of Key Management Personnel		Enterprises Controlled or significantly influenced by key management personnel or their close family members	
	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount
Rent Received			LTPCL	0.20								
Contract Services Rendered			LBPL	642.14	LTHPL	6.39						
			LAPL	395.81								
			LAnPL	200.24								
			LVTPL	149.93								
			LSPL	147.43								
			LKPL	50.18								
			LMHEPL	47.55								
			LHTPPL	32.93								
			LHHL	8.50								
			LTHPL	8.44								
			LSEPL	4.35								
				1,687.50		6.39						
Contract Services/ Shared Services Provided/(Availed)			LPL	2.28	LTHPL	0.20						
			LSEPL	1.00								
			LAPL	0.85								
			LAnPL	0.85								
			LBPL	0.71								
			NETS	0.43								
			LSPL	0.43								
			HPL	0.28								
			TMECPL	0.28								
			LTHPL	0.25								
			LVTPL	0.21								
			LSSPL	0.14								
			LMHEPL	0.14								
			LHPL	0.14								
			LTPL	0.14								
				8.15		0.20						
Interest Received on Intercorporate Loans			LRIPL	28.20								
			LSEPL	3.41								
			LKPL	2.63								
			LSPL	0.54								
			LHTPPL	0.38								
				35.16								
Interest Paid on Intercorporate Loans			LAnPL	3.35								
			NETS	2.85								
				6.20								
Interest on Mobilisation Advance - Paid/(Received)			LAPL	13.64								
			LAnPL	8.18								
			MPPL	(3.03)								
				18.79								
Managerial Remuneration : Short Term/ Post Term Employee Benefits							GVB	3.85				
							SCM	2.26				
							GBR	0.60				
							LMR	0.60				
								7.31				
Employee Cost									GA	0.37		

(₹ Crores)

	For the Year ended March 31, 2016											
Nature of Transaction	Parent Company		Subsidiary Companies		Associate Companies		Key Management Personnel		Close Family Members of Key Management Personnel		Enterprises Controlled or significantly influenced by key management personnel or their close family members	
	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount
Sitting Fee									LS	0.02		
Purchase /(Sale) of Shares			LHPL	(25.00)	PrPPL	3.08	GBR	0.01	LRL	0.01		
			NETS	(55.46)			LMR	0.01	GP	0.01		
			LTPL	(89.11)					LSi	0.01		
									LP	0.01		
									LS	0.01		
				(169.58)		3.08		0.02		0.05		
Investment in Debentures			LHHL	18.27								
			LHTPPL	17.50								
			LDHL	13.78								
				49.55								
Share Application Money Paid during the year			LSEPL	193.83								
			LVTPL	70.25								
			LPL	64.65								
			LMHEPL	25.00								
			TMECPL	2.38								
			UPPL	0.13								
			MMTEL	0.12								
			LKHL	0.10								
			AnPPL	0.01								
			BPPL	0.01								
				356.47								
Management Consultancy Fee Charged			LTPL	34.62	LTHPL	1.34						
			LAnPL	14.40								
			LAPL	7.20								
			PPPL	5.77								
			NETS	3.60								
			LTHPL	1.66								
			LHHL	1.53								
			LDHL	1.28								
			LTPCL	1.20								
			UPCL	0.80								
			LHPL	0.12								
				72.17		1.34						
Work Contract Expenses			LInPL	659.67								
Operation & Maintenance Expenses			LSSPL	3.51								
			LTHPL	0.12								
				3.63								
Claims Recovered			LTPL	83.54								
			PPPL	42.47								
				126.01								

(₹ Crores)

	For the Year ended March 31, 2016											
Nature of Transaction	Parent Company		Subsidiary Companies		Associate Companies		Key Management Personnel		Close Family Members of Key Management Personnel		Enterprises Controlled or significantly influenced by key management personnel or their close family members	
	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount
Receipts/Payments/ Adjustments (Net)+(-)			HPL	271.69	LTHPL	0.44	GVB	(0.01)			LF	0.01
			LSEPL	206.88	PrPPL	0.01	SCM	0.01				
			LInPL	61.28								
			LRIPL	24.99								
			MPPL	15.46								
			LEnPL	3.16								
			LSSPL	3.01								
			LPL	2.63								
			LKHL	1.77								
			TMECPL	0.44								
			MMTEL	0.20								
			LKaPL	0.10								
			LHPL	0.03								
			GCMCPL	0.01								
			AvPPL	0.01								
			LEPL	0.00								
			DPPL	0.00								
			UPPL	(0.07)								
			LHHL	(0.07)								
			LDHL	(0.16)								
			LWPPL	(0.24)								
			SEPL	(0.48)								
			LTPCL	(1.38)								
			LSIPL	(1.50)								
			BEPL	(2.92)								
			LAnPL	(36.72)								
			PPPL	(48.24)								
			NETS	(56.56)								
			LHTPPL	(60.19)								
			LMHEPL	(81.38)								
			LKPL	(87.32)								
			LSPL	(150.50)								
			LAPL	(173.75)								
			LVTPL	(175.73)								
			UPCL	(291.56)								
			LBPL	(328.52)								
			LTPL	(445.66)								
				(1,351.29)		0.45		0.00				0.01
Purchase of Goods/Power			MPPL	35.37								
			LSEPL	29.66								
			LHTPPL	2.57								
				67.61								
Sale of Goods/Power			MPPL	106.18								
			LSEPL	0.95								
				107.13								
Inter Corporate Loans given/ (refunded) during the year			LHTPPL	7.26								
			LWPPL	0.09								
			LAPL	(17.00)								
			LSEPL	(46.77)								
				(56.43)								

(₹ Crores)

	For the Year ended March 31, 2016											
Nature of Transaction	Parent Company		Subsidiary Companies		Associate Companies		Key Management Personnel		Close Family Members of Key Management Personnel		Enterprises Controlled or significantly influenced by key management personnel or their close family members	
	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount
Inter Corporate Loans (taken)/ Repaid during the year	LGL	167.06	LAnPL	45.00								
			NETS	7.11								
		167.06		52.11								
Purchase of Fixed Assets			LSEPL	0.16								
			UPCL	0.02								
			LPL	0.00								
			LVTPL	0.00								
				0.19								
Sale of Fixed Assets			LHTPPL	10.47								
			LPL	0.02								
			LBPL	0.00								
				10.49								
Corporate Guarantee Given to Bank/FI on Behalf of Related Parties			LAPL	7,639.80	SOPL	48.11						
			LRIPL	5,837.30	DREPL	40.25						
			LBPL	5,560.90	VSPPL	28.44						
			LVTPL	3,884.28	FAEPL	28.44						
			LKPL	3,538.04	EMPL	25.52						
			LSPL	958.49								
			LIPL	398.00								
			LDHL	322.11								
			LAnPL	221.94								
			LMHEPL	169.02								
			LHTPPL	141.36								
			LSEPL	127.19								
			KSPPL	46.40								
			NSPL	25.52								
			DSPL	20.49								
				28,890.82		170.76						
Bank Guarantee given to beneficiaries on behalf of Related Party			LSEPL	530.41								
			LBPL	212.03								
			LAPL	184.17								
			LANPL	129.10								
			HPL	99.10								
			TMECPL	50.00								
			LVTPL	38.45								
			LEPL	22.00								
			LKHL	7.20								
			LMHEPL	5.72								
				1,278.16								
Balance Receivable at the year end-Share Application Money			TMECPL	0.30							CaPTL	0.03
				0.30								0.03
Balance Receivable at the year end-Inter Corporate Loans			LRIPL	493.27								
			LTPL	293.96								
			LHPL	196.19								
			LPL	112.08								
			LAPL	31.54								
			LHTPPL	7.26								
			LSPL	4.50								
			LWPPL	3.34								
				1,142.14								

(₹ Crores)

	For the Year ended March 31, 2016											
Nature of Transaction	Parent Company		Subsidiary Companies		Associate Companies		Key Management Personnel		Close Family Members of Key Management Personnel		Enterprises Controlled or significantly influenced by key management personnel or their close family members	
	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount
Balance Receivable at the year end-OTHERS (Trade Receivables and Other Receivables)			LTPL	979.19	LTHPL	113.30					LR	11.57
			LAPL	444.37							LF	0.53
			LBPL	429.93								
			LInPL	321.32								
			LHPL	184.78								
			MPPL	166.10								
			LVTPL	86.87								
			MMTEL	80.84								
			LHHL	64.89								
			LHTPPL	64.39								
			GCMCPL	54.74								
			LRIPL	48.60								
			LSPL	41.21								
			LAnPL	34.56								
			LSEPL	33.47								
			LDHL	9.24								
			HPL	3.67								
			VPPL	1.34								
			TMECPL	1.31								
			LMHEPL	1.30								
			DSPL	1.00								
			LWPPL	0.50								
			LTPCL	0.22								
			LEPL	0.16								
			LEnPL	0.07								
			LHrPPL	0.02								
			DPPL	0.00								
			NETS	0.00								
				3,054.06		113.30						12.10
Balance Payable at the year end-Inter Corporate Loans			NETS	15.00								
				15.00								

(₹ Crores)

	For the Year ended March 31, 2016											
Nature of Transaction	Parent Company		Subsidiary Companies		Associate Companies		Key Management Personnel		Close Family Members of Key Management Personnel		Enterprises Controlled or significantly influenced by key management personnel or their close family members	
	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount
Balance Payable at the year end-OTHERS			LBPL	1,506.49	LTHPL	172.79	GVB	0.02			LR	0.89
			LInPL	1,180.16	PrPPL	7.28					LF	0.17
			LAPL	1,094.03							LCL	0.14
			LVTPL	919.49								
			LAnPL	279.20								
			HPL	223.69								
			LSPL	222.15								
			LKHL	144.23								
			LHTPPL	124.63								
			LMHEPL	88.93								
			AnPPL	46.85								
			BiPPL	46.85								
			TPPL	46.85								
			MPPL	39.14								
			BePPL	38.50								
			LSIPL	26.54								
			LPL	11.15								
			LKPL	9.75								
			LSSPL	5.55								
			LSEPL	2.93								
			PTPL	0.89								
			LHrPPL	0.07								
			UPPL	0.07								
			LRAPL	0.05								
				6,058.20		180.07		0.02				1.20

48 Fair value measurements

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the financial statement are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data.

(ii) Financial assets measured at fair value through Profit & Loss (FVTPL)

a. Financial assets measured at fair value – recurring fair value measurements

₹ Crores

31 March 2017	**Level 1**	**Level 2**	**Level 3**	**Total**
Listed equity instruments	5.52	-	-	5.52
Mutual funds	-	3.10	-	3.10
Debentures	-	1.00	-	1.00
Total	**5.52**	**4.10**	**-**	**9.62**
31 March 2016	Level 1	Level 2	Level 3	Total
Listed equity instruments	5.84	-	-	5.84
Mutual funds	-	2.95	-	2.95
Debentures	-	1.00	-	1.00
Total	5.84	3.95	-	9.79

b. Financial instruments measured at amortised cost

Financial instruments measured at amortised cost for which the fair value is disclosed, refer note 7 (III) (A) (i)

c. Valuation process and techniques used to determine fair value for financial assets

Level - 1

(i) Use of quoted market prices

(iii) Fair value measurement of non-financial assets

a. The following table shows the Levels within the hierarchy of non-financial assets measured at fair value on the transition date.

₹ Crores

01 April 2015	Level 1	Level 2	Level 3	Total
Land	-	15.40	-	15.40
Total	**-**	**15.40**	**-**	**15.40**

b. Valuation process and techniques used to determine fair value for non financial assets

Level - 2

(i) Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices).

(ii) a. Input level 2 adjustment considered (Condition & Location: +2%, Demand: +2%, Volume of Activity: + 1% & Highest and Best Use Consideration: +2%), Net Premium/Discount = +7%.

b. Input level 2 adjustment considered (Condition & Location: +1%, Demand: +1%, Volume of Activity: + 0% & Highest and Best Use Consideration: 0 %), Net Premium/Discount =+2%.

c. Reconciliation

₹ Crores

	Land
Previous GAAP Carrying Amount	9.97
Fair Valuation Impact credited to Translation Reserve	5.43
	15.40

49 Financial Risk Management Objectives and Policies

a. Capital Management

The objective of the Company's capital management structure is to ensure sufficient liquidity to support its business and provide adequate return to shareholders. Management monitors the long term cash flow requirements including externally imposed capital requirements of the business in order to assess the requirement for changes to the capital structure to meet the said objective. As part of this monitoring, the management considers the cost of capital and the risks associated with each class of capital and makes adjustments to the capital structure, where appropriate, in light of changes in economic conditions and the risk characteristics of the underlying assets. The funding requirement is met through a combination of equity, internal accruals, borrowings or undertake other restructuring activities as appropriate.

No changes were made in the objectives, policies or processes during the year ended 31 March 2017.

₹ Crores

The Company's capital and net debt were made up as follows:	**March 31, 2017**	March 31, 2016
Net debt (Long term debt less Cash and Cash equivalent)	5,949.97	6,335.83
Total equity	1,037.66	1,904.57

b. Financial Risk Management Framework

Company's principal financial liabilities comprise borrowings, trade payables and Other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations and projects under implementation. The Company's principal financial assets include investments, tade receivables, loans, cash and bank balances and other financial assets.

Risk Exposures and Responses

The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews policies for managing each of these risks, which are summarised below :

i) **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk i.e. interest rate risk, currency risk, Commodity risk and other price risk.

Interest rate risk

The company obtains financing through borrowings and also provide loans & advances to group companies. The Company's policy is to obtain the most favourable interest rates available.

The Company's exposure to interest rate risk relates primarily to interest bearing financial liabilities. Interest rate risk is managed by the company on an on-going basis with the primary objective of limiting the extent to which interest expense could be affected by an adverse movement in interest rates.

Sensitivity Analysis

An increase/decrease of 100 basis points in interest rate at the end of the reporting period for the variable financial instruments would (decrease)/increase profit after taxation for the year by the amounts shown below. This analysis assumes all other variables remain constant.

₹ Crores

	Profit / (Loss) after taxation	
	March 31, 2017	March 31, 2016
Financial Liabilities - Borrowings		
+1% (100 basis points)	(79.70)	(76.98)
-1% (100 basis points)	79.70	76.98

There is no hedging instruments to mitigate this risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk arising from transactions i.e. imports of materials, recognised assets and liabilities denominated in a currency that is not the company's functional currency.

Company's Total Foreign currency exposure *

Particulars	**March 31, 2017**			
	Currency	**Exchange Rate**	**Amount in Foreign Currency (Crores)**	**Amount in ₹ (Crores)**
Trade Receivables	USD	64.84	12.73	825.32
Trade Payables	USD	64.84	21.14	1,370.52
Trade Payables	EURO	69.25	0.11	7.59
Advance to Suppliers	USD	51.14	3.98	203.74
Advance to Suppliers	EURO	74.64	0.11	8.37
Advance from Customers	USD	46.33	17.84	826.72
Loan Receivable	USD	64.84	8.64	560.13
Foreign currency term loans	USD	64.84	5.87	380.64
	March 31, 2016			
Trade Receivables	USD	66.33	14.32	950.21
Trade Payables	USD	66.33	26.28	1,743.29
Trade Payables	EURO	75.10	0.06	4.41
Advance to Suppliers	USD	54.45	7.53	410.16
Advance to Suppliers	EURO	72.15	0.01	0.38
Advance from Customers	USD	46.22	18.34	847.59
Loan Receivable	USD	66.33	8.17	541.87
Foreign currency term loans	USD	66.33	8.44	559.92

* Total Foreign currency exposure as on March 31, 2017 and March 31, 2016 is unhedged.

Sensitivity

If foreign currency rates had moved as illustrated in the table below, with all other variables held constant, currency fluctuations on unhedged foreign currency denominated financial instruments, post tax profit would have been affected as follows:

₹ Crores

	Profit / (Loss) after taxation	
	March 31, 2017	March 31, 2016
USD sensitivity		
INR/USD- increase by 5%	(18.29)	(40.56)
INR/USD- decrease by 5%	18.29	40.56
EURO sensitivity		
INR/Euro- increase by 5%	(0.38)	(0.22)
INR/Euro- decrease by 5%	0.38	0.22

Commodity Risk

The company has commodity price risk, primarily related to construction materials and consumables and the company monitors its purchases closely to optimise the price.

Other Price Risk

The Company's exposure to price risk arises from investments held and classified in the balance sheet as fair value through profit or loss. The majority of the company's equity investments are not publicly traded and hence, information related to sensitivity analysis is not presented.

ii. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily for trade and other receivables) and from its financing activities, including short-term deposits with banks and financial institutions, and other financial assets.

Credit risk management

The finance function of the Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assesses the credit risk for each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

The risk parameters are same for all financial assets for all periods presented. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due . A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Bank Deposits: The credit risk is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Other Financial Assets: The company ensures concentration of credit does not significantly impair the financial assets since the customers to whom the exposure of credit is taken are well established and reputed industries engaged in their respective field of business. The creditworthiness of customers to which the company grants credit in the normal course of the business is monitored regularly.

The maximum exposure for credit risk at the reporting date is the carrying value of financial assets as stated in the balance sheet. The Company does not hold any credit derivatives to offset its credit exposure.

Provision for expected credit losses

Loans: The Company provides for expected credit loss based on general appoach (lifetime) expected credit loss mechanism as mentioned below.

₹ Crores

Reporting period	Gross carrying amount at default	Expected credit losses	Net Carrying amount
As at 31 March 2017	196.57	196.57	-
As at 31 March 2016	196.57	196.57	-
As at 1 April 2015	196.57	196.57	-

Trade Receivables : The company provides for expected credit loss under simplified approach.

Reconciliation of Allowance/Impairment for Financial Assets ₹ Crores

Particulars	Investments	Trade Receivables	Loans
Loss allowance as on 1 April 2015			
Add / (less)			
Modification of contractual cash-flows that did not result in de-recognition	-	30.80	-
Recoveries	-	(2.81)	-
Impairment	2.80	-	196.57
Loss allowance as on 31 March 2016	2.80	27.99	196.57
Add / (less)			
Modification of contractual cash-flows that did not result in de-recognition	-	57.46	-
Recoveries	-	-	-
Impairments	-	-	-
Loss allowance as on 31 March 2017	**2.80**	**85.45**	**196.57**

iii. Liquidity risk

Liquidity risk arises from the financial liabilities of the Company and the Company's subsequent ability to meet its obligations to repay its financial liabilities as and when they fall due. The company regularly monitors its risk to a shortage of funds.

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital facilities, and borrowings. The company has reviewed the borrowings maturing within 12 months.

The following table details the remaining contractual maturities of the company's financial liabilities at the end of the reporting period, which are based on the contractual undiscounted cash flows and the earliest date the company is required to pay:

₹ Crores

Particulars	Weighted average interest rate (%)	Less than 1 year	More than 1 year
31 March 2017			
Borrowings - Variable Interest Rate	11.20%	3,497.38	3,862.74
Borrowings - Fixed Interest Rate	13.00%	15.00	-
Trade Payables & Other Financial Liabilities		3,330.51	726.97
Total		**6,842.89**	**4,589.71**
31 March 2016			
Borrowings - Variable Interest Rate	10.67%	2,415.02	5,189.35
Borrowings - Fixed Interest Rate	13.00%	15.00	-
Trade Payables & Other Financial Liabilities		3,118.62	786.33
Total		5,548.64	5,975.68

c. Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

₹ Crores

	March 31, 2017	
	FVTPL	**Amortised Cost**
Financial assets		
Investments		
Equity Shares	5.52	-
Preference shares	-	0.39
Debentures	1.00	-
Mutual funds	3.10	-
Trade receivables	-	2,050.85
Loans	-	1,034.28
Cash and cash equivalents	-	32.76
Bank Balances	-	20.12
Other Financial Assets	-	1,459.44
Total	**9.62**	**4,597.84**
Financial liabilities		
Borrowings	-	5,216.58
Trade payables	-	3,159.64
Other Financial Liabilities	-	3,017.81
Total	**-**	**11,394.03**

₹ Crores

	March 31, 2016	
	FVTPL	Amortised Cost
Financial assets		
Investments		
Equity Shares	5.84	-
Preference shares	-	72.98
Debentures	1.00	-
Mutual funds	2.95	-
Trade receivables	-	2,546.62
Loans	-	961.57
Cash and cash equivalents	-	24.90
Bank Balances	-	40.49
Other Financial Assets	-	1,467.85
Total	9.79	5,114.41
Financial liabilities		
Borrowings	-	6,401.44
Trade payables	-	3,418.30
Other Financial Liabilities	-	1,658.01
Total	-	11,477.75

50 First Time Adoption of IndAS - Disclosures

A Balance Sheet as on April 01, 2015 (IndAS translation date)

₹ Crores

Particulars	Amount
ASSETS	
(1) Non Current Assets	
(a) Property, Plant and Equipment	894.52
(b) Capital work-in-progress	1.73
(c) Investment Property	1.37
(d) Other Intangible assets	3.11
(e) Financial Assets	
(i) Investments	9,711.20
(ii) Trade receivables	712.57
(iii) Loans	496.23
(iv) Other financial assets	48.41
Total Financial Asset	**10,968.41**
(f) Deferred tax assets (net)	17.75
(g) Other non current assets	876.78
Total Non Current Assets	**12,763.67**
(2) Current assets	
(a) Inventories	1,426.64
(b) Financial Assets	
(i) Investments	1,253.76
(ii) Trade receivables	1,415.30
(iii) Loans	491.59
(iv) Cash and cash equivalents	303.68
(v) Bank balances	25.97
(vi) Other financial assets	1,839.78
Total Financial Asset	**5,330.08**
(c) Other current assets	751.51
Total Current Assets	**7,508.23**
Total Assets	**20,271.90**
EQUITY AND LIABILITIES	
A EQUITY	
(a) Equity Share Capital	245.09
(b) Other Equity	1,787.51
Total Equity	**2,032.60**
B LIABILITIES	
(1) Non Current Liabilities	
(a) Financial Liabilities	
(i) Borrowings	5,227.56
(ii) Trade payables	821.34
Total Financial Liabilities	**6,048.90**
(b) Provisions	29.18
(c) Other non current liabilities	3,210.76
Total Non Current Liabilities	**9,288.84**
(2) Current Liabilities	
(a) Financial Liabilities	
(i) Borrowings	1,140.12
(ii) Trade payables	2,007.30
(iii) Other financial liabilities	979.05
Total Financial Liabilities	**4,126.47**
(b) Other current liabilities	4,800.65
(c) Provisions	22.70
(d) Current tax liabilities (Net)	0.64
Total Current Liabilities	**8,950.46**
Total Equity and Liabilities	**20,271.90**

B Reconciliation of Net worth as previously reported under Indian GAAP Vs IND AS

₹ Crores

	March 31, 2016	March 31, 2015
Net worth as per I GAAP financials	1,755.92	2,030.32
Ind AS: Adjustments increase / (decrease):		
Freehold Land Fair Valuation	5.43	5.43
Inter Corporate Loan Equity Component	-	167.06
Debentures Equity Component	321.45	-
Measurement of financial assets at fair value	(0.62)	2.92
Measurement of financial liabilities at amortised cost	46.57	53.89
Provision For Expected Credit Loss	(224.18)	(226.99)
Net worth as reported under IND AS	**1,904.57**	2,032.60

C Reconciliation of PAT as previously reported under Indian GAAP Vs. IND AS ₹ Crores

	March 31, 2016
Net Profit/ (Loss) after Tax as per Previous Indian GAAP	(445.00)
Ind AS: Adjustments Profit increase / (decrease):	
Measurement of financial assets at fair value	(3.54)
Measurement of financial liabilities at amortised cost	(7.32)
Actuarial Gain / (Loss) on employee defined benefit obligation recognised in OCI	0.41
Provision for expected credit loss	2.81
Net Profit/ (Loss) after Tax before OCI as per the IND AS	**(452.63)**

51 Disclosure in respect of Loans and advances in the nature of Loans as required under regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

₹ Crores

Name of the Company	**Amount outstanding as at**		**Maximum amount outstanding during the year**	
	March 31, 2017	March 31, 2016	**March 31, 2017**	March 31,2016
Subsidiaries				
Lanco Hydro Power Limited #	196.19	196.19	196.19	196.19
Lanco Thermal Power Limited#	293.96	293.96	293.96	293.96
Lanco Amarkantak Power Limited #	-	31.54	31.54	41.54
Lanco Solar Energy Pvt Ltd	-	-	-	46.77
Lanco Solar Private Limited	4.50	4.50	4.50	4.50
Lanco Power Limited #	112.08	112.08	112.08	112.08
Lanco Resources International Pte Limited	482.16	493.27	505.33	493.27
Lanco Hills Technology Park Private Limited	-	7.26	12.26	10.78
Lanco Solar (Gujarat) Private Limited	40.00	-	40.00	-
Mercury Projects Private Limited#	27.43	-	198.43	-
Vainateya Power Private Limited #	15.25	-	15.25	-
Lanco Wind Power Private Limited #	3.34	3.34	3.34	3.34
Associate Company				
Lanco Teesta Hydro Power Limited	37.41	-	37.41	-

Lower than bank rate

52 Disclosures required under Section 22 of MSMED Act 2006 under the Chapter on Delayed Payments to Micro and Small Enterprises

₹ Crores

		March 31, 2017	March 31, 2016
(a)	Amount remaining unpaid to micro,small and medium enterprises at the end of the year		
	Principal Amount	6.65	3.26
	Interest thereon	1.68	1.05
	Total	**8.33**	4.31
(b)	Amount of payments made to micro,small and medium enterprises beyond the appointed date during the year		
	Principal Amount	0.65	2.69
	Interest Actually paid under section 16 of the Act	-	0.01
	Total	**0.65**	2.70
(c)	Interest accrued (Including interest under section 16 of the Act) and remaining unpaid at the end of the year		
	Interest accrued during the year	0.63	0.64
	Interest remaining unpaid during the year	1.68	1.05

53 Details of Specified Bank Notes(SBN) held and transacted during the period

₹ Crores

	SBN	Other Denomination notes
Closing Cash in Hand as on 08.11.2016	0.05	0.01
Permitted Receipts	0.00	0.15
Permitted Payments	0.02	0.10
Amount Deposited in Banks	0.03	0.01
Closing Cash in Hand as on 30.12.2016*	0.00	0.05

*₹ 6,500 SBN O/s as on 30.12.2016

54 As at March 31, 2017 the Company has not paid principal amount of ₹ 1,009.17 (March 31, 2016 : ₹ 42.33) Crores and interest amount of ₹ 1,093.20 (March 31, 2016 : ₹ 251.21) Crores and LC Devolved Amount NIL ((March 31, 2016 : ₹ 23.17) Crores.

55 As on March 31, 2017, the Company has loans aggregating ₹ 2,119.97 Crores which includes unpaid principal amount of ₹ 1,009.17 (March 31, 2016 ₹ 1172.26) Crores falling due over next twelve months period and also unpaid interest & devolved letter of credits dues of ₹ 1,093.20 (March 31, 2016 ₹ 274.38) Crores of the company as at March 31, 2017. Apart from this, the Company has commitments to support the subsidiaries and associates for their various ongoing projects. These matters require the Company to garner such additional cash flows to fund the operations as well as investment obligations to ongoing projects. The management is actively considering the aspects like dilution of stake in subsidiary companies, disposal of non-core assets, additional funding from the lenders and exercising the conversion options available in the loan documents, would reduce the obligations and/or bring in the additional cash flows into the system to meet its obligations.

56 Mahatamil Mining and Thermal Energy Limited (MMTEL), a subsidiary of the company had entered into Coal Mining Services Agreement (CMSA) with Mahatamil Collieries Limited (MCL) for developing and mining of Gare Pelma Sector II Coal block located in Raigarh district in the state of Chhattisgarh, the allocation of said coal block was cancelled by the Hon'ble Supreme Court's order dated September 24, 2014. As per CMSA MMTEL has incurred an amount of ₹ 204.66 Cr till March 31, 2015 towards exploration, infrastructure and performance security deposit. The amount incurred has been claimed by MMTEL as per terms of the Coal Mines (Special Provisions) Ordinance, 2014 and the management is confident on recoverability of the claim.

57 The company acquired Griffin coal mine operations, Australia through its wholly owned subsidiary Lanco Resources International Pte Limited (LRIPL) to further invest in expansion to enhance the capacity. Post-acquisition certain approvals for mine expansion and other infrastructure related obtained. LRIPL along with its subsidiary companies (Griffin Coal Mine Operations, Australia) has been incurring losses from acquisition onwards. Due to circumstance beyond the control of company, the mine expansion got delayed resultantly anticipated incremental EBIDTA could not be earned, thus increasing the loans from the lenders to meet the interest obligations. Due to default in debt servicing, as per the Security Agreement entered by LRIPL with lenders, lenders appointed the receivers and managers on April 27, 2017 and transferred the pledged shares to the nominee of the security agent of the lenders. It was clarified by the counsel of the lenders that the transfer was to have legal title on the shares to the lenders with the beneficial interest continued with the company, as part of perfection of security under the Singapore laws.

To transfer the beneficial interest to the lenders, foreclosure of security through a Singapore court order is mandatory. The foreclosure of share transfer requires valuation of the shares and finalisation of the consideration payable by the lenders or lender agents to the company for the share transfer. Since the valuation for transfer of shares is not completed accordingly no adjustments have been made in these financials statements.

58 Lanco Kanpur Highways Limited (LKHL), a subsidiary of the company had entered into concession agreement with NHAI for developing a road project in Uttar Pradesh state under BOOT mechanism. The construction work is delayed due to pending approvals and right of way to be arranged by NHAI. During the previous year LKHL had received notice of termination of concession agreement from NHAI and issued a notice of termination of concession agreement to NHAI. Arbitration proceedings have been initiated to settle the claims and the counter claims associated with the termination as per the Concession Agreement. Based on the expert legal opinion, the management is confident on the recoverability of its claims submitted and is not expecting any liability on counter claims filed by NHAI.

59 Lanco Hoskote Highways Limited (LHHL) and Lanco Devihalli Highways Limited (LDHL), subsidiaries of the company has been incurring losses since commencement of operations and also due to de-recognition of Capital Grant from Reserves as per requirement of Ind AS 11 Appendix A on Service Concession Arrangement, the Net Worth fell below 50% of paid-up capital as at March 31, 2017. The Management is taking necessary steps to improve the profitability in future and is of the view that the carrying value of investments of LHHL & LDHL is realizable at the value stated therein. Accordingly, no adjustments have been made in these financials statements.

60 Diwakar Solar Projects Limited, a Subsidiary of the Company engaged in setting up concentrated solar power plant (100 MW each), on account of various factors beyond the control of the company (like non-availability of additional land, non-availability of Heat Transfer Fluid (HTF), re-designing of the Project, fluctuations in forex), the project has undergone substantial time and also cost overrun. The company has filed petition with Central Electricity Regulatory Commission (CERC) for extension of Commercial Operation Date (COD) and to revise the Power Purchase Agreement (PPA) Tariff for viability of the project. As per the petition filed with the CERC, the company requested CERC for revised COD of 18 clear months from the date of increased tariff approval received by the company. The Management is confident that upon tariff revision and other permissions/approval for the requests made in the petition filed before CERC and also achieving financial closure for executing the project, the company does not foresee any requirement for adjustment in carrying value of investments under construction as at March 31, 2017.

61 (a) On March 30, 2012, the Company has put in place two level power holding company structure wherein Lanco Power Limited (LPL) a wholly owned subsidiary of the Company as the power holding vehicle for the Group. LPL has further two wholly owned subsidiaries namely Lanco Thermal Power Limited(LTPL) and Lanco Hydro Power Limited (LHPL) as thermal power holding company and hydro power holding company respectively.

(b) As approved by the members vide their resolution dated March 19, 2010 the Company has sold its shareholding in some of its Subsidiaries and Associate Companies (hereinafter referred as 'related entities') to its wholly owned step down subsidiaries i.e. Lanco Thermal Power Limited, Lanco Hydro Power Limited and to an associate, Regulus Power Private Limited (an erstwhile subsidiary) on March 30, 2012 for total cash consideration amounting to ₹ 6,815.51 Crores. As of March 31, 2017 ₹ 1,162.44 (March 31, 2016 ₹ 1,161.52) Crores representing the balance amount of consideration for sale of shares is receivable from the above entities and it includes further sale of shares of some of its subsidiaries to LTPL and LHPL.

(c) As a result of the above change, one of the associate company on March 30, 2012 namely Lanco Babandh Power Limited, consequent to the sale of its equity shares to an associate i.e. Regulus Power Private Limited, has become an associate of an associate. During the previous year on further infusion of equity by step down subsidiary in LBPL, LBPL became step down subsidiary to the company.

(d) The aforesaid transfer of shares in various subsidiaries and associates requires lenders / customer approvals. Pending the receipt of approvals, the Company has recorded the sale of investments in related entities in the financial statements. Up to the year ended March 31, 2017, the management has obtained approvals from the most of the lenders and the management is confident of receiving the residual approvals and share transfer is in progress. In case such approvals are not received, the loans given by the lenders to the respective related entities may become due if the Company still wants to pursue transfer of shares, or the sold investments will be purchased back by the company. Based on legal advice, the management is of the opinion that the company complied with relevant laws and regulations.

62 Previous year figures have been regrouped/reclassified where ever necessary, to conform to those of the current year.

63 As allowed under Schedule III of the Companies Act, 2013, financials are prepared in Crores and rounded off to two decimals. The amounts / numbers below fifty thousands are appearing as zero.

As per our report of even date.

For and on behalf of the Board of Directors of
Lanco Infratech Limited

For Brahmayya & Co
Chartered Accountants
Firm Registration No. 000511S

L. Madhusudhan Rao
Executive Chairman
DIN - 00074790

G. Venkatesh Babu
Managing Director
DIN - 00075079

Lokesh Vasudevan
Partner
Membership No. 222320

T. Adi Babu
Chief Financial Officer

A. Veerendra Kumar
Company Secretary

Place: Gurgaon
Date: May 30, 2017

Place: Gurgaon
Date: May 30, 2017

Consolidated
Financial Statements

Independent Auditor's Report

To the Members of Lanco Infratech Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **Lanco Infratech Limited** ("the Holding Company" or "the Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates, comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associates in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with relevant rules. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under sub section (10) of Section 143 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 consolidated 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 consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Sub Paragraph (a) to (c) of the Other Matters Paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated Ind AS financial statements.

Basis of Qualified Opinion

Attention is invited to Note 40 to the consolidated Ind AS financial statements, include financial statements of Lanco Resources International Pte Limited (LRIPL) and its subsidiaries, Lanco International Pte Limited (LIPL) and certain subsidiaries, whose consolidated accounts reflect total assets of ₹ 10,279.89 Crores as at March 31, 2017, the total revenue of ₹ 685.31 Crores and total loss of ₹ 597.10 Crores for the year then ended March 31, 2017. Read with clause h of Empahsis Of Matter paragraph, these consolidated Ind AS financial statements and other financial information have been prepared by the management which have not been audited and our opinion is based solely on the management accounts. We are unable to comment on adjustment that may have been required to these consolidated Ind AS financial statements, had such consolidated Ind AS financial statement been audited.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matters described in the Basis of Qualified Opinion paragraph above*, the aforesaid consolidated 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 Group and its associates as at March 31, 2017 and their consolidated financial performance including other comprehensive income, its consolidated cash flows and the consolidated changes in equity for year ended on that date.

Emphasis of Matter

Without qualifying our opinion, attention is invited to:

a. (i) Note 41 to the consolidated Ind AS financial statements, regarding the adequacy of disclosure concerning the Group's ability to meet its financial obligations including repayment of various loans and unpaid interest and the ability to fund various obligations pertaining to operations including unpaid/overdue creditors, for ensuring/commencing normal operations and further investments required towards ongoing projects under construction. These matters essentially require the Group to garner such additional cash flows to fund and meet the requirements.

(ii) The Group incurred a Net Loss of ₹ 2,259.50 Crores for the year and has loans and unpaid dues aggregating ₹ 6,206.32 Crores falling due over next twelve month period which also includes repayment of loans sanctioned under Corporate Debt Restructuring (CDR) scheme in respect of which, the Group obtained certain reliefs in relation to repayment timelines of loans and accumulation of unpaid interest and additional funding for commencing normal operations.

(iii) The Company obtained approval of CDR Empowered Group for its CDR scheme, envisaging a revival in the activities of EPC. The Company also obtained the approvals towards Long Term Working Capital Loan (LTWCL) from majority of its lenders. However, variances stated to have occurred in sanctioned/contracted terms under CDR scheme and non-approval by certain lenders in the LTWCL, resulted in delayed and lower disbursements including their variations in utilization thereon. Consequently, the scheme did not enable the Group to achieve the anticipated revival in performance levels of operations at Engineering, Procurement & Construction (EPC). Continued incurrence of further losses and cost overruns in projects under constructions due to delayed execution have been reported. In view of this, the Company has recently approached the lenders with a debt reorganisation scheme which was approved by certain lenders and the management is expecting approvals from balance lenders As explained by the management, though the Group has recommenced operations at EPC as well as implementation works at the projects which are under construction, taking into account the continued limitations on availability of required funds, in our view, there may be further delays in achieving optimal operations at EPC and in timelines envisaged for implementation of projects under constructions which may result in further cost overruns, requiring the Group to arrange further funding for such additional costs. As further explained by the management, the Group is making efforts to reorganise the funding pattern including participation by strategic investors to ensure the completion of under construction projects and disposal of assets to meet the funding gaps. In regard to projects under implementation, the management's approach includes appraising the lenders on various strategic initiatives, requesting modification in repayment timelines and additional funding for completion of the project including cost overruns. The proposals by the management are under evaluation by lenders which envisage that certain projects under construction have the ability to fulfill its part of obligations both financial and otherwise to complete the projects, which have not been independently assessed by us. The impact, if any on the consolidated Ind AS financial statements on account of non-achievement of any of the envisaged initiatives including the lenders concurrence for the proposals are currently not ascertainable at this point in time.

(iv) Notwithstanding the efforts as stated above to meet the funding obligations which would involve time to materialise, these consolidated Ind AS financial statements have been prepared based on the assumption, and considering the project budgets and estimates of the management which are based on technical aspects and inputs and management's assessment to get requisite additional funding from various sources as explained above. Relying on the above, no adjustments have been made in these consolidated Ind AS financial statements towards any possible impact on account of low key operations and delayed execution of projects under implementation and accordingly these consolidated Ind AS financial statements have been prepared on a going concern basis.

b. Note 62(b) to the consolidated Ind AS financial statements, which explains the management's assessment with respect to the order of Haryana Electricity Regulatory Commission (HERC) dated January 23, 2015, in regard to the litigation in respect of tariff determination in terms of the power purchase agreement relating to one of the power generating units of Lanco Amarkantak Power Limited (LAPL), a step down subsidiary of the Company. Out of the total claim, of ₹ 195.23 Crores, LAPL, during the previous Quarters, received a sum of ₹ 94.30 Crores pursuant to the orders of HERC. However, LAPL is pursuing its claim for the balance amount before APTEL, in the meanwhile, LAPL also recognised, ₹ 24.42 Crores towards interest as receivable and filed a review petition before HERC in this regard. The said review petition was dismissed by HERC in its Order dated March 03, 2017. LAPL has filed an appeal against the HERC Order at APTEL. The contentions of the management in regard claim pertaining to balance tariff amount as well as interest, is dependent on the outcome of pending petitions before the appropriate forums.

c. Note 63 to the consolidated Ind AS financial statements, in regard to one of the power generating units of Lanco Amarkantak Power Limited (LAPL), a step down subsidiary of the Company, revenue continues to be recognized by LAPL on provisional basis, based on the tariff filing submitted to power purchaser for approval of tariff for the period 2014 - 2019. Pending the tariff determination, no adjustments have been made in these consolidated Ind AS financial statements.

d. (i) Note 87 to the consolidated Ind AS financial statements which explains the matter with respect to Lanco Teesta Hydro Power Limited (LTHPL), an associate of the Company relating to termination of Long Term PPA with Maharashtra State Electricity Distribution Company Limited (MSEDCL). The management expects that arrangements for power sale would be completed in the due course and based on the expert legal opinion obtained, the matters would be suitably resolved.

(ii) Lenders in their efforts to revive the Project under implementation, resorted to the Strategic Debt Restructuring (SDR) Scheme under the Reserve Bank of India (RBI) guidelines, wherein, the lenders had converted a portion of outstanding debt and unpaid interest into equity shares, to facilitate subsequent strategic divestment. The standstill period, as stipulated in the SDR Scheme had expired during January 2017. Considering the efforts of the management and the lenders, no adjustments have been envisaged in the consolidated Ind AS financial statements.

(iii) The revised Scheduled Commercial Operation Date (SCOD) in terms of the Lenders Covenants had expired, which in the opinion of the management is due to the circumstances beyond the control of LTHPL resulting in extended execution of the Hydropower project. In the opinion of management, the execution of the project with the increased cost and extended timelines for bringing the assets to its intended use is still viable even taking into account the current level of low implementation activities which does not amount to interruption thus continued to capitalise all the costs including interest. As the realization of carrying value of the Project under construction is dependent on certain factors detailed in the said note, the impact if any, on the consolidated Ind AS financial statements on account of non-achievement of envisaged initiatives is currently not ascertainable at this point in time. These conditions, cast a significant doubt about the LTHPL's ability to continue as a going concern. However, notwithstanding the prevailing conditions, taking into consideration the efforts of the management and the lenders through SDR scheme towards the implementation of the project, the consolidated Ind AS financial statements have been prepared on a going concern basis.

e. Note 90 to the consolidated Ind AS financial statements, which explain land dispute at Lanco Hills Technology Park Private Limited (LHTPPL), a subsidiary of the Company, the ultimate outcome of these matters cannot presently be determined. The management of LHTPPL, based upon its assessment and legal advice obtained, is confident of the outcome of the matter in its favour.

f. Note 92 to the consolidated Ind AS financial statements, which explain recoverability of cost of Investment Property under construction at Lanco Hills Technology Park Private Limited (LHTPPL), a subsidiary of the Company which in the opinion of the management is based on business plans envisaged on certain market assertions towards new developmental initiatives, is completely recoverable and does not warrant any adjustments in the consolidated Ind AS financial statements towards the carrying value. As the realization of carrying values of Investment Property under construction is dependent on certain factors detailed in the note and the impact if any on the consolidated Ind AS financial statements on account of non-achievement of envisaged initiatives is currently not ascertainable at this point in time.

g. Note 98 to the consolidated Ind AS financial statements, dealing with cancellation of coal blocks by the Honourable Supreme Court, which included coal mine jointly allotted to Tamil Nadu Electricity Board and Maharashtra State Mining Corporation Limited, the Allottees. Mahatamil Mining and Thermal Energy Limited (MMTEL), a subsidiary of the Company, entered into Coal Mining Services Agreement with the Allottees of the mine, pursuant to which, MMTEL incurred an amount of ₹ 204.66 Crores towards the Project, the realizability of which is dependent on the compensation to be awarded under the Ordinance issued by the Government of India. The Company has obtained a legal opinion in this regard based on which, the amount incurred is considered to be recoverable, notwithstanding the denial of obligation by the Allottees in regard to certain cost components, and no adjustments have been made in these consolidated Ind AS financial statements

h. Note 101 to the consolidated Ind AS financial statements, in relation to the carrying value of assets of Lanco Resources International Pte Limited (LRIPL), a subsidiary of the Company. On account of certain events in regard to debt obligations, the lenders have enforced the securities, which comprise the entire investments held by the Company in LRIPL and accordingly, appointed receivers and managers to monitor the assets at LRIPL and transferred the said investment in shares in favour of the lenders nominee. In view of the above, the realization of carrying values of the assets are dependent on certain factors detailed in the note and the impact, if any, on the consolidated Ind AS financial statements is currently not ascertainable at this point in time

i. Note 100 to the consolidated Ind AS financial statements, in relation to the carrying value of asset of Lanco Hoskote Highway Limited (LHHL), and Lanco Devihalli Highways Limited (LDHL), subsidiaries of the Company, which have been incurring losses ever since the commencement of commercial operation and accumulated losses incurred so far eroded the net worth significantly. Taking into consideration the management's assessment of the situation including its efforts, the management of the Company is of the view that the carrying value of the asset is realizable at the value stated therein. Accordingly, no adjustments have been made in these consolidated Ind AS financial statements

j. Note 99 to the consolidated Ind AS financial statements, in relation to Lanco Kanpur Highways Limited (LKHL), a subsidiary of the Company, which has received a notice of termination to the Concession Agreement from National Highways Authority of India (NHAI) and LKHL has also issued a notice of termination to NHAI. Arbitration proceedings have been initiated to settle the claims and the counter claims associated with the termination as per the Concession Agreement. As on March 31, 2017 LKHL has incurred certain costs towards the project, the realizability of these amounts is dependent on the outcome of the arbitration proceedings. Accordingly, no adjustments have been made in these consolidated Ind AS financial statements

k. (i) Note 69 to the consolidated Ind AS financial statements, in relation to Lanco Vidarbha Thermal Power Limited (LVTPL), a step down subsidiary of the Company, which explains the matter before the Maharashtra Electricity Regulatory Commission (MERC) relating to termination of Long Term Power Purchase Agreement (PPA) with Maharashtra State Electricity Distribution Company Limited (MSEDCL) and the Bank Guarantee encashment of ₹ 51.00 Crores by MSEDCL for delay in commissioning of the project beyond the Scheduled Commercial Operation Date (SCOD) as per PPA. Based on the management analysis and representation and relying on the legal expert opinion, management is of the opinion that the LVTPL can recover the Bank Guarantee amount encashed and further it is not liable to pay liquidated damages of ₹ 351.90 Crores claimed by MSEDCL. Relying on the assessment of the management on the non-tenability of the claim towards levy of liquidated damages, no adjustment has been made in these consolidated Ind AS financial statements.

   (ii) As on the reporting date, the management of LVTPL estimates that the current approved SCOD is not achievable, which in the opinion of the management is due to the circumstances beyond the control of the the Company resulting in extended execution of the Project.In the opinion of management, the execution of the project with the increased cost and extended timelines for bringing the assets to its intended use is still viable even taking into account the current level of low implementation activities which does not amount to interruption thus continued to capitalise all the costs including interest. As the realization of carrying value of Project under construction is dependent on certain factors detailed in the said note, the impact if any, on the consolidated Ind AS financial statements on account of non-achievement of envisaged initiatives is currently not ascertainable at this point in time.

l. Note 67 to the consolidated Ind AS financial statements, which explains the matter in the case of Lanco Anpara Power Limited (LAnPL), a step down subsidiary of the Company, relating to the Order received from APTEL on November 30, 2016, which has set aside and remanded the matter concerning compensatory tariff to Uttar Pradesh Electricity Regulatory Commission (UPERC) for a fresh consideration of UPERC's earlier order dated November 23, 2015 towards compensation for changes in RFP/PPA conditions in respect of coal supply and power purchase payments. Whereas, following the Orders of UPERC dated November 23, 2015, LAnPL has recognised revenue of ₹ 712.48 Crores upto March 31, 2017, which includes ₹ 132.54 Crores for the period ended March 31, 2017. The management having evaluated the implications of the Order with the legal experts and pending reassessment by UPERC as per the APTEL's Order, the financial impact, if any arising on account of the same is not reckoned in these consolidated Ind AS financial statements. Consequently, the implications of uncertainty arising on account of compensatory tariff on the carrying value of property, plant and equipment is unascertainable.

m. Note 81(b) to the consolidated Ind AS financial statements, which explains the contractual commitment of the Himavat Power Limited (HPL), a step down subsidiary of the Company, to supply power to the Power Procurer. Based on the management assertions, that suitable arrangements would be made to obtain extension of time from the power procurer, the execution of the Project with extended timelines for bringing the asset to its intended use is still viable, notwithstanding the allowability of interest costs for the extended period for tariff determination and therefore no adjustments are made to these consolidated Ind AS financial statements.

n. Note 95 to the consolidated Ind AS financial statements, in relation to the carrying value of asset amounting to ₹ 327.02 Crores in Diwakar Solar Projects Ltd (DSPL), a subsidiary of the Company which explains the management's efforts in obtaining the extension of revised SCOD and revision in tariff. In the opinion of the management, the execution of the project with the extended timelines for bringing the assets to its intended use with revised tariff being considered favourably, is still viable even taking into account low implementation activities. Accordingly, in the opinion of the management, no provision is required for any diminution in the carrying value of the asset. Pending the final outcome in the matters relating to extension of revised SCOD and revision of tariff, no adjustments have been carried out to the carrying value of the assets, the impact, if any is currently unascertainable.

o. Note 97 to the consolidated Ind AS financial statements, in regard to carrying value of investment of ₹115.82 Crores in KVK Energy Ventures Private Limited (KEVPL), an associate of the Company, which explains the KEVPL management's efforts in obtaining the extension of revised SCOD and revision in tariff. In the opinion of the KEVPL management, the execution of the project with the extended timelines for bringing the assets to its intended use with revised tariff being considered favourably, is still viable even taking into account low implementation activities. Accordingly, in the opinion of the management, no provision is required for any diminution in the carrying value of the investment. Pending the final outcome in the matters relating to extension of revised SCOD and revision of tariff, no adjustments have been carried out to the carrying value of investment, the impact, if any is currently unascertainable.

p. Note 83 to the consolidated Ind AS financial statements, in case of Lanco Thermal Power Limited (LTPL), a step down subsidiary of the Company, which explains the management initiatives towards servicing of the long term debt of LTPL, which is based on the current cash flows from the project operations and is dependent on the support from the holding company for servicing the debt obligations. Therefore in the opinion of the management the carrying value of asset does not warrant any adjustments towards impairment of the project assets.

Our opinion is not qualified in respect of the above matters.

Other Matters

a. We did not audit financial statements of certain subsidiaries; whose financial statements reflect total assets of ₹ 3,046.70 Crores as at March 31, 2017 and total revenue of ₹ 290.15 Crores for the year ended March 31, 2017. These financial statements and other financial information for these subsidiaries have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on these consolidated Ind AS financial statements is based on the reports of the other auditors.

b. We did not audit the financial statements of certain overseas subsidiaries, whose financial statements reflect total assets of ₹ 136.87 Crores as at March 31, 2017 and total revenue of ₹ 20.11 Crores for the year ended March 31, 2017. These financial statements and other financial information of these overseas subsidiaries have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on these consolidated Ind AS financial statements is based on the reports of the other auditors.

c. We did not audit the financial statements of certain associates, whose financial statements reflect the Group's share of Loss of ₹ 2.17 Crores for the year ended March 31, 2017. These financial statements and other financial information for these associates have been audited by the other auditors whose reports have been furnished to us by the Management, and our opinion on these consolidated Ind AS financial statements is based on the reports of the other auditors.

d. We did not audit the financial statements of certain associates, whose financial statements reflect the Group's share of Profit of ₹ 2.04 Crores for the year ended March 31, 2017. These financial statements and other financial information of these associates have been prepared by the management and our opinion on these consolidated Ind AS financial statements is based on the management accounts.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not qualified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report to the extent applicable that:

a. We have sought and except for the effect of the manner described in *Basis for Qualified Opinion paragraph* above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

b. *Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above*, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including Other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

e. The matter described in sub paragraphs (a), (d), (e), (f), (g), (h), (j) and (k) to the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.

f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies and associate companies, none of the directors of the Group companies and its associate companies are disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

g. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

h. The qualification relating to the maintenance of accounts and other matters connected therein are as stated in the Basis of Qualification Opinion paragraph above.

i. 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 consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate companies. Refer Note 53 to the consolidated Ind AS financial statements.

   ii. Except for the effects of the matter described in the Basis of qualified opinion paragraph above, provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

   iii. There are no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Group and its associate companies.

   iv. The company has provided requisite disclosures in its consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period November 8, 2016 to December 30, 2016. Based on the audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company as produced to us by the Management. Refer Note 58 to the consolidated Ind AS financial statements.

For Brahmayya & Co.,
Chartered Accountants
Firm's Regn. No. 000511S

LokeshVasudevan
Partner
Membership No. 222320

Place : Gurgaon
Date : May 30, 2017

Annexure A to the Independent Auditor's Report on the Consolidated Ind AS Financial Statements

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

In conjunction with our audit of the consolidated financial statements of **Lanco Infratech Limited** as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Lanco Infratech Limited ("the Holding Company" or "the Company"), its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group") and its associate companies, which are companies incorporated in India, as of that date (together referred to as the "Covered Entities" in this report). Refer Annexure B for the list of Covered Entities.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Covered Entities are 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

Auditor's' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 Companies Act, 2013, 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Basis for Qualified Opinion

According to the information and explanations given to us and based on the reports issued on internal controls over financial reporting in case of the Covered Entities, which are incorporated in India, certain material weakness have been identified as at March 31, 2017 in case of a subsidiary concerning design and implementation of internal control components, which as represented by the management are in the process of being remediated. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Holding Company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, except for the effects of material weakness described in the Basis for Qualified Opinion Paragraph, the covered entities, in all material respects, maintained adequate internal financial control over financial reporting and were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the covered entities, considering the essential components of internal control stated in Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the Covered Entities as listed in Annexure B is based on the corresponding reports of the auditors of such companies.

Our report is not qualified with respect to our reliance on the work done by and the reports of other auditors.

For Brahmayya & Co.
Chartered Accountants
Firm's Regn No. 000511S

Lokesh Vasudevan
Partner
Membership No. 222320

Place : Gurgaon
Date : May 30, 2017

Annexure B – Covered Entities

S.No.	Name of Company	Relationship
1	Lanco Power Limited	Subsidiary
2	Arneb Power Private Limited	Subsidiary
3	Lanco Thermal Power Limited	Subsidiary
4	Lanco Kondapalli Power Limited	Subsidiary
5	Lanco Tanjore Power Company Limited	Subsidiary
6	Lanco Amarkantak Power Limited	Subsidiary
7	Lanco Vidarbha Thermal Power Limited	Subsidiary
8	Lanco Babandh Power Limited	Subsidiary
9	Lanco Anpara Power Limited	Subsidiary
10	Portia Properties Private Limited	Subsidiary
11	Lanco Hydro Power Limited	Subsidiary
12	Lanco Rambara Hydro Power Private Limited	Subsidiary
13	Lanco Mandakini Hydro Energy Private Limited	Subsidiary
14	Diwakar Solar Projects Limited	Subsidiary
15	Lanco Solar Energy Private Limited	Subsidiary
16	Lanco Solar Private Limited	Subsidiary
17	Khaya Solar Projects Private Limited	Subsidiary
18	Bhanu Solar Projects Private Limited	Subsidiary
19	Lanco Solar Services Private Limited	Subsidiary
20	Lanco Solar Power Projects Private Limited	Subsidiary
21	Orion Solar Projects Private Limited	Subsidiary
22	Pasiphae Power Private Limited	Subsidiary
23	Newton Solar Private Limited	Subsidiary
24	Sabitha Solar Projects Private Limited	Subsidiary
25	Helene Power Private Limited	Subsidiary
26	Lanco Wind Power Private Limited	Subsidiary
27	Amrutha Power Private Limited	Subsidiary
28	Pragdisa EPC Limited	Subsidiary
29	J H Patel Power Project Private Limited	Subsidiary
30	EO Power Holdco Limited	Subsidiary
31	National Energy Trading and Services Limited	Subsidiary
32	Mahatamil Mining & Thermal Energy Limited	Subsidiary
33	Tasra Mining & Energy Company Private Limited	Subsidiary
34	Mercury Projects Private Limited	Subsidiary
35	Lanco Solar Gujrat Private Limited	Subsidiary
36	Lanco Hills Technology Park Private Limited	Subsidiary
37	Nix Properties Private Limited	Subsidiary
38	Uranus Infratech Private Limited	Subsidiary
39	Thebe Properties Private Limited	Subsidiary
40	Leda Properties Private Limited	Subsidiary
41	Jupiter Infratech Private Limited	Subsidiary

S.No.	Name of Company	Relationship
42	Cressida Properties Private Limited	Subsidiary
43	Coral Orchids Private Limited	Subsidiary
44	Telesto Properties Private Limited	Subsidiary
45	Cordelia Properties Private Limited	Subsidiary
46	Dione Properties Private Limited	Subsidiary
47	Deimos Properties Private Limited	Subsidiary
48	Pearl Farms Private Limited	Subsidiary
49	Neptune Projects Private Limited	Subsidiary
50	Uranus Projects Private Limited	Subsidiary
51	Lanco Kanpur Highways Limited	Subsidiary
52	Lanco Hoskote Highway Limited	Subsidiary
53	Lanco Devihalli Highways Limited	Subsidiary
54	Lanco Energy Private Limited	Subsidiary
55	Lanco Kanpur Power Limited	Subsidiary
56	Himavat Power Limited	Subsidiary
57	Regulus Power Private Limited	Subsidiary
58	Mimas Trading Private Limited	Subsidiary
59	Phoebe Trading Private Limited	Subsidiary
60	Bianca Properties Private Limited	Subsidiary
61	Belinda Properties Private Limited	Subsidiary
62	Ananke Properties Private Limited	Subsidiary
63	Tethys Properties Private Limited	Subsidiary
64	Vainateya Power Private Limited	Subsidiary
65	Avior Power Private Limited	Subsidiary
66	Mirach Power Limited	Subsidiary
67	Nekkar Power Private Limited	Subsidiary
68	Lanco Horizon Properties Private Limited	Subsidiary
69	Lanco Energy Talent School for Skills Private Limited	Subsidiary
70	Lanco Operation and Maintenance Company Limited	Subsidiary
71	Siddheswara Power Private Limited	Subsidiary
72	Basava Power Private Limited	Subsidiary
73	Banas Thermal Power Private Limited	Subsidiary
74	Pragadisa Power Private Limited	Associate
75	Genting Lanco Power (India) Private Limited	Associate
76	DDE Renewable Energy Private Limited	Associate
77	Electromech Maritech Private Limited	Associate
78	Finehope Allied Engineering Private Limited	Associate
79	Saidham Overseas Private Limited	Associate
80	Vasavi Solar Private Limited.	Associate
81	Lanco Teesta Hydro Power Limited	Associate
82	Bay of Bengal Gateway Terminal Private Limited	Associate
83	KVK Energy Ventures Private Limited	Associate

Consolidated Balance Sheet as at March 31, 2017

(₹ Crores)

			Notes No.	As at March 31, 2017	As at March 31, 2016
I	**ASSETS**				
(1)	**Non Current Assets**				
	(a)	Property, Plant and Equipment	3	17,812.69	18,505.69
	(b)	Capital work-in-progress	4	23,898.77	20,469.87
	(c)	Investment Property	5	303.96	313.88
	(d)	Investment property under development	6	1,864.75	1,629.70
	(e)	Other Intangible assets	7	1,517.94	1,574.19
	(f)	Financial Assets			
		(i) Investments	8	790.97	863.25
		(ii) Trade receivables	10	302.01	234.47
		(iii) Loans	11	148.52	187.99
		(iv) Other financial assets	12	94.23	91.24
		Total Financial Asset		**1,335.73**	1,376.95
	(g)	Deferred tax assets (net)	24	629.15	577.62
	(h)	Other non current assets	13	678.92	596.31
	Total Non Current Assets			**48,041.91**	45,044.21
(2)	**Current assets**				
	(a)	Inventories	14	2,306.21	2,321.92
	(b)	Financial Assets			
		(i) Investments	9	19.03	52.93
		(ii) Trade receivables	10	2,544.96	3,013.88
		(iii) Loans	11	111.85	54.43
		(iv) Cash and cash equivalents	15	274.22	355.01
		(v) Bank balances	16	278.86	268.10
		(vi) Other financial assets	12	536.57	500.01
	Total Financial Asset			**3,765.49**	4,244.36
	(c)	Current tax assets (Net)	17	24.14	32.59
	(d)	Other current assets	13	2,118.16	2,248.60
	Total Current Assets			**8,214.00**	8,847.47
	Total Assets			**56,255.91**	53,891.68
II	**EQUITY AND LIABILITIES**				
A	**EQUITY**				
	(a)	Equity Share Capital	18	330.26	273.78
	(b)	Other Equity	19	(2,404.54)	(304.12)
	Equity attributable to owners of the Company (I)			**(2,074.28)**	(30.34)
	Non-controlling interests (II)			1,125.25	1,382.29
	Total equity (I+II)			**(949.03)**	1,351.95
B	**LIABILITIES**				
(1)	**Non Current Liabilities**				
	(a)	Financial Liabilities			
		(i) Borrowings	20	40,600.73	38,921.99
		(ii) Trade payables	21	302.00	363.80
		(iii) Other financial liabilities	22	1.81	11.96
	Total Financial Liabilities			**40,904.54**	39,297.75
	(b)	Provisions	23	611.16	560.11
	(c)	Deferred tax liabilities (Net)	24	663.33	656.25
	(d)	Other non current liabilities	25	933.73	966.35
	Total Non Current Liabilities			**43,112.76**	41,480.46
(2)	**Current Liabilities**				
	(a)	Financial Liabilities			
		(i) Borrowings	26	2,901.02	2,921.48
		(ii) Trade payables	21	4,145.12	3,798.03
		(iii) Other financial liabilities	22	6,356.99	3,647.65
	Total Financial Liabilities			**13,403.13**	10,367.16
	(b)	Other current liabilities	25	606.68	598.00
	(c)	Provisions	23	73.46	69.90
	(d)	Current tax liabilities (Net)	27	8.91	24.21
	Total Current Liabilities			**14,092.18**	11,059.27
	Total Equity and Liabilities			**56,255.91**	53,891.68
	Summary of Significant Accounting Policies		2.1		

The accompanying notes and other explanatory information are an integral part of the Financial Statements.
As per our report of even date.

For and on behalf of the Board of Directors of Lanco Infratech Limited

For Brahmayya & Co
Chartered Accountants
Firm Registration No. 000511S

L. Madhusudhan Rao
Executive Chairman
DIN - 00074790

G. Venkatesh Babu
Managing Director
DIN - 00075079

Lokesh Vasudevan
Partner
Membership No. 222320

T. Adi Babu
Chief Financial Officer

A. Veerendra Kumar
Company Secretary

Place: Gurgaon
Date: May 30, 2017

Place: Gurgaon
Date: May 30, 2017

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

(₹ Crores)

		Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
I	Revenue from Operations	28	7,343.69	8,098.47
II	Other Income	29	166.38	236.43
III	**Total Income (I + II)**		**7,510.07**	**8,334.90**
IV	**EXPENSES**			
	Cost of Materials Consumed	30	4,095.66	4,114.94
	Purchase of stock-in-trade	31	307.59	200.17
	Subcontract Cost		173.87	264.50
	Construction, Transmission, Plant / Site and Mining Expenses	32	744.34	682.39
	Change in Inventories of Finished Goods and Work in Progress	33	(124.73)	(206.73)
	Employee benefits expenses	34	335.23	352.86
	Finance cost	35	2,995.31	2,658.00
	Depreciation and Amortization expense	36	903.88	817.54
	Other expenses	37	365.12	129.08
	Total Expenses (IV)		**9,796.27**	**9,012.75**
V	**Profit / (Loss) before Exceptional Items, Share of Profit / (Loss) of Associates and Tax (III - IV)**		**(2,286.20)**	(677.85)
VI	Exceptional Items	39	(4.52)	279.86
VII	**Profit/(Loss) before Share of Profit/(Loss) of Associates and Tax (V-VI)**		**(2,290.72)**	(397.99)
VIII	**Tax Expense**			
	Current tax / Minimum alternate tax (MAT) payable		26.55	33.28
	Less: MAT credit entitlement		0.12	-
	Net Current Tax		26.43	33.28
	Relating to previous periods		-	0.04
	Deferred tax		(56.33)	(158.89)
	Total Tax Expense (VIII)		**(29.90)**	**(125.57)**
IX	**Profit/(Loss) after Taxation, before Share of Profit / (Loss) of Associates (VII-VIII)**		(2,260.82)	(272.42)
	Add : Share of Profit / (Loss) of Associates		0.76	(0.29)
	Less: Elimination of Unrealised Profit on Transactions with Associate Companies		(0.09)	0.49
X	**Profit / (Loss) after Tax**		(2,259.97)	(273.20)
XI	**Profit/(Loss) for the Year attributable to:**			
	Owners of the Company		(2,049.13)	(269.10)
	Non controlling interests		(210.84)	(4.10)
XII	**Other Comprehensive Income**	38		
	Items that will not be reclassified to profit and loss		0.47	(1.05)
XIII	**Total Comprehensive Income for the Year (XI + XII)**		**(2,259.50)**	**(274.25)**
XIV	**Total Comprehensive Income for the Year attributable to:**			
	Owners of the Company		(2,048.66)	(270.15)
	Non controlling interests		(210.84)	(4.10)
XV	**Earnings Per Equity Share - (Face value of share Re 1/-)**			
	Basic (₹)		(7.50)	(1.05)
	Diluted (₹)		(7.50)	(1.05)

The accompanying notes and other explanatory information are an integral part of the Financial Statements.
As per our report of even date.

For and on behalf of the Board of Directors of Lanco Infratech Limited

For Brahmayya & Co
Chartered Accountants
Firm Registration No. 000511S

L. Madhusudhan Rao
Executive Chairman
DIN - 00074790

G. Venkatesh Babu
Managing Director
DIN - 00075079

Lokesh Vasudevan
Partner
Membership No. 222320

T. Adi Babu
Chief Financial Officer

A. Veerendra Kumar
Company Secretary

Place: Gurgaon
Date: May 30, 2017

Place: Gurgaon
Date: May 30, 2017

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

(₹ Crores)

		As at March 31, 2017	As at March 31, 2016
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit / (Loss) before Exceptional and Share of Profit of Associates and Tax	(2,286.20)	(677.85)
	Adjustments for:		
	Depreciation and Amortization	903.88	817.54
	(Profit) / Loss on Sale of Current Investments	(0.74)	(0.15)
	(Profit) / Loss on Sale of Non - Current Investments	0.51	(0.09)
	(Profit) / Loss on Sale of PPE, Intangible Assets and Investment Property	(17.69)	10.46
	Unrealised (Gain) / loss on Foreign Exchange Fluctuations (Net)	(40.98)	(64.59)
	Net (gain)/loss recorded in profit or loss on financial assets / liabilities	33.75	3.54
	Provision for Expected Credit Loss on Financial Assets (Net)	142.47	30.19
	Liabilities and Provisions no longer required written back	(48.68)	(29.24)
	Employee Stock Option Charge during the year	(1.45)	0.64
	Interest Income	(63.54)	(192.10)
	Dividend Income	(0.20)	(1.38)
	Interest Expenses	2,995.31	2,658.00
	Cash Generated Before Working Capital Changes	**1,616.44**	2,554.97
	Movement In Working Capital		
	Increase / (Decrease) in Trade Payables	322.58	160.37
	Increase / (Decrease) in Provisions	54.61	(211.86)
	Increase / (Decrease) in Other Financial Liabilities	69.68	(116.93)
	Increase / (Decrease) in Other Liabilities	(23.94)	(138.17)
	(Increase) / Decrease in Trade Receivables	204.47	(747.77)
	(Increase) / Decrease in Inventories	15.71	2.87
	(Increase) / Decrease in Loans	(8.30)	(29.12)
	(Increase) / Decrease in Other Financial Assets	(31.50)	(26.14)
	(Increase) / Decrease in Other Assets	49.78	(1,485.55)
	Cash Generated From Operations	**2,269.53**	(37.33)
	Direct Taxes Paid	(41.35)	(46.77)
	Net Cash Flow From / (Used in) Operating Activities	**2,228.18**	(84.10)
B.	**CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES**		
	Purchase of PPE, Intangible Assets and Investment Property	(1,397.96)	(2,000.83)
	Proceeds from Sale of PPE, Intangible Assets and Investment Property	4.77	37.09
	Cash and cash equivalents acquired pursuant to acquisition of subsidiaries	0.02	1.44
	(Purchase) / Proceeds from disposal of Non Current Investments (Net)	(22.81)	1,361.29
	Sale / (Purchase) of Current Investments (Net)	34.64	(40.10)
	Inter Corporate Loans given / (refunded)	(9.65)	69.67
	Maturities of FDs/MMDs (Net)	6.46	75.59
	Dividend Income received	0.20	1.38
	Interest Income Received	64.85	200.96
	Net Cash Flow From / (Used in) Investing Activities	**(1,319.47)**	(293.51)
C.	**CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES**		
	Proceeds from/(to) Short - Term Borrowings (Net)	(13.01)	353.13
	Proceeds from Long Term Borrowings	4,080.71	7,116.10
	Repayment of Long Term Borrowings	(775.56)	(1,938.05)
	Interest Paid	(4,281.64)	(5,439.85)
	Net Cash Flow From / (Used in) Financing Activities	**(989.50)**	91.33
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(80.79)	(286.30)
	Cash and Cash Equivalents at the beginning of the year	355.01	641.31
	Cash and Cash Equivalents at the end of the year	**274.22**	355.01
	Components of Cash and Cash Equivalents		
	Cash and cheques on Hand	0.99	1.09
	Balances with Banks		
	-On Current Accounts	216.07	329.05
	-On Deposit Accounts	22.55	24.87
	Cheques, Drafts on hand	34.61	-
	Cash and cash Equivalent (as per Note 15)	**274.22**	355.01

Notes:

1 The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS - 7 on Cash Flow Statements.

2 Previous year's figures have been regrouped and reclassified to conform to those of the current year.

As per our report of even date.

For and on behalf of the Board of Directors of Lanco Infratech Limited

For Brahmayya & Co
Chartered Accountants
Firm Registration No. 000511S

L. Madhusudhan Rao
Executive Chairman
DIN - 00074790

G. Venkatesh Babu
Managing Director
DIN - 00075079

Lokesh Vasudevan
Partner
Membership No. 222320

T. Adi Babu
Chief Financial Officer

A. Veerendra Kumar
Company Secretary

Place: Gurgaon
Date: May 30, 2017

Place: Gurgaon
Date: May 30, 2017

19. Consolidated Statement of Changes in Equity for the Year ended March 31, 2017

Equity Attributable to the Owners of the Company

₹ Crores

Particulars	Equity Share Capital	Other Equity										Other Comprehensive Income	Total Other Equity	Total Equity
		Debentures - Equity Component	Inter Corporate Loans Payable - Equity Component	Reserves and Surplus										
				Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Share Option Outstanding Account	General Reserve	FCMITD (Net)	Foreign Currency Translation Reserve	Retained Earnings			
Balance as at 01.04.2015	245.09	-	167.06	439.53	16.77	1,928.25	19.79	117.04	(13.12)	422.00	(3,200.81)	0.80	(102.69)	142.40
Total Comprehensive Income after tax											(269.10)	(1.05)	(270.15)	(270.15)
Additions		321.45		(9.63)		151.93	(1.53)			(208.25)			253.97	253.97
Converted in to Equity Share Capital	28.69		(167.06)										(167.06)	(138.37)
Additions/(Reduction)on account of ESOP						4.41	(4.41)						-	-
Addition / Amortisation of FCMITD									(18.19)				(18.19)	(18.19)
Balance as at 31.03.2016	273.78	321.45	-	429.90	16.77	2,084.59	13.85	117.04	(31.31)	213.75	(3,469.91)	(0.25)	(304.12)	(30.34)
Current year profit											(2,049.13)		(2,049.13)	(2,049.13)
Other Comprehensive Income after tax												0.41	0.41	0.41
Other Changes											(4.80)		(4.80)	(4.80)
Additions				23.47		295.36	(1.93)			(57.72)			259.18	259.18
Additions/(reduction) on account of ESOP						1.57	(1.57)						-	-
Converted in to Equity Share Capital	56.48	(321.45)											(321.45)	(264.97)
Addition / Amortisation of FCMITD									15.37				15.37	15.37
Balance as at 31.03.2017	**330.26**	**-**	**-**	**453.37**	**16.77**	**2,381.52**	**10.35**	**117.04**	**(15.94)**	**156.03**	**(5,523.84)**	**0.16**	**(2,404.54)**	**(2,074.28)**

Note: Foreign Currency Monetary Item Translation Difference (FCMITD)

As per our report of even date.

For Brahmayya & Co
Chartered Accountants
Firm Registration No. 000511S

Lokesh Vasudevan
Partner
Membership No. 222320

Place: Gurgaon
Date: May 30, 2017

For and on behalf of the Board of Directors of Lanco Infratech Limited

L. Madhusudhan Rao
Executive Chairman
DIN - 00074790

G. Venkatesh Babu
Managing Director
DIN - 00075079

T. Adi Babu
Chief Financial Officer

A. Veerendra Kumar
Company Secretary

Place: Gurgaon
Date: May 30, 2017

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

1. Corporate Information

Lanco Infratech Limited ('LITL' or 'the Company') and its subsidiaries (hereinafter collectively referred to as 'the Group') are engaged in the business of Construction, Engineering, Procurement and Commissioning (EPC), Infrastructure Development, Power Generation, Power Trading, Property Development, Development of Expressways and Exploration, Mining & Marketing of Coal.

EPC and Construction Business

The Company and certain entities of the Group are involved in development of infrastructure facilities including Engineering, Procurement and Commissioning Services for Power Plants, Industrial Structures, Water supply, Mass housing, Institutional Buildings and Expressways.

Power Business

The Company and certain entities of the Group are involved in the generation of power. The entities are separate special purpose vehicles formed, which have entered into Power Purchase Agreements with electricity distribution companies of the respective state governments and power trading entities and other customers. National Energy Trading and Services Limited (NETS), is involved in the power trading activity.

Property Development Business

Lanco Hills Technology Park Private Limited (LHTPPL) is involved in the development of an integrated IT park named Lanco Hills in approximately 100 acres of land at Manikonda, Hyderabad part of an exclusive "Knowledge Corridor" being promoted by the Government of earlier United Andhra Pradesh, now Telangana State. The project consists of IT office space, residential buildings, luxury premier hotels, retail and commercial complex.

Resources (Coal) Business

Griffin Coal Mining Company Pty Ltd (GCM) and Carpenter Mine Management Pty Ltd (CMM) are incorporated and operating in Australia. These company's principal activities are exploration, mining and marketing of coal.

Solar PV Business

One of the entities in the group is with intent to establish its presence as an integrated player across the Solar PV value chain starting from manufacturing of poly silicon to development of solar farms.

2. Basis of preparation

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, Companies (Accounts) Amendment Rules, 2016, and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value
- Assets held for sale – measured at fair value less cost to sell
- Defined benefit plans – plan assets measured at fair value and
- Share-based payments.

(iii) Recent accounting pronouncement

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.' The amendments are applicable to the Company from April 01, 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 its impact on the financial statements.

Amendment to Ind AS 102

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes. It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards.

Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest.

Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that includes a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

(iv) Principles of consolidation

These financial statements have been prepared on the following basis:

(a) Subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date the control ceases. The acquisition method of accounting is used to account for business combination by the Group.

Acquisition method of accounting

The Company combines the separate financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, Contingent liability, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

The excess of cost to the Company of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognized as Goodwill, being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the Company, it is recognized as Capital Reserve and shown under the head Reserves and surplus, in the consolidated financial statements. The Goodwill /Capital Reserve is determined separately for each subsidiary company.

Non-controlling interests in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group, in order to arrive at the income attributable to shareholders.

(b) Associates

Associates are all entities over which the Company has significant influence but no control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognized as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary and practicable to ensure consistency with the policies adopted by the Group. The carrying amount of the equity accounted investments are tested for impairment.

(c) Changes in the Group's ownership interests in subsidiaries

Changes in the Company's ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests or reflect their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Company ceases to consolidate or equity account for an investment because of a loss of control, or significant influence, any retained interest in the entity is re measured to its fair value with the change in carrying amount recognised in profit and loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest.

(d) Uniform Accounting Policies

The financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances across the Group.

Entities considered for consolidation

The financial statements of the following subsidiaries (including the step down subsidiaries) and associates have been considered for consolidation:-

Sr. No.	Name of company	Country of Incorporation	March 31, 2017		March 31, 2016	
			Relationship	Percentage of Ownership Interest	Relationship	Percentage of Ownership Interest
1	Lanco Power Limited (LPL)	India	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
2	Arneb Power Private Limited (ArPPL)	India	Subsidiary of LPL	93.75%	Subsidiary of LPL	93.75%
3	Lanco Thermal Power Limited (LTPL)	India	Subsidiary of LPL	100.00%	Subsidiary of LPL	100.00%
4	Lanco Kondapalli Power Limited (LKPL)	India	Subsidiary of LTPL	58.91%	Subsidiary of LTPL	58.91%
5	Lanco Tanjore Power Company Limited (LTPCL)	India	Subsidiary of LTPL	58.45%	Subsidiary of LTPL	58.45%
6	Lanco Amarkantak Power Limited (LAPL)	India	Subsidiary of LTPL	80.96%	Subsidiary of LTPL	80.82%
7	Lanco Anpara Power Limited (LAnPL)	India	Subsidiary of LTPL	100.00%	Subsidiary of LTPL	100.00%
8	Lanco Babandh Power Limited (LBPL)	India	Subsidiary of LTPL	99.50%	Subsidiary of LTPL	99.38%
9	Lanco Vidarbha Thermal Power Limited (LVTPL)	India	Subsidiary of LTPL	99.83%	Subsidiary of LTPL	97.39%
10	Himavat Power Limited (HPL)	India	Subsidiary of LTPL	94.99%	Subsidiary of LTPL	65.97%
11	Mimas Trading Private Limited (MTPL)	India	Subsidiary of LTPL	86.14%	Subsidiary of LTPL	50.00%
12	Charon Trading Private Limited (CTPL)	India	Subsidiary of LTPL	94.97%	Subsidiary of LTPL	51.59%
13	Portia Properties Private Limited (PPPL)	India	Subsidiary of LTPL	98.97%	Subsidiary of LTPL	100.00%
14	Regulus Power Private Limited (RPPL)	India	Subsidiary of LTPL	99.03%	Subsidiary of LTPL	74.26%
15	Phoebe Trading Private Limited (PTPL)	India	Subsidiary of LTPL	93.28%	Subsidiary of LTPL	54.63%
16	Lanco Operation and Maintenance Company Limited (LOMCL)	India	Subsidiary of PTPL	93.17%	Subsidiary of PTPL	54.57%
17	Lanco Hydro Power Limited (LHPL)	India	Subsidiary of LPL	100.00%	Subsidiary of LPL	100.00%
18	Lanco Mandakini Hydro Energy Private Limited (LMHEPL)	India	Subsidiary of LHPL	100.00%	Subsidiary of LHPL	100.00%
19	Lanco Rambara Hydro Private Limited (LRHPL)	India	Subsidiary of LHPL	100.00%	Subsidiary of LHPL	100.00%
20	Diwakar Solar Projects Limited (DSPL)	India	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
21	Lanco Solar Energy Private Limited (LSEPL)	India	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
22	Lanco Solar Services Private Limited (LSSPL)	India	Subsidiary of LSEPL	100.00%	Subsidiary of LSEPL	100.00%
23	Lanco Solar Private Limited (LSPL)	India	Subsidiary of LSEPL	100.00%	Subsidiary of LSEPL	100.00%
24	Khaya Solar Projects Private Limited (KSPPL)	India	Subsidiary of LSEPL	100.00%	Subsidiary of LSEPL	100.00%
25	Newton Solar Private Limited (NSPL)	India	Subsidiary of LSEPL	100.00%	Subsidiary of LSEPL	100.00%
26	Lanco Solar Power Projects Private Limited (LSPPPL)	India	Subsidiary of LSEPL	100.00%	Subsidiary of LSEPL	100.00%
27	Bhanu Solar Projects Private Limited (BSPPL)	India	Subsidiary of LSPL	100.00%	Subsidiary of LSPL	100.00%
28	Orion Solar Projects Private Limited (OSPPL)	India	Subsidiary of LSPPPL	100.00%	Subsidiary of LSPPPL	100.00%
29	Pasiphae Power Private Limited (PPPL)	India	Subsidiary of LSPPPL	100.00%	Subsidiary of LSPPPL	100.00%
30	Lanco Energy Talent School for Skills Private Limited (LETS Skills) (formerly known as Sabitha Solar Projects Private Limited)	India	Subsidiary of LSPPPL	100.00%	Subsidiary of LSPPPL	100.00%
31	Helene Power Private Limited (HPPL)	India	Subsidiary of LSPPPL	100.00%	Subsidiary of LSPPPL	100.00%
32	Lanco Wind Power Private Limited (LWPPL)	India	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
33	Amrutha Power Private Limited (APPL)	India	Subsidiary of LWPPL	100.00%	Subsidiary of LWPPL	100.00%
34	JH Patel Power Project Private Limited (JhPL)	India	Subsidiary of LWPPL	99.94%	Subsidiary of LWPPL	99.94%
35	Pragdisa EPC Limited (PEPL) (formerly known as Spire Rotor Pvt. Ltd.)	India	Subsidiary of LITL	98.74%	Subsidiary of LWPPL	100.00%

Sr. No.	Name of company	Country of Incorporation	March 31, 2017		March 31, 2016	
			Relationship	Percentage of Ownership Interest	Relationship	Percentage of Ownership Interest
36	EO Power Holdco Limited (EOPHPL) (formerly known as Emerald Orchids Pvt. Ltd.)	India	Subsidiary of LITL	99.88%	Subsidiary of LWPPL	87.80%
37	National Energy Trading and Services Limited (NETS)	India	Subsidiary of LITL	100.00%	Subsidiary of LITL	99.83%
38	Avior Power Private Limited (AVPPL)	India	Subsidiary of LITL	96.11%	Subsidiary of LITL	26.00%
39	Basava Power Private Limited (BPPL)	India	Subsidiary of LITL	92.21%	Subsidiary of LITL	26.00%
40	Mirach Power Limited (MiPL)	India	Subsidiary of LITL	96.03%	Subsidiary of LITL	26.00%
41	Nekkar Power Private Limited (NePPL)	India	Subsidiary of LITL	100.00%	-	-
42	Siddheswara Power Private Limited (SiPPL)	India	Subsidiary of LITL	95.38%	Subsidiary of LITL	26.00%
43	Vainateya Power Private Limited (VPPL)	India	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
44	Lanco Solar (Gujarat) Private Limited (LSGPL) (formerly known as Lanco Property Management Company Private Ltd)	India	Subsidiary of LITL	99.99%	Subsidiary of MPPL	97.48%
45	Lanco Energy Private Limited (LEPL)	India	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
46	Lanco Kanpur Power Limited (LKaPL)	India	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
47	Mahatamil Mining and Thermal Energy Limited (MMTEL)	India	Subsidiary of LITL	73.90%	Subsidiary of LITL	73.90%
48	Tasra Mining & Energy Company Private Limited (TMECPL)	India	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
49	Mercury Projects Private Limited (MPPL)	India	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
50	Lanco Kanpur Highways Limited (LKHL)	India	Subsidiary of LITL	99.99%	Subsidiary of LITL	99.99%
51	Lanco Hoskote Highway Limited (LHHL)	India	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
52	Lanco Devihalli Highways Limited (LDHL)	India	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
53	Belinda Properties Private Limited (BePPL)	India	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
54	Bianca Properties Private Limited (BiPPL)	India	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
55	Tethys Properties Private Limited (TPPL)	India	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
56	Ananke Properties Private Limited (AnPPL)	India	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
57	Banas Thermal Power Private Limited (BTPPL)	India	Subsidiary of AnPPL	74.00%	Subsidiary of AnPPL	74.00%
58	Lanco Hills Technology Park Private Limited (LHTPPL)	India	Subsidiary of LITL	79.14%	Subsidiary of LITL	79.14%
59	Lanco Horizon Properties Private Limited (LHrPPL)	India	Subsidiary of LITL	99.99%	-	-
60	Uranus Projects Private Limited (UPPL)	India	Subsidiary of LITL	99.99%	Subsidiary of LITL	99.98%
61	Jupiter Infratech Private Limited (JIPL)	India	Subsidiary of UPPL	100.00%	Subsidiary of UPPL	100.00%
62	Uranus Infratech Private Limited (UIPL)	India	Subsidiary of UPPL	100.00%	Subsidiary of UPPL	100.00%
63	Leda Properties Private Limited (LPPL)	India	Subsidiary of UPPL	100.00%	Subsidiary of UPPL	100.00%
64	Coral Orchids Private Limited (COPL)	India	Subsidiary of UPPL	100.00%	Subsidiary of UPPL	100.00%
65	Thebe Properties Private Limited (ThPPL)	India	Subsidiary of UPPL	100.00%	Subsidiary of UPPL	100.00%
66	Cressida Properties Private Limited (CrPPL)	India	Subsidiary of UPPL	100.00%	Subsidiary of UPPL	100.00%
67	Nix Properties Private Limited (NiPPL)	India	Subsidiary of UPPL	100.00%	Subsidiary of UPPL	100.00%
68	Cordelia Properties Private Limited (CPPL)	India	Subsidiary of UPPL	99.99%	Subsidiary of UPPL	99.98%
69	Dione Properties Private Limited (DPPL)	India	Subsidiary of UPPL	100.00%	Subsidiary of UPPL	100.00%
70	Neptune Projects Private Limited (NPPL)	India	Subsidiary of LSEPL	100.00%	Subsidiary of UPPL	99.72%
71	Deimos Properties Private Limited (DePPL)	India	Subsidiary of LSEPL	100.00%	Subsidiary of UPPL	99.99%
72	Pearl Farms Private Limited (PFPL)	India	Subsidiary of UPPL	99.99%	Subsidiary of UPPL	99.99%
73	Telesto Properties Private Limited (TePPL)	India	Subsidiary of UPPL	99.99%	Subsidiary of UPPL	99.98%
74	Lanco International Pte Limited (LIPL)	Singapore	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%

Sr. No.	Name of company	Country of Incorporation	March 31, 2017		March 31, 2016	
			Relationship	Percentage of Ownership Interest	Relationship	Percentage of Ownership Interest
75	Lanco Enterprise Pte Limited (China)	China	Subsidiary of LIPL	100.00%	Subsidiary of LIPL	100.00%
76	Lanco Infratech Nepal Private Limited (LINPL)	Nepal	Subsidiary of LIPL	100.00%	Subsidiary of LIPL	100.00%
77	LE New York - LLC (LENY)	New York	Subsidiary of LIPL	100.00%	Subsidiary of LIPL	100.00%
78	Lanco Power International Pte Limited (LPIPL)	Singapore	Subsidiary of LIPL	100.00%	Subsidiary of LIPL	100.00%
79	Lanco Solar International Pte Limited (LSIPL)	Singapore	Subsidiary of LIPL	100.00%	Subsidiary of LIPL	100.00%
80	Lanco Infratech (Mauritius) Limited (LIML)	Mauritius	Subsidiary of LIPL	-	Subsidiary of LIPL	100.00%
81	Lanco Solar Holding Netherland B.V Utrecht (LSHNBV)	Netherlands	Subsidiary of LSIPL	100.00%	Subsidiary of LSIPL	100.00%
82	Lanco Solar International US Inc. (LSI USA)	USA	Subsidiary of LSHNBV	100.00%	Subsidiary of LSHNBV	100.00%
83	Green Solar SRL (GSSRL)	Italy	Subsidiary of LSHNBV	100.00%	Subsidiary of LSHNBV	100.00%
84	Lanco Resources International Pte Limited (LRIPL)	Singapore	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
85	Lanco Holding Netherland B.V (LHNBV)	Netherlands	Subsidiary of LRIPL	-	Subsidiary of LRIPL	100.00%
86	P.T Lanco Indonesia Energy (LInE)	Indonesia	Subsidiary of LHNBV	-	Subsidiary of LHNBV	100.00%
87	Lanco Resources Australia Pty. Limited (LRAPL)	Australia	Subsidiary of LRIPL	100.00%	Subsidiary of LRIPL	100.00%
88	The Griffin Coal Mining Company Pty Limited (GCM)	Australia	Subsidiary of LRAPL	100.00%	Subsidiary of LRAPL	100.00%
89	Carpenter Mine Management Pty Limited (CMM)	Australia	Subsidiary of LRAPL	100.00%	Subsidiary of LRAPL	100.00%
90	Western Australia Coal Terminal Pty Ltd (WAC)	Australia	Subsidiary of LRAPL	100.00%	Subsidiary of LRAPL	100.00%
91	Bhola Electricity Pvt Ltd (BEPL)	Bangladesh	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
92	Sirajganj Electric Pvt Limited (SEPL)	Bangladesh	Subsidiary of LITL	100.00%	Subsidiary of LITL	100.00%
93	Genting Lanco Power (India) Private Limited (GLPIPL)	India	Associate of LITL	26.00%	Associate of LITL	26.00%
94	Pragdisa Power Private Limited (PrPPL)	India	Associate of LITL	26.00%	Associate of LITL	26.00%
95	Bay of Bengal Gateway Terminal Private Limited (BBGTPL)	India	Associate of LITL	26.00%	Associate of LITL	26.00%
96	Lanco Teesta Hydro Power Limited (LTHPL)	India	Associate of LHPL	48.94%	Associate of LHPL	48.94%
97	DDE Renewable Energy Pvt. Ltd. (DREPL)	India	Associate of LSEPL	49.00%	Associate of LSEPL	49.00%
98	Electromech Maritech Pvt. Ltd. (EMPL)	India	Associate of LSEPL	49.00%	Associate of LSEPL	49.00%
99	Finehope Allied Engg. Pvt. Ltd. (FAPPL)	India	Associate of LSEPL	38.00%	Associate of LSEPL	38.00%
100	KVK Energy Ventures Pvt. Ltd. (KEVPL)	India	Associate of LSEPL	49.00%	Associate of LSEPL	49.00%
101	Saidham Overseas Pvt. Ltd (SOPL)	India	Associate of LSEPL	35.00%	Associate of LSEPL	35.00%
102	Vasavi Solar Power Pvt Ltd (VSPPL)	India	Associate of LSEPL	49.00%	Associate of LSEPL	49.00%

2.1 First Time Adoption of Ind-AS

Transition to Ind AS

These are the Group's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2.2 have been applied in preparing the Consolidated financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 01, 2015 (the Group's date of transition). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in the Note 57.

Exemptions and Exceptions availed

Set out below are the applicable Ind AS 101 (First Time adoption of Indian Accounting Standards) optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

Exceptions to retrospective application of other Ind AS (Mandatory Exceptions)

(i) Estimates: An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is an objective evidence that those estimates were in error. Ind AS estimates as at April 01, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for Impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

(ii) Ind AS 109 - Financial Instruments (De recognition of previously recognised financial assets/ financial liabilities): An entity shall apply the de recognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. The Group has applied the de recognition requirements prospectively.

(iii) Ind AS 109 - Financial Instruments (Classification and measurement of Financial assets): Classification and measurement of financial assets shall be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Group has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of financial assets and accordingly has classified and measured financial assets on the date of transition.

(iv) Ind AS 109 Financial Instrument (Impairment of Financial Assets): Impairment requirements under Ind AS 109 should be applied retrospectively based on the reasonable and supportable information that is available on transition date without undue cost or effort. The Group has applied impairment requirement retrospectively.

Exceptions from retrospective application of other Ind AS (Optional Exemption)

(i) Ind AS 103 Business Combinations: An entity may elect not to apply Ind AS 103 retrospectively to all business combinations that occurred before the date of transition to Ind AS. The Group has elected not to apply Ind AS 103 to business combinations that occurred before the date of transition to Ind AS.

(ii) Ind AS 102 Share Based Payment: An entity may elect to apply Ind AS 102 to equity instruments that vested before the date of transition to Ind AS. The Group has not applied Ind AS 102 to grants which vested before the date of transition to Ind AS.

(iii) Ind AS 16 Property, Plant and Equipment & Ind AS 38 Intangible Assets: An entity may elect to measure an item of property, plant and equipment and Intangible asset at the date of transition to Ind AS at its fair value and use that fair value as deemed cost at that date or may measure the items of Property, Plant and Equipment and intangible assets by applying Ind AS retrospectively or use of the carrying amount under Previous GAAP on the date of transition as deemed cost.

The Group has elected to continue with the carrying amount for all of its property, plant and equipment and intangible assets measured as per Previous GAAP and use that as its deemed cost as at the date of transition except land class for which fair value on the date of transition has been adopted as deemed cost.

(iv) Ind AS 17 Leases: An entity shall determine based on facts and circumstances existing at the date of transition to Ind AS whether an arrangement contains a Lease and when a lease includes land and building elements, an entity shall assess the classification of each element as finance lease or operating lease. The Group has used this exemption and assessed all arrangements based on conditions existing as at the date of transition.

(v) Ind AS 21 The effect of changes in foreign exchange rates:

Long Term Foreign Currency Monetary Items: A first-time adopter may continue the policy adopted for accounting for exchange difference arising from translation of long-term term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. The Group adopted the policy of amortizing exchange differences on long term foreign currency monetary items and accordingly this exemption has been applied by the Group.

(vi) Ind AS 109 Financial Instruments: Ind AS 109 permits an entity to designate a financial liability/asset (meeting certain criteria) at fair value through profit or loss. A financial liability/ asset shall be designated at fair value through circumstances that exist at the date of transition to Ind AS. There are no financial liabilities or assets that are specifically designated at FVTPL and hence this exemption is not applicable.

An entity may designate an investment in an equity instruments as at fair value through other comprehensive income (FVTOCI) in accordance with the Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS. The Group has not designated equity instruments as at FVTOCI and hence this exemption is not applicable.

(vii) Ind AS 105 Non-current Assets held for Sale and Discontinued Operations: Ind AS 105 requires that non-current assets (or disposal groups) that meet the criteria to be classified as held for sale, non-current assets (or disposal groups) that are held for distribution to owners and operations that meet the criteria to be classified as discounted operations shall be carried at lower of its carrying amount and fair value less costs to sell on the date of such identification. A first-time adopter can measure such assets or operations on the date of transition to Ind AS and recognise the difference between that amount and carrying amount under previous GAAP directly in retained earnings. The Group has applied this exemption.

2.2 Summary of significant accounting policies

I. Significant Accounting Estimates and Judgments

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reporting amounts of assets, liabilities, income and expense and disclosures made. Although these estimates are based on management's best knowledge of current events and actions, actual result may differ from those estimates.

The critical accounting estimates and assumptions used and areas involving a high degree of judgments are described below:

Use of estimation and assumptions

In the process of applying the entity's accounting policies, management had made the following estimation and assumptions that have the significant effect on the amounts recognised in the financial statements.

Income tax

The Group recognizes tax liabilities based upon self-assessment as per the tax laws. When the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such final determination is made.

Property, plant and equipment & Intangible Assets

Key estimates related to long-lived assets (property, plant and equipment, mineral leaseholds and intangible assets) include useful lives, recoverability of carrying values and the existence of any retirement obligations. As a result of future decisions, such estimates could be significantly modified. The estimated useful lives of long-lived assets is disclosed in Note 2.2 III and Note 2.2 V, and useful lives is applied as per schedule II of Companies Act, 2013 and estimated based upon our historical experience, engineering estimates and industry information. These estimates include an assumption regarding periodic maintenance and an appropriate level of annual capital expenditures to maintain the assets.

Provision for warranty

The Group recognises a provision for warranty associated with liquidated damages and shortfall in performance arising from obligations stated in its project contracts. In determining the amount of the provision, assumption and estimates are made in relation to the probability of the risk, present value of the potential risk, risk adjusted equity return rate, current sales levels, subsequent events and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The carrying amount of the provisions as at the reporting period end are disclosed in Note 48 to the financial statement.

Construction Contracts

The group uses expertise of internal technical team and quantity surveyors to estimate the costs to complete the construction contracts. Factors such as changes in material prices, labour costs, defects liability costs and other costs are included in the construction cost estimates based on best estimates.

In the Construction and EPC industry, there are various contractual matters relating to possible penalties for delays in contract completion, claims of suppliers/subcontractors, recovery of additional claims, expected costs during defect liability period etc., that are subject to various uncertainties and future negotiations. The management regularly reviews estimates and suitably accounts for the possible financial impact of such contractual matters based on their assessment, past experience and available information.

Contract work in progress and Contract revenues are recognised on a percentage of completion basis that requires the management to estimate the costs expected to be incurred in future to complete the contracts. Further, profits on contracts in progress are recognized only when the final outcome can be reliably estimated.

Employee Benefits- Measurement of Defined Benefit Obligation

Management assesses post-employment and other employee benefit obligations using the projected unit credit method based on actuarial assumptions which represent management's best estimates of the variables that will determine the ultimate cost of providing post-employment and other employee benefits.

Critical judgments made in applying accounting policies

Lease Classifications

At the inception of an arrangement entered into for the use of property, plant and equipment (PPE), the Group determines whether such an arrangement is, or contains, a lease. The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of (i) whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets, and (ii) the arrangement conveys a right to use the asset(s).

Lease transactions where substantially all risks and rewards incident to ownership are transferred from the lessor to the lessee are accounted for as finance leases. All other leases are accounted for as operating leases.

Service concession arrangements

The analysis on whether the Appendix A of Ind AS 11 applies to certain contracts and activities involves various complex factors and it is significantly affected by legal interpretation of certain contractual agreements or other terms and conditions with public sector entities.

Therefore, the application of Appendix A of Ind AS 11 requires extensive judgment in relation with, amongst other factors, (i) the identification of certain infrastructures (and not contractual agreements) in the scope of Appendix A of Ind AS 11, (ii) the understanding of the nature of the payments in order to determine the classification of the infrastructure as a financial asset or as an intangible asset and (iii) the recognition of the revenue from construction and concessionary activity.

Changes in one or more of the factors described above may significantly affect the conclusions as to the appropriateness of the application of Appendix A of Ind AS 11 and, therefore, on the results of operations or the financial position.

Impairment in Associates

When an associate is in net equity deficit and has suffered operating losses, a test is made whether the investment in the investee has suffered any impairment, in accordance with the stated accounting policy. This determination requires significant judgment. An estimate is made of the future profitability of the investee, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, and financing and operational cash flows.

Impairment of Property, plant & equipment and Intangible assets

The Group assesses whether Property, plant & equipment and intangible assets have any indication of impairment in accordance with the accounting policy. The recoverable amounts of Property, plant & equipment and intangible asset have been determined based on value-in-use calculations. These calculations require the use of judgment and estimates.

Expected credit loss

Expected credit losses of the Group are based on an evaluation of the collectability of receivables. A considerable amount of judgment is required in assessing the ultimate realization of these receivables, including their current creditworthiness, past collection history of each customer and ongoing dealings with them. If the financial conditions of the counterparties with which the Group contracted were to deteriorate, resulting in an impairment of their ability to make payments, additional expected credit loss may be required.

II. Business Combination

The acquisitions of businesses are accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date except certain assets and liabilities required to be measured as per the applicable standard. Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities recognised and contingent liabilities assumed.

In the case of bargain purchase, resultant gain is recognized in other comprehensive income on the acquisition date and accumulated to capital reserve in equity.

The interest of non-controlling shareholders in the acquiree is initially measured at the non-controlling shareholders proportionate share of the acquiree's identifiable net assets.

Business Combination Achieved in Stages

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is re-measured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss.

Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed off.

Business Combination under Common Control

Business combinations arising from transfers of interests in entities that are under the common control are accounted by using the pooling of interests method. The pooling of interest method is considered to involve the following:

(i) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

(iii) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

(iv) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee.

(v) The difference if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor, transferred to capital reserve.

III. Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Cost includes its purchase price (after deducting trade discounts and rebates), import duties & non-refundable purchase taxes, any costs directly attributable to bringing the asset to the location & condition necessary for it to be capable of operating in the manner intended by management, borrowing costs on qualifying assets and asset retirement costs. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The activities necessary to prepare an asset for its intended use or sale extend to more than just physical construction of the asset. It may also include technical (DPR, environmental, planning, Land acquisition and geological study) and administrative work such as obtaining approvals before the commencement of physical construction.

The cost of replacing a part of an item of property, plant and equipment is capitalized if it is probable that the future economic benefits of the part will flow to the Group and that its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

Costs of day to day repairs and maintenance costs are recognized into the statement of profit and loss account as incurred.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

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

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

An item of plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset is recognised in the profit or loss in the year the asset is derecognized.

Assets under installation or under construction as at the Balance Sheet date are shown as Capital Work in Progress.

Mining Assets

Mining Lease

The mine lease held for use in the production of supply of goods is carried on the Balance sheet date at fair value, less any subsequent accumulated amortization and subsequent accumulated impairment losses. Fair value is determined on the basis of an independent valuation prepared by external valuation experts, based on discounted cash flows or capitalization of net income, as appropriate. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the Balance Sheet date.

Any revaluation increase arising on the revaluation of the mine lease is credited to a revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognized as an expense in the Statement of Profit & Loss Account, in which case the increase is credited to the Profit & Loss Account to the extent of the decrease previously charged.

A decrease in the carrying amount arising on the revaluation of mine lease is charged as an expense in Statement of profit & loss to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

Amortization on the revalued mine lease is charged to the Statement of Profit & Loss Account. On the subsequent sale or retirement of the revalued mine lease, the attributable revaluations surplus remaining in the revaluation reserve, net of any related taxes, is transferred directly to retained earnings.

Deferred overburden

During the commercial production stage of open pit operations, production stripping costs comprises the accumulation of expenses incurred to enable access to the coal seam, and includes direct removal costs (inclusive of an allocation of overhead expenditure) and machinery and plant running costs.

Production stripping costs are capitalised as part of an asset, if it can be demonstrated that it is probable that future economic benefits will be realised, the costs can be reliably measured and the entity can identify the component of the ore body for which access has been improved. The asset is called Capitalised Overburden.

The capitalised overburden asset is amortised on a systematic basis, over the expected useful life of the identified component of the ore body that becomes more accessible as a result of the stripping activity. The units of production method shall be applied for amortization.

Production stripping costs that do not satisfy the asset recognition criteria are expensed.

Exploration and Evaluation

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to the operational activities in a particular area of mine. Where a decision is made to proceed with development in respect of a particular area of mine, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

Depreciation

Depreciation is provided on Straight Line Method, as per the provisions of schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment. Asset class wise useful lives in years are as under:

Plant and Machinery	1 to 25
Buildings	8 to 60
Computers and equipment	3 to 6
Furniture & fixtures	10 to 25
Vehicles	8 to 10
Office equipment	5 to 25

Depreciation of the mine properties is calculated on the unit of production method. The unit of production method results in depreciation charge proportional to the depletion of the economically viable mineral reserves.

Leasehold improvements are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

In respect of additions / deletions to the fixed assets / leasehold improvements, depreciation is charged from the date the asset is ready to use / up to the date of deletion.

Depreciation on adjustments to the historical cost of the assets on account of reinstatement of long term borrowings in foreign currency, if any, is provided prospectively over the residual useful life of the asset.

IV. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property.

Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment properties i.e. Buildings are depreciated using the straight-line method as per the provisions of schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment.

V. Intangible Assets

Service concession arrangements (SCA)

Where the Group enters into service concession arrangements under which the Group constructs, uses and operates certain assets for the provision of public services, construction revenue and costs are recognised in the profit and loss account by reference to the stage of completion at the balance sheet date while the fair value of construction service is capitalised initially as service concession assets in the balance sheet. Expenditure for the replacement and/ or upgrade of the assets subject to service concession is capitalised.

Concession rights are recognized as an intangible asset to the extent that it receives a right to charge users of the service Concession rights are stated at cost less accumulated amortization and accumulated impairment losses.

In case of BOOT based road projects amortization is as per the schedule II of companies act 2013 i.e. calculated by taking the proportionate of actual revenue earned for the year over the total projected revenues from the balance concession period of the project applied to the cost of Intangible assets. The total projected revenues are reviewed at the end of each financial year and the total projected revenues are adjusted to reflect any changes in the estimates which lead to the actual collection at the end of the concession period.

In all other intangible service concession assets, amortization is calculated by using the straight-line method over the licensing periods.

Other Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

The Group amortizes Computer software using the straight-line method over the period of 4 years.

VI. Financial Assets

Financial assets comprise of investments in equity and debt securities, trade receivables, cash and cash equivalents and other financial assets.

Initial recognition:

All financial assets are recognised initially at fair value. Purchases or sales of financial asset 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 Group commits to purchase or sell the assets.

Subsequent Measurement:

(i) Financial assets measured at amortised cost:

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortization is recognised as finance income in the Statement of Profit and Loss.

The Group while applying above criteria has classified the following at amortised cost:

a) Trade receivable

b) Cash and cash equivalents

c) Other Financial Asset

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

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

Fair Value movements in financial assets at FVTOCI are recognised in other comprehensive income.

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the Group classifies the same as at FVTOCI. The classification is made on initial recognition and is irrevocable. Fair value changes on equity investments at FVTOCI, excluding dividends are recognised in other comprehensive income (OCI).

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

Financial asset are measured at fair value through profit or loss if it does not meet the criteria for classification as measured at amortised cost or at fair value through other comprehensive income. All fair value changes are recognised in the statement of profit and loss.

(iv) Investment in subsidiaries, joint ventures & associates are carried at cost in the separate financial statements.

Impairment of Financial Assets:

Financial assets are tested for impairment based on the expected credit losses.

(i) Trade Receivables

An impairment analysis is performed at each reporting date. The expected credit losses over life time of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rates reflecting current condition and forecasts of future economic conditions. In this approach assets are grouped on the basis of similar credit characteristics such as industry, customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

(ii) Other financial assets

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the life time when there is significant increase in credit risk.

De-recognition of financial assets

A financial asset is derecognized only when:

- The Group has transferred the rights to receive cash flows from the financial asset or
- The contractual right to receive cash flows from financial asset is expired or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset and transferred substantially all risks and rewards of ownership of the financial asset, in such cases the financial asset is derecognized. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is also derecognized if the Group has not retained control of the financial asset.

VII. Impairment of Non-Financial Assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

VIII. Government Grants

Government Grants are recognized at fair value when there is reasonable assurance that the Group will comply with the conditions attached to the government grants and the grants will be received.

When the Government Grant relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Government grants relating to specific assets are included in non-current liabilities as deferred income and are credited to profit and loss on a straight line basis over the expected lives of the related assets and presented within other income.

IX. Inventories

Construction materials, raw materials, consumables, stores and spares and finished goods are valued at lower of cost and net realizable value. Cost is determined on weighted average cost method.

Construction/Development work-in-progress related to project works is valued at lower of cost or net realizable value, where the outcome of the related project is estimated reliably. Cost includes cost of land, cost of materials, cost of borrowings and other related overheads.

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

X. Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks subsequently measured at amortized cost and short term investments are measured at fair value through Profit & Loss account.

XI. Non-current Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets, or components of the disposal group, are re-measured in accordance with the Group's accounting policies. Thereafter, the assets, or disposal group, are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment losses on initial classification as held for sale or subsequent gain on re-measurement are recognized into statement of Profit and Loss Account. Gains are not recognized in excess of any cumulative impairment losses.

XII. Share Capital

Equity shares are classified as equity.

XIII. Financial Liabilities

Initial recognition and measurement

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

All financial liabilities are recognized initially at fair value plus any directly attributable transaction costs, such as loan processing fees and issue expenses.

Subsequent measurement – at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de recognised, and through the amortization process.

De recognition

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

XIV. Borrowing Costs

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 capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

XV. Employee Benefits

- Employee benefits are charged to the statement of Profit and Loss for the year and for the projects under construction stage are capitalised as other direct cost in the Capital Work in Progress / Intangible asset under development.
- Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are recognised, when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- Gratuity liability is defined benefit obligations and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Re measurement in case of defined benefit plans gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and they are included in retained earnings in the statement of changes in equity in the balance sheet.
- Compensated absences are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.
- The amount of Non-current and Current portions of employee benefits is classified as per the actuarial valuation at the end of each financial year.

XVI. Employee Stock Option Scheme

The Group has formulated an Employees Stock Option Scheme to be administered through a Trust. The scheme provides that subject to continued employment with the Company or the Group, employees of the Company and its subsidiaries are granted an option to acquire equity shares of the Company that may be exercised within a specified period. The Group follows the fair value method for computing the compensation cost for all options granted which will be amortized over the vesting period.

XVII. Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and reduced accordingly to the extent that it is no longer probable that they can be utilized.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period.

Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

Deferred tax assets and liabilities are offset when there is legally enforceable right of offset current tax assets and liabilities when the deferred tax balances relate to the same taxation authority. Current tax asset and liabilities are offset where the entity has legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

XVIII. Leases

As a lessee

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are classified in the balance sheet based on their nature.

Lease-hold land:

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease.

The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

XIX. Provisions, Contingent Liabilities and Contingent Assets

Provisions

A provision is recognized if, as a result of a past event, the Group 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.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense and is recorded over the estimated time period until settlement of the obligation. Provisions are reviewed and adjusted, when required, to reflect the current best estimate at the end of each reporting period.

The Group recognizes decommissioning provisions in the period in which a legal or constructive obligation arises. A corresponding decommissioning cost is added to the carrying amount of the associated property, plant and equipment, and it is depreciated over the estimated useful life of the asset.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under contract. The provision is measured at the present value of the lower of expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

Liquidated Damages / Penalty as per the contracts / Additional Contract Claims / Counter Claims under the contract entered into with Vendors and Contractors are recognised at the end of the contract or as agreed upon.

Contingent Liabilities

Contingent liability is disclosed in case of

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimate is possible;
- A possible obligation arising from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company where the probability of outflow of resources is not remote.

Contingent Assets

Contingent assets are not recognized but disclosed in the financial statements when as inflow of economic benefits is probable.

XX. Operations and Maintenance

The Group had entered into Long Term Maintenance Agreement (LTMA) for maintenance of the main plant and Long Term Assured Parts Supply Agreement (LTAPSA) for supply of parts for planned and unplanned maintenance over the term of the agreement. Based on the obligation, amounts payable under the agreements are charged to Statement of profit and loss considering the actual Factored Fired Hours of the Gas Turbines during the year on the basis of average factored hour cost including customs duty applicable at the current prevailing rate. Periodical minimum payments are accounted as and when due based on contractual obligations.

XXI. Fair Value Measurements

Group uses the following hierarchy when determining fair values:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and,

Level 3 – Inputs for the asset or liability that are not based on observable market data.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting dates. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The fair value for these instruments is determined using Level 1 inputs.

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is fair valued using level 2 inputs.

If one or more of the significant inputs is not based on observable market data, the instrument is fair valued using Level 3 inputs. Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting dates, with the resulting value discounted back to present value;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

XXII. Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

The Group collects service tax, sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue. The following specific recognition criteria must also be met before revenue is recognized:

EPC and Construction Services

For EPC and construction contracts, contract prices are either fixed or subject to price escalation clauses.

Revenues are recognised on a percentage of completion method measured on the basis of stage of completion which is as per joint surveys and work certified by the customers.

Profit is recognised in proportion to the value of work done (measured by the stage of completion) when the outcome of the contract can be estimated reliably.

The estimates of contract cost and the revenue thereon are reviewed periodically by management and the cumulative effect of any changes in estimates in proportion to the cumulative revenue is recognised in the period in which such changes are determined. When the total contract cost is estimated to exceed total revenues from the contract, the loss is recognised immediately. Modifications to contracts involving technical aspects/inputs are based on management assessment.

Amounts due in respect of price escalation claims and/or variation in contract work are recognized as revenue only if the contract allows for such claims or variations and/or there is evidence that the customer has accepted it and are capable of being reliably measured.

Liquidated Damages / Penalty as per the contracts / Additional Contract Claims/Counter claims under the contracts entered into with Vendors and Contractors are recognised at the end of the contracts or as agreed upon.

Sale of Power

The Group has entered into Power Purchase Agreements (PPAs) to sell power at predetermined prices.

PPAs are assessed as to whether they are service concession assets or lease assets or property, plant & equipment.

Service concession assets

Intangible Assets

Revenue from construction services is arrived at on the basis of cost incurred during the period based on the stage of the project completion plus appropriate construction margin. Receivable for construction service is exchanged to intangible rights under service concession arrangements.

Revenue from Intangible Assets is recognised in the year of collection of usage charges which normally coincides with the usage of the public service.

Leased Assets

PPAs are assessed as to whether they contain leases which convey to the counterparty the right to the use of the Group's property, plant and equipment in return for payment. Such types of arrangements may be classified as either finance or operating leases. PPAs that transfer substantially all of the benefits and risks of ownership of property from the Group are classified as finance leases. PPAs that do not transfer substantially all of the benefits and risks of ownership of property, plant and equipment are classified as either operating leases or executory contracts.

For those PPAs determined to be finance leases with the Group as the lessor, finance income is recognized in a manner that produces a constant rate of return on the net investment in the lease. The net investment is composed of minimum lease payments and unearned finance income. Unearned finance income is the difference between the total minimum lease payments and the carrying amount of the leased property, plant and equipment. Unearned finance income is deferred and recognized into net income over the lease term. Payments received under PPAs classified as finance leases are segmented into those for the lease and those for other elements on the basis of their relative fair value.

For those PPAs determined to be operating leases with the Group as the lessor, revenue is recognized on a straight-line basis unless another method better represents the earnings flow.

PPE Assets

Revenues from other generation units operating under PPAs, which have not been assessed as containing a lease are recognized on delivery of output or upon availability for delivery as prescribed by the respective PPAs. Revenue from sale of energy is recognised on the accrual basis in accordance with the provisions of Power Purchase Agreements.

Infirm Power

Revenue from sale of infirm power is recognized on accrual basis as per the Central Electricity Regulatory Commission (CERC) norms.

Claims

Claims for delayed payment charges and any other claims are recognised as per the Power Purchase Agreement / Contracts.

Sale of Goods

Revenue from the sale of goods are recognized when there is persuasive evidence, usually in the form of an executed sales agreement at the time of delivery of the goods to customer, indicating that there has been a transfer of risks and rewards to the customer, no further work or processing is required, the quantity and quality of the goods has been determined, the price is considered fixed and generally title has passed.

Carbon Credits

Revenue from sale of Verified Emission Reductions (VERs) and Certified Emission Reductions (CERs) is recognized on sale of the eligible credits.

Property Development

Revenue from real estate under development is recognised upon transfer of significant risks and rewards of ownership of such real estate, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the agreement for sale and when the buyer's investment is adequate enough to demonstrate a commitment to pay.

In accordance with the Guidance Note on Recognition of Revenue for Real Estate Transactions issued by the Institute of Chartered Accountants of India (the "ICAI") the revenue from sale of residential and commercial properties is recognized on the "percentage of completion method". Percentage of completion is determined on the basis of actual project cost (including cost of Land) incurred thereon to total estimated project cost, where the actual cost is

25 percent or more of the total estimated project cost. Where the total cost of a contract, based on technical and other estimates is expected to exceed the corresponding contract value, such expected loss is provided for.

In case it is unreasonable to expect ultimate collection from sale of residential units, the revenue recognition is postponed to the extent of uncertainty involved. For determining whether it is unreasonable to expect ultimate collection, the Group considers the evidence of the buyer's commitment to make the complete payment. Where the ability to assess the ultimate collection with reasonable certainty is lacking at the time of all significant risks and rewards of ownership are transferred to the buyer, revenue recognition is postponed to the extent of uncertainty involved.

Income from Toll Collections

Revenue from construction services is arrived at on the basis of cost incurred during the period based on the stage of the project completion plus appropriate construction margin. Receivable for construction service is exchanged to intangible rights under service concession arrangements.

Revenue from intangible assets is recognised in the year of collection of usage charges which normally coincides with the usage of the public service.

Management Consultancy

Income from project management / technical consultancy is recognized as per the terms of the agreement on the basis of services rendered.

Insurance Claims

Insurance claims are recognized on acceptance / receipt of the claim.

Interest

Revenue is recognized as the interest accrues, using the effective interest method. This is the method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established.

XXIII. Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency of the Group, at exchange rates in effect at the transaction date.

At each reporting date monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at the date of the statement of financial position.

The translation for other non-monetary assets is not updated from historical exchange rates unless they are carried at fair value.

XXIV. Duty Drawback Claims

Claims for duty drawback are accounted for on accrual basis.

- Where there is reasonable assurance that the enterprise will comply with the conditions attached to them; and
- Where such benefits have been earned by the enterprise and it is reasonably certain that the ultimate collection will be made.

XXV.Minimum Alternative Tax (MAT)

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal Income Tax during the specified period.

XXVI. Earnings per Share

Basic earnings per share are calculated by dividing:

- The profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

  Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

XXVII. Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers, who are responsible for allocating resources and assessing performance of the operating segments.

XXVIII. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated.

3 Property, Plant and Equipment

₹ Crores

Particulars	Owned Assets									Assets Given On Operating Lease			Assets Taken On Finance Lease		TOTAL ASSETS
	Leasehold Land Development	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures *	Vehicles	Office Equipment	Mine properties **	Total (A)	Plant and Equipment	Buildings	Total (B)	Plant and Equipment	Total (C)	(A + B + C)
Gross Block															
As at April 01, 2015	89.09	1,795.05	606.82	6,856.71	54.53	13.95	20.91	4,869.67	14,306.73	932.30	137.71	1,070.01	194.37	194.37	15,571.11
Additions	-	4.57	215.65	3,069.30	0.75	0.82	2.10	153.81	3,447.00	1.21	-	1.21	-	-	3,448.21
Disposals	-	0.46	1.09	42.68	14.81	4.48	3.20	-	66.72	-	-	-	-	-	66.72
Acquisitions through business combinations	0.37	0.17	0.52	67.81	-	-	-	-	68.87	-	-	-	-	-	68.87
Deletion on Sale of Subsidiary & Conversion of Subsidiary into Associates	-	-	2.30	66.31	0.32	0.37	0.73	-	70.03	-	-	-	-	-	70.03
Other Adjustments															
- Exchange Difference	-	2.76	6.17	41.04	0.31	0.03	0.11	333.18	383.60	1.73	-	1.73	34.13	34.13	419.46
- Reclasification	-	-	-	605.08	-	-	-	-	605.08	-	-	-	(605.08)	(605.08)	-
As at March 31, 2016	**89.46**	**1,802.09**	**825.77**	**10,530.95**	**40.46**	**9.95**	**19.19**	**5,356.66**	**18,674.53**	**935.24**	**137.71**	**1,072.95**	**(376.58)**	**(376.58)**	**19,370.90**
Additions	-	0.70	44.10	66.22	0.44	0.77	1.66	256.97	370.86	0.71	-	0.71	-	-	371.57
Disposals	0.48	0.60	0.51	58.03	1.73	2.60	1.51	-	65.46	-	-	-	-	-	65.46
Acquisitions through business combinations	-	-	-	-	0.07	0.20	0.28	-	0.55	-	-	-	-	-	0.55
Other Adjustments															
- Exchange Difference	-	(1.20)	(1.95)	(32.63)	(0.25)	(0.01)	(0.08)	(214.71)	(250.83)	-	-	-	-	-	(250.83)
As at March 31, 2017	**88.98**	**1,800.99**	**867.41**	**10,506.51**	**38.99**	**8.31**	**19.54**	**5,398.92**	**18,729.65**	**935.95**	**137.71**	**1,073.66**	**(376.58)**	**(376.58)**	**19,426.73**
Depreciation															
For the Period 2015-16															
Charged For the Period	3.19	-	35.08	587.86	12.48	3.76	8.78	63.86	715.01	70.56	5.61	76.17	-	-	791.18
On Disposals	-	-	0.64	11.69	2.16	1.71	2.11	-	18.31	-	-	-	-	-	18.31
On account of Business Combinations	0.04	-	0.06	11.95	-	-	-	-	12.05	-	-	-	-	-	12.05
Deletion on Sale of Subsidiary & Conversion of Subsidiary into Associates	-	-	0.09	2.83	0.15	0.14	0.38	-	3.59	-	-	-	-	-	3.59
Other Adjustments															
- Exchange Difference	-	-	6.02	17.53	0.11	0.03	0.10	37.22	61.01	0.36	-	0.36	22.51	22.51	83.88
- Reclassification	-	-	-	399.09	-	-	-	-	399.09	-	-	-	(399.09)	(399.09)	-
As at March 31, 2016	**3.23**	**-**	**40.43**	**1,001.91**	**10.28**	**1.94**	**6.39**	**101.08**	**1,165.26**	**70.92**	**5.61**	**76.53**	**(376.58)**	**(376.58)**	**865.21**
Charged For the Period	3.22	-	36.89	635.53	8.44	2.23	4.99	77.84	769.14	70.69	5.62	76.31	-	-	845.45
On Disposals	0.48	-	0.49	48.29	0.41	1.64	0.79	-	52.10	-	-	-	-	-	52.10
Other Adjustments															
- Exchange Difference	-	-	(1.82)	(34.05)	(0.18)	(0.01)	(0.08)	(8.38)	(44.52)	-	-	-	-	-	(44.52)
As at March 31, 2017	**5.97**	**-**	**75.01**	**1,555.10**	**18.13**	**2.52**	**10.51**	**170.54**	**1,837.78**	**141.61**	**11.23**	**152.84**	**(376.58)**	**(376.58)**	**1,614.04**
Net Block															
As at March 31, 2016	86.23	1,802.09	785.34	9,529.04	30.18	8.01	12.80	5,255.58	17,509.27	864.32	132.10	996.42	-	-	18,505.69
As at March 31, 2017	**83.01**	**1,800.99**	**792.40**	**8,951.41**	**20.86**	**5.79**	**9.03**	**5,228.38**	**16,891.87**	**794.34**	**126.48**	**920.82**	**-**	**-**	**17,812.69**

Note : Gross Block as on 01.04.2015 represents deemed cost (Gross Block - Accumulated Depreciation) as per Ind AS 101.

* Includes Leasehold Improvements as on April 1, 2015 - ₹ 27.35 Crores, as on March 31 , 2016 - ₹ 30.62 Crores, as on March 31, 2017 - ₹ 29.89 Crores and Accumulated Depreciation as on March 31, 2016 - ₹ 20.08 Crores, as on March 31, 2017 - ₹ 23.15 crores.

** Includes Mine Lease, Noise Bund, Exploration & Development, Overburden Removal & Rehabilitation asset.

4 Capital Work In Progress

(₹ Crores)

	As at March 31, 2017	As at March 31, 2016
Asset Under Construction	11,773.09	13,441.32
Other Direct Cost		
Salaries, Allowances and Benefits to Employees	332.58	307.06
Contribution to Provident Fund and Other Funds	19.90	18.09
Grid Connection Charges	2.04	2.00
Staff Welfare Expenses	7.50	6.80
Rent	31.03	25.60
Rates and Taxes	23.43	27.02
Socio Economic Development Expenses	44.46	41.70
Repairs and Maintenance - Others	10.01	8.91
Office Maintenance	9.02	7.67
Insurance	109.28	94.12
Printing and Stationery	1.19	1.20
Consultancy and Other Professional Charges	203.24	198.00
Electricity, Water and Fuel Charges	96.84	72.61
Travelling and Conveyance	42.80	39.86
Communication Expenses	5.19	4.95
Project Allotment Expenses	29.42	29.65
Interest	10,656.54	8,489.01
Loss / (Gain) on Foreign Exchange Fluctuation (net)	549.56	609.74
Bank and Other Finance Charges	421.70	399.95
Depreciation	14.75	12.45
Miscellaneous Expenses	135.23	154.29
	24,518.80	23,992.00
Less: Other Income		
Sale of Infirm Power	0.35	7.81
Dividend from Mutual Funds	5.01	4.67
Miscellaneous Income	15.30	15.10
Claims Receivable	164.94	164.94
Insurance Claim Received	57.91	57.91
Interest Received (Gross) on Deposits and Others	145.35	143.82
	24,129.94	23,597.75
Less: Expenditure Apportioned over Cost of Fixed Assets	116.53	3,016.08
Less: (Credited) / Charged to Profit and Loss Account	114.64	111.80
	23,898.77	20,469.87

5 Investment Property

₹ Crores

Particulars	Owned Assets		
	Land	Buildings	Total
Gross Block			
As at April 01, 2015	200.24	112.90	313.14
Additions	2.03	0.57	2.60
As at March 31, 2016	**202.27**	**113.47**	**315.74**
Additions	-	4.50	4.50
Disposals	12.52	-	12.52
As at March 31, 2017	**189.75**	**117.97**	**307.72**
Depreciation			
For the period 2015-16			
Charged For the Period	-	1.86	1.86
As at March 31, 2016	**-**	**1.86**	**1.86**
Charged For the Period	-	1.90	1.90
As at March 31, 2017	-	**3.76**	**3.76**
Net Block			
As at March 31, 2016	202.27	111.61	313.88
As at March 31, 2017	**189.75**	**114.21**	**303.96**

Note: Gross Block as on 01.04.2015 represents deemed cost (Gross Block - Accumulated Depreciation) as per Ind AS 101.

In the case of LHTPPL, Investment Property consists of:

a) SEZ Land admeasuring 29.08 acres for future development in order to obtain lease rentals and on construction of Buildings on such SEZ Land.

b) IT-06 Tower Land admeasuring 1.60 acres.

c) IT-06 Building constructed on IT-06 Land which are held for obtaining lease rentals.

d) Land admeasuring 45.66 acres which are held for undeterminable future use.

The fair value of these investment properties, based on management estimates are higher than the book value, notwithstanding the charges created on these assets by bankers and partial acreage of land, which is yet to be transferred from TSIIC. Refer Note 88.

In all other group companies, the fair value of the investment properties based on the management estimates are higher than the book value.

6 Investment Property under Development

(₹ Crores)

	As at March 31, 2017	As at March 31, 2016
Opening Value	1,629.70	1,476.53
Additions during the year	190.62	153.17
Acquisitions through business combination	46.68	-
	1,867.00	1,629.70
	1,867.00	1,629.70
Less: Transfer to Investment Property	2.25	-
	1,864.75	1,629.70

7 Intangible Assets

₹ Crores

Particulars	Owned Assets		Under Service Concession Arrangement							Total
	Computer Software	Others*	Toll Roads	Leasehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Computers	Office Equipment	
Gross Block										
As at April 01, 2015	3.30	18.37	1,419.16	1.26	22.29	137.01	0.06	0.13	0.14	1,601.72
Additions	0.15	-	-	-	-	-	-	-	-	0.15
Disposals	-	-	-	-	-	-	-	-	-	-
Adjustments										
- Exchange Difference	-	1.88	-	-	-	-	-	-	-	1.88
- Others	-	-	14.81	-	-	-	-	-	-	14.81
As at March 31, 2016	**3.45**	**20.25**	**1,433.97**	**1.26**	**22.29**	**137.01**	**0.06**	**0.13**	**0.14**	**1,618.56**
Additions	0.68	-	-	-	-	-	-	-	-	0.68
Disposals	0.31	2.09	2.26	-	-	-	-	-	-	4.66
Adjustments										
- Exchange Difference	-	(0.04)	-	-	-	-	-	-	-	(0.04)
As at March 31, 2017	**3.82**	**18.12**	**1,431.71**	**1.26**	**22.29**	**137.01**	**0.06**	**0.13**	**0.14**	**1,614.54**
Depreciation										
For the Period 2015-16										
Charged For the Period	1.56	1.60	35.72	0.04	0.65	3.97	-	0.12	-	43.66
On Disposals	-	-	-	-	-	-	-	-	-	-
Adjustments										
- Exchange Difference	-	0.71	-	-	-	-	-	-	-	0.71
As at March 31, 2016	**1.56**	**2.31**	**35.72**	**0.04**	**0.65**	**3.97**	**-**	**0.12**	**-**	**44.37**
Charged For the Period	1.15	1.56	44.77	0.04	0.65	3.97	-	-	0.01	52.15
On Disposals	0.30	-	-	-	-	-	-	-	-	0.30
Adjustments										
- Exchange Difference	-	0.38	-	-	-	-	-	-	-	0.38
As at March 31, 2017	**2.41**	**4.25**	**80.49**	**0.08**	**1.30**	**7.94**	**-**	**0.12**	**0.01**	**96.60**
Net Block										
As at March 31, 2016	1.89	17.94	1,398.25	1.22	21.64	133.04	0.06	0.01	0.14	1,574.19
As at March 31, 2017	**1.41**	**13.87**	**1,351.22**	**1.18**	**20.99**	**129.07**	**0.06**	**0.01**	**0.13**	**1,517.94**

Note: Gross Block as on 01.04.2015 represents deemed cost (Gross Block-Accumulated Depreciation) as per Ind AS 101.

* Others include Briquetting Technology.

8 Non-Current Investments

		As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
		Nos. Crores	Nos. Crores	₹ Crores	₹ Crores
I	**Investment at Cost**				
A	**Un-Quoted**				
	Investment in Equity Shares				
(i)	**Investment in Associate Companies - Equity share @10/- each fully paid up (At cost plus share of profits / losses based on equity accounting)**				
	Bay of Bengal Gateway Terminal Private Limited	0.00	0.00	-	-
	DDE Renewable Energy Private Limited	0.00	0.00	-	-
	Electromech Maritech Private Limited	0.00	0.00	-	-
	Finehope Allied Engg. Private Limited	0.00	0.00	-	-
	Genting Lanco Power (India) Private Limited	0.05	0.05	16.82	14.77
	KVK Energy Ventures Private Limited	0.49	0.49	4.47	4.47
	Lanco Teesta Hydro Power Limited	66.89	66.89	618.42	618.82
	Pragdisa Power Private Limited	0.00	0.00	-	-
	Saidham Overseas Private Limited	0.00	0.00	-	-
	Vasavi Solar Power Private Limited	0.00	0.00	-	-
	Sub Total			**639.71**	638.06
(ii)	**Investment in Other Company**				
	Unique Corporate Consultants Private Limited	0.15	0.15	1.50	1.50
	Total Equity Investment At Cost			**641.21**	639.56
	Investments in Preference Shares				
(i)	**Investment in Other Companies**				
	0.01% Redeemable Cumulative Convertible Preference Shares @ ₹ 10 each				
	Lanco Horizon Properties Private Limited	-	7.25	**-**	72.51
	Sub Total			-	72.51
(ii)	**Investment in Associate Companies**				
	0.001% Compulsory Convertible Preference shares @ ₹10 each				
	DDE Renewable Energy Private Limited	0.74	0.74	2.29	2.86
	Finehope Allied Engineering Private Limited	0.75	0.75	3.73	3.51
	KVK Energy Ventures Private Limited	10.86	10.86	111.35	111.35
	Nekkar Power Private Limited	0.01	0.01	-	0.08
	Pragdisa Power Private Limited	1.07	1.07	9.85	10.65
	Saidham Overseas Private Limited	0.75	0.75	3.69	3.87
	Vasavi Solar Power Private Limited	0.75	0.75	3.28	3.30
	16% Compulsory Covertible Preference shares @ ₹10 each				
	Electromech Maritech Private Limited	0.74	0.74	5.56	5.38
	Total Preference Investment At Cost			**139.75**	213.51
	Total Un-Quoted Investments at Cost			**780.96**	853.07

		As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
		Nos. Crores	Nos. Crores	**₹ Crores**	₹ Crores
II	**Investment at Fair Value through Profit and Loss (FVTPL)**				
A	**Un-Quoted**				
	Investment in Mutual Funds				
	Birla Sunlife Insurance Platinum Premier Plan	0.08	0.06	1.15	1.15
	Canara HSBC OBC Insurance ISP	0.02	0.02	0.45	0.36
	MetLife-Met Smart One	0.00	0.00	0.05	0.05
	MetLife-Met Suvidha Non Par Single	0.00	0.00	0.30	0.30
	SBI Life Insurance Company Ltd	0.02	0.02	0.12	0.06
	Star Union Dai-Ichi Life Insurance	0.00	0.00	1.03	1.03
	Total Mutual Funds Investment At Fair Value			**3.10**	2.95
	Total Un-Quoted Investments At Fair Value			**3.10**	2.95
B	**Quoted**				
	Investment in Equity Shares				
(i)	**Investment in Other Companies**				
	Power Finance Corporation Limited	0.02	0.02	3.63	4.26
	Rural Electrification Corporation Limited	0.00	0.00	0.88	0.81
	Indian Bank	0.00	0.00	0.19	0.07
	Andhra Bank	0.00	0.00	0.18	0.16
	Bank of Baroda	0.00	0.00	0.62	0.53
	Central Bank of India	0.00	0.00	0.02	0.01
	Total Equity Investment At Fair Value			**5.52**	5.84
	Investment in Debentures				
(i)	**Investment in Other Company**				
	Investment in 9.2% Debentures of ₹ 0.10 Crores each fully paid up (Unquoted)				
	Central Bank of India	0.00	0.00	1.00	1.00
	Total Debentures Investment At Fair Value			1.00	1.00
	Total Quoted Investments At Fair Value			**6.52**	6.84
III	**Investment at Amortised Cost**				
A	**Un-Quoted**				
	Investment in Preference Shares				
(i)	**Investment in Other Company**				
	6% Optionally Convertible Redeemable Cumulative Preference Shares of Re. 1/- each, fully paid up				
	Clarion Power Corporation Limited	0.25	0.25	0.25	0.25
	Rithwik Energy Systems Limited	0.14	0.14	0.14	0.14
	Total Preference Investment At Amortised Cost			**0.39**	0.39
	Total Un-Quoted Investments At Amortised Cost			**0.39**	0.39
	Total Non Current Investments			**790.97**	863.25
	Aggregate amount of impairment in value of investments			-	-
	Total Non Current Investments (Net of provision)			**790.97**	863.25
	Aggregate amount of Quoted Investments and Market value			6.52	6.84
	Aggregate amount of Unquoted Investments			784.45	856.41
	Aggregate amount of impairment in value of investments			-	-

Details of Shares Pledged with Banks and Financials Institutions who have extended Loan & Credit Facilities to the respective investee Company and Company.

	As at March 31, 2017 Nos. Crores	As at March 31, 2016 Nos. Crores
Non Current Investment		
Lanco Teesta Hydro Power Private Limited - Equity Shares	19.57	19.57
DDE Renewable Energy Private Limited - Equity Shares	0.00	0.00
Electromech Maritech Private Limited - Equity Shares	0.00	0.00
Saidham Overseas Private Limited - Equity Shares	0.00	0.00
Vasavi Solar Power Private Limited - Equity Shares	0.00	0.00
DDE Renewable Energy Private Limited - Preference Shares	0.74	0.74
Electromech Maritech Private Limited - Preference Shares	0.14	0.14
Finehope Allied Engineering Private Limited - Preference Shares	0.14	0.14
Vasavi Solar Power Private Limited - Preference Shares	0.14	0.14
Saidham Overseas Private Limited - Preference Shares	0.74	0.74
KVK Energy Ventures Private Limited - Preference Shares	6.65	6.65

9 Current Investments

		As at March 31, 2017 Nos. Crores	As at March 31, 2016 Nos. Crores	As at March 31, 2017 ₹ Crores	As at March 31, 2016 ₹ Crores
I	**Investment at Fair Value through Profit and Loss (FVTPL)**				
A	**Un-Quoted**				
	Investment in Mutual Funds				
	Axis Liquid Fund - Growth (CFGPG)	0.00	0.02	0.07	28.04
	Birla Sunlife Cash Manager-Institutional Plan-Daily Dividend	0.00	0.00	0.01	0.01
	DSP black rock ultra short term fund - direct plan - growth	0.55	0.00	6.55	-
	HDFC Liquid Fund - Premium Plan Daily Dividend	0.00	0.00	0.02	0.02
	ICICI Flexible Income - Direct plan-growth	0.04	0.00	12.38	-
	IDBI Liquid Fund - DDR	0.00	0.02	-	24.75
	TATA Money Market Fund	0.00	0.00	-	0.11
	Total Un-Quoted Current Investments - Mutual Funds At Fair Value			**19.03**	52.93

10 Trade Receivables

₹ Crores

	Non- Current		Current	
	As at March 31, 2017	As at March 31, 2016	**As at March 31, 2017**	As at March 31, 2016
Trade Receivables				
Secured, Considered Good	-	-	111.74	111.74
Unsecured, Considered Good	302.01	234.47	2,484.89	2,910.99
Doubtful	-	-	100.47	74.16
	302.01	234.47	**2,697.10**	3,096.89
Less : Provision for Expected Credit Loss	-	-	51.67	8.85
Less : Allowance for bad & doubtful debts	-	-	100.47	74.16
	302.01	234.47	**2,544.96**	3,013.88

11 Loans

₹ Crores

	Non- Current		Current	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Security Deposit				
Unsecured, Considered Good	102.99	114.96	57.83	43.66
Doubtful	0.60	0.60	0.38	0.38
	103.59	115.56	**58.21**	44.04
Less: Provision for Bad & doubtful Security Deposit	0.60	0.60	0.38	0.38
	102.99	114.96	**57.83**	43.66
Loans to Related Parties Unsecured, Considered Good				
Unsecured, Considered Good				
Loans Receivable	45.53	73.03	37.15	-
Other Loans				
Unsecured, Considered Good	-	-	16.87	10.77
	148.52	187.99	**111.85**	54.43

12 Other Financial Assets

₹ Crores

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Bank Deposits having Maturity more than 12 Months from date of deposit	55.14	72.36	-	-
Loans and Advances to Employees	-	-	3.97	4.05
Unbilled Revenue	-	-	200.26	251.31
Interest Accrued on Deposits	1.68	0.42	28.90	29.94
Others Assets	37.41	18.46	303.44	214.71
	94.23	91.24	**536.57**	500.01

13 Other Assets

₹ Crores

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Capital Advances Other than Related Party				
Capital Advances	65.20	80.41	14.13	14.05
	65.20	80.41	**14.13**	14.05
Capital Advances to Related Party				
Capital Advances	0.09	0.27	0.21	-
	0.09	0.27	**0.21**	-
Advances other than Capital Advances				
Advances to related parties				
Advances for services / goods	**-**	-	21.22	4.63
	-	-	**21.22**	4.63
Other Advances				
Advances for services / goods	240.26	215.08	1,798.59	1,913.10
Advances doubful	0.13	-	29.49	29.32
	240.39	215.08	**1,828.08**	1,942.42

₹ Crores

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Less: Provision for Doubtful Advances	0.13	-	29.49	29.32
	240.26	215.08	**1,798.59**	1,913.10
Tax Assets (Note 17)	240.48	232.41	-	-
Prepayment for lease hold land	106.38	38.29	0.33	0.22
Prepaid Expense	0.31	0.34	74.22	98.32
Cenvat / Vat / Service Tax Credit Receivable	19.56	25.30	209.26	218.27
Taxes Paid Under protest	5.80	4.21	0.20	-
Unamortised Expenses	0.84	-	-	0.01
	613.63	515.63	**2,082.60**	2,229.92
	678.92	596.31	**2,118.16**	2,248.60

14 Inventories

(At lower of cost and net realisable value unless otherwise stated)

₹ Crores

	Current	
	As at March 31, 2017	As at March 31, 2016
Raw Materials	202.29	288.91
Construction / Development Work In Progress	1,909.69	1,791.54
Finished Goods	13.04	6.46
Consumables, Stores and Spares	175.96	234.77
Sub Total (A)	**2,300.98**	2,321.68
Goods in transit		
Raw Materials	4.80	0.24
Consumables, Stores and Spares	0.43	-
Sub Total (B)	5.23	0.24
Total (A + B)	**2,306.21**	2,321.92

15 Cash and Cash Equivalents

₹ Crores

	Current	
	As at March 31, 2017	As at March 31, 2016
Cash on Hand	0.99	1.09
Balances with Banks		
-On Current Accounts	216.07	329.05
-On Deposit Accounts (Having Maturity less than 3 Months from date of deposit)	22.55	24.87
Cheques, Drafts on hand	34.61	-
	274.22	355.01

16 Bank Balances

₹ Crores

	Non-Current		Current	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
On Deposit Accounts				
Having Maturity more than 3 Months but less than or equal to 12 months from date of deposit	-	-	78.59	64.49
Having Maturity more than 12 Months from date of deposit	46.93	67.20	0.37	-
On Margin Money Deposit Accounts (towards LC & BGs)	8.21	5.16	199.90	203.61
	55.14	72.36	**278.86**	268.10
Less: Shown in Other Financial Assets	55.14	72.36	-	-
Net Bank Balances	-	-	**278.86**	268.10

17 Tax Assets (Net)

₹ Crores

	Non-Current		Current	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Advance Tax (Net of Provision for Tax)	198.25	190.30	23.99	32.44
Income Tax Refund	-	-	0.15	0.15
Minimum Alternate Tax Credit Entitlement	42.23	42.11	-	-
	240.48	232.41	**24.14**	32.59
Less: Disclosed under the Other Assets (Note 13)	240.48	232.41	-	-
	-	-	**24.14**	32.59

18 Equity Share Capital

₹ Crores

	As at March 31, 2017	As at March 31, 2016
Authorised		
12,000 (March 31, 2016: 12,000) Crores Equity Shares of ₹ 1/- each	12,000.00	12,000.00
	12,000.00	12,000.00
Issued, Subscribed and Paid Up		
Equity Shares		
331.41 March 31,2017 (March 31, 2016: 274.93 of ₹ 1/- each) Crores Equity Shares of ₹ 1/- each, fully Paid Up	331.41	274.93
Less: Amount recoverable from LCL - Foundation (ESOP Trust)	1.15	1.15
Total Equity Share Capital	**330.26**	273.78

18.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2017		As at March 31, 2016	
Equity Shares of ₹ 1 Each, Fully paid up	**No. Crores**	**₹ Crores**	**No. Crores**	**₹ Crores**
At the Beginning	274.93	274.93	246.24	246.24
Issued during the period - Conversion *	56.48	56.48	28.69	28.69
At the end	**331.41**	**331.41**	274.93	274.93

* 1. During the Year, 56.48 (March 31, 2016 : NIL) Crores Equity Shares of Re.1/- each were allotted to IDFC Bank Limited at a Price of ₹ 6.23/- per Equity Share (premium of ₹ 5.23/- per share), by conversion of ₹ 351.83 (March 31, 2016 : NIL) Crores debentures and interest on debentures into Equity Share Capital of the Company.

2. During the Year NIL (March 31, 2016 : 2.17) Crores Equity Shares of ₹ 1/- each were allotted to ICICI Bank Limited at a Price of ₹ 6.23/- per Equity Share (premium of ₹ 5.23/- per share), by conversion of NIL (March 31, 2016 ₹13.56) Crores Funded Interest Term Loan into Equity Share Capital of the Company.

3. During the Year NIL (March 31, 2016 : 26.52) Crores Equity Shares of ₹ 1/- each were allotted to Lanco Group Limited at a Price of ₹ 6.30/- per Equity Share (premium of ₹ 5.30/- per share), by conversion of NIL (March 31, 2016 : ₹167.06) Crores Inter Corporate Loan into Equity Share Capital of the Company.

18.2 Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 1 Per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

18.3 Shares held by holding company

	As at March 31, 2017		As at March 31, 2016	
Equity Shares of Re. 1 each fully paid up held by	**No. Crores**	**₹ Crores**	**No. Crores**	**₹ Crores**
Lanco Group Limited	161.89	161.89	161.89	161.89

18.4 Details of Shareholder holding more than 5% shares of the Company:

	As at March 31, 2017		As at March 31, 2016	
Equity Shares of ₹ 1 each Held By	**No. Crores**	**% Holding**	**No. Crores**	**% Holding**
Lanco Group Limited	161.89	48.85	161.89	58.88
IDFC Bank Limited	56.47	17.04	-	-

The above information is as per register of share holders / members.

18.5 Details of Shares Reserved for issue under Options

For details of shares reserved for issue under Employee Stock Options (ESOP) plan of the company, refer Note No.48.

18.6 Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date

During the year ended March 31, 2014 the Company's proposal to restructure the debt has been approved by the Corporate Debt Restructuring Empowered Group (CDR EG) vide letter of approval dated December 20, 2013. The Company executed Master Restructuring Agreement (MRA) on December 27, 2013. As a result of this the lenders of CDR have a right to convert restructured debt into equity shares at the sole discretion and on demand as per the agreed terms in the MRA.

In relation to the loans restructured by the CDR lenders a total amount to ₹ 3,518.96 (March 31,2016 : ₹ 3,431.45) Crores would qualify for the conversion of 576.82 (March 31,2016 : 563.60) Crores shares at the sole discretion and on demand of the CDR lenders.

During the year, Debentures of NIL (March 31, 2016 : ₹ 321.45) Crores have been alloted to Non-CDR lender after conversion of term Loan and interest payable on term loan upto March 10, 2016 and would qualify for the conversion into equity shares at the end of 12 months (i.e. March 14, 2017) from the date of allotment alongwith outstanding interest at the SEBI determined price or price applicable to CDR lenders whichever is higher.

20 Long Term Borrowings

₹ Crores

	Non-Current		Current Maturities	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Rupee Term Loans				
Secured				
From Banks	22,904.25	22,006.18	2,645.22	1,444.88
From Financial Institutions	9,623.02	9,326.83	748.38	522.39
Unsecured				
From Banks	49.17	49.17	-	-
Foreign Currency Term Loans				
Secured				
From Banks	7,054.49	6,668.11	64.72	66.22
From Others	378.31	276.47	-	-
Deferred Payment Liabilities - Secured #	743.32	761.40	-	-
Unsecured				
Other Loans and Advances	0.02	0.02	-	-
	40,752.58	39,088.18	**3,458.32**	2,033.49
Amount disclosed under the head "Other Financial Liabilities" (Note 22)	-		(3,458.32)	(2,033.45)
Less: Unamortised Upfront Fees and other borrowing Cost	151.85	166.19	-	(0.04)
Net Amount	**40,600.73**	38,921.99	**-**	-

The Board of Directors of the Company in its meeting held on July 27, 2013 had accorded its approval for restructure of the debts of the Company under Corporate Debt Restructuring (CDR) Mechanism of the Reserve Bank of India. CDR Empowered Group (CDR EG) in its meeting held on December 11, 2013 has approved the CDR scheme submitted by the Company and issued letter of approval on December 20, 2013.

Represents future consideration payable in respect of acuisition of step down subsidiaries GCM & CMM and refer note 102.

A. Rupee Term Loan from Banks and Financial Institutions

(₹ Crores)

S. No.	Company Name	Amount of Loan From Banks *	Amount of Loan From Financial Institutions *	Security & Terms and Conditions
1	Lanco Infratech Limited (LITL) - the Company	5,919.39 (6,297.40)	63.32 (63.32)	**(a) From Banks** 1. Term Loan of ₹ 652.29 Crores (March 31, 2016 : ₹ 657.68 Crores) out of which ₹ 198.95 Crores (March 31, 2016 : ₹ 104.34 Crores) is current, WCTL- I of ₹ 967.19 Crores (March 31, 2016 : ₹ 985.62 Crores) out of which ₹ 288.54 Crores (March 31, 2016 : ₹ 157.28 Crores) is current, WCTL- II of ₹ 601.54 Crores (March 31, 2016 : ₹ 552.28 Crores) out of which ₹ 223.00 Crores (March 31, 2016: ₹ 90.33 Crores) is current, FITL of ₹ 507.85 Crores (March 31, 2016 : ₹ 517.15 Crores) out of which ₹ 150.07 Crores (March 31, 2016 : ₹ 81.92 Crores) is current as per the CDR package approved by CDR EG and MRA dated December 27, 2013.These loans are having charge on the TRA of the Company and first pari passu charge on fixed assets and current assets (present and future) of the Company except assets with exclusive charge. Further, this loan is secured by pledge of equity shares of the Company held by its Promoters, Corporate Guarantee given by Promoter Company, Personal Guarantee of Promoters, subservient charge on the asset of 7 SPVs / Subsidiaries and unencumbered shares of 8 SPVs held by Promoters, the Company and its step down subsidiaries and associates. These loans are having moratorium period of 2 years from the cut off date of April 01, 2013 and are repayable in 30 quarterly installments starting from June 30, 2015. Further Land admeasuring 924 acres (approx.) held by one of the step down subsidiary is offered as collateral security for ₹ 394.00 Crores of the Term Loan and shares of subsidiary held by another subsidiary are offered as collateral security for ₹ 213.43 Crores of the Term Loan. 2. Priority Loan of ₹ 2,215.61 Crores (March 31, 2016 : ₹ 2,284.14 Crores) out of which ₹ 1,157.93 Crores (March 31, 2016: ₹ 625.16 Crores) is current classified as long term borrowings as per the CDR package approved by CDR EG and MRA dated December 27, 2013. These loans are having priority charge on the Trust and Retention Account (TRA) of the Company and first pari passu charge on fixed assets and current assets (present and future) of the Company except assets with exclusive charge. Further, this loan is secured by pledge of equity shares of the Company held by its Promoters, Corporate Guarantee given by Promoter Company, Personal Guarantee of Promoters, subservient charge on the asset of 7 SPVs / Subsidiaries and unencumbered shares of 8 SPVs held by Promoters, the Company and its step down subsidiaries and associates. These loans are having moratorium period of 2 years from the cutoff date of April 01, 2013 and are repayable in 18 quarterly installments starting from June 30, 2015. 3. Long Term Working Capital Loan of ₹ 586.73 Crores (March 31, 2016 : ₹ 432.16 Crores) out of which ₹ 11.81 Crores (March 31, 2016 : NIL Crores) is current, classified as long term borrowings as per proposal appraised by the lead bank, IDBI and respective sanctions of the banks. These loans are having first pari passu charge on fixed assets and current assets (present and future) of the Company except assets with exclusive charge. Further, this loan is secured by pledge of equity shares of the Company held by its Promoters, Corporate Guarantee given by Promoter Company, Personal Guarantee of Promoters, subservient charge on the asset of 7 SPVs / Subsidiaries and unencumbered shares of 8 SPVs held by Promoters, the Company and its step down subsidiaries and associates. These loans are having moratorium period of 2 years from the cut off date of April 01, 2015 and are repayable in 24 quarterly installments starting from June 30, 2017.

(₹ Crores)

S. No.	Company Name	Amount of Loan From Banks *	Amount of Loan From Financial Institutions *	Security & Terms and Conditions
				4. ₹ 30.05 Crores (March 31, 2016 : ₹ 35.41 Crores) Term Loan availed from Non-CDR lender, out of which ₹ 5.35 Crores (March 31, 2016 : ₹ 5.35 Crores) is current secured by way of mortgage on immovable assets pertaining to solar projects and hypothecation of movable assets both present and future of the solar project of the Company on first charge basis and is being repaid in 48 quarterly installments ending on September 30, 2023. 5. ₹ NIL Crores (March 31, 2016 : ₹ 400.35 Crores) Term Loan availed from Non-CDR lender, out of which ₹ NIL Crores (March 31, 2016 : ₹ 30.81 Crores) is current are secured by way of first Charge on the cash flows, project documents pertaining to the solar projects and all accounts including TRA, DSRA for the solar projects, mortgage on the immovable assets pertaining to the solar power projects and hypothecation of movable assets both present & future of those projects on first charge basis and is being repaid in 82 structured quarterly installments starting from October 01, 2015 and ending on March 31, 2036. Further Land admeasuring 572.29 acres held by one of the step down subsidiary and personal guarantee of promoter of the Company are offered as collateral security for this Term Loan. **b) Rupee Term Loans from Financial Institutions*** ₹ 63.32 Crores (March 31, 2016 : ₹ 63.32 Crores) out of which ₹ 19.60 Crores (March 31, 2016 : ₹ 9.96 Crores) is current. This Loan is having charge on the TRA of the Company and first pari passu charge on fixed assets and current assets (present and future) of the Company except assets with exclusive charge. Further, this loan is secured by pledge of equity shares of the Company held by its Promoters, Corporate Guarantee given by Promoter Company, Personal Guarantee of Promoters, subservient charge on the asset of 7 SPVs / Subsidiaries and unencumbered shares of 8 SPVs held by Promoters, the Company and its step down subsidiaries and associates. This loan is having moratorium period of 2 years from the cut off date i.e. April 1, 2013 and is repayable in 30 structured quarterly installments starting from June 30, 2015. *Rate of interest on the above borrowings is as per the agreement with the respective banks i.e. bank rate (+/-) spread as applicable.
2	Lanco Amarkantak Power Limited (LAPL)	4,843.92 (4,059.89)	5,052.73 (4,651.79)	(a) Secured Rupee Term Loans from Banks and Financial Institutions represent the loans taken for all units. The term loans of Unit 1&2 are repayable ranging from 28 to 55 quarterly instalments. The term loans of Unit 3&4 are repayable in 48 quarterly installments in term of the facility agreement, which are secured by way of pari-passu first charge on all immovable properties and movable assets, both present and future and by pledge of equity shares held by promoters to the extent of 77% in case of Unit 1&2 and 60% in case of Unit 3&4. Further the loan has been guaranteed by the corporate guarantee of the Company and further guaranteed by personal guarantee of Promoter Directors of LAPL. (b) Pursuant to the terms of Unit 1&2 Common Loan Agreement(s), Senior Debt "B" Lenders shall at any time after the Commercial Operation Date have the right to convert their respective portion of outstanding Senior Rupee Debt B Facility into fully paid up equity share value of ₹ 10 each. The outstanding amount of Senior Rupee Debt B facility as on March 31, 2017 is ₹ 158.33 Crores. (c) Secured Rupee Term Loans include IDFC's term loan of ₹ 565 Crores (₹ 162.81 Crores outstanding as on March 31, 2017) for Unit 5&6 which is secured by second charge by way of hypothecation of all movable properties of Unit 1&2 which shall be subordinate to Senior Rupee Debt A & Senior Rupee Debt B lenders of Unit 1&2 in addition to pledge of 10.93 Crores equity shares of LAPL. (d) IDBI Term Loan of Rs 170 Crores (As on March 31, 2016 ₹ 170 Crores) to Unit 2 is secured by subservient charge on fixed & current assets of Unit 1&2 and personal guarantee of promoter director.

(₹ Crores)

S. No.	Company Name	Amount of Loan From Banks *	Amount of Loan From Financial Institutions *	Security & Terms and Conditions
				(e) LAPL has un-paid Principal dues of ₹ 32.20 Crores and ₹ 37.70 Crores in respect of Unit 1&2 and Unit 3&4 lenders respectively and also have interest dues of ₹ 36.87 Crores, ₹ 190.46 Crores and ₹ 5.03 Crores in respect of Unit 1&2, Unit 3&4 and Unit 5&6 lenders respectively as at March 31, 2017. (f) LAPL availed loans from multiple lenders carrying interest rate(s) as per the loan agreements with the respective banks which are linked to Bank's Base Rate/ BPLR/LIBOR + weighted average spread of 3.57%.
3	Lanco Kondapalli Power Limited (LKPL)	2,220.28 (2,243.26)	1,136.60 (1,137.99)	Indian Rupee Term Loans from Banks and Financial Institutions for Phase-II carries floating interest rates ranging from Base Rate +3.30% to Base Rate +4.50% (March 31, 2016: Base Rate +2.00% to Base Rate +4.50%). The loans are repayable in 48 equal quarterly instalments commencing after 6 months from project completion date. LKPL has requested to the Project Lenders for the total existing facility to be repaid in 52 structured quarterly installments commencing from March 31, 2018 and ending on December 31, 2030. The proposal has been approved in the consortium meeting held on February 12, 2015. As on the reporting date LKPL has received approvals from the Banks/Financial Institutions. Indian Rupee Term Loans from Banks and Financial Institutions for Phase-III carries floating interest rates ranging from Base Rate +3.00% to Base Rate +4.23% (March 31, 2016: Base Rate +3.00% to Base Rate +4.23%). The loans are repayable in 48 structured quarterly instalments commencing after 24 months from Scheduled Commercial Operations Date (SCOD). LKPL has requested to the Project Lenders for the total existing facility to be repaid in 48 structured quarterly installments commencing from March 31, 2018 and ending on December 31, 2029. The proposal has been approved in the consortium meeting held on February 12, 2015. As on the reporting date LKPL has received approvals from the Banks/Financial Institutions. Term Loans availed from Banks and Financial Institutions for Phase-II and Phase-III are secured by a pari passu first charge on all immovable properties of LKPL both present and future, all the tangible movable properties, including movable plant and machinery, machinery spares, equipments, tools and accessories both present and future relating to Phase-I, Phase-II and Phase-III projects, assignment by way of pari passu first charge on all the rights, title and interests to all the Receivables, commissions, revenues of whatsoever nature and whatever arising, intangibles, goodwill, uncalled capital, the accounts and book debts, both present and future, the rights, title and interest under the Project Documents duly acknowledged and consented to by the relevant counter parties to such Project Documents all as amended, varied or supplemented from time to time, all the rights, title, interest, benefits, claims and demands whatsoever in the Government approvals and clearances, all the rights, title interest, benefits, claims and demands of the borrower in any letter of credit, guarantee, performance bonds indemnities and securities that may be furnished by the various counter parties under such Project documents, all insurance contracts and insurance proceeds, the rights, title and interest on the Letter of Credit, if any / Escrow account, Retention Accounts including Debt Service accounts (2 quarters), other reserves and any other bank accounts of the Borrower wherever maintained subject to working capital loan, if any, floating charge on all other assets, present and future, of the Borrower including but not limited to goodwill and general undertaking of the Borrower in favour of the Lenders; Pledge of the shares held by Sponsors and Shareholder(s) representing 51% of the issued and paid up share capital of the Borrower. All the aforesaid mortgages, charges, assignments and pledges shall in all respects of Phase-II and Phase-III lenders along with Working Capital lenders. Phase- II & III Term Loans are further secured by way of an unconditional and irrecovable corporate guarantee of LTPL and the Company subject to approval from CDR EG and Personal Guarantees of Promoter Directors.

(₹ Crores)

S. No.	Company Name	Amount of Loan From Banks *	Amount of Loan From Financial Institutions *	Security & Terms and Conditions
				LKPL has not paid principal amount of ₹ 20.15 Crores (March 31, 2016 : ₹ 37.71 Crores) and interest amount of ₹ 268.79 Crores (March 31, 2016 : ₹ 106.79 Crores).
4	Lanco Anpara Power Limited (LAnPL)	1,234.25 (1,348.43)	1,836.83 (2,027.68)	LAnPL availed Rupee Term loans from consortium lenders carrying interest rate as per loan agreements with the respective banks which are linked to the Bank's Base Rate /MCLR + weighted average spread of 4.13%. The above loan is secured as follows: 1. A first mortgage / hypothecation and charge on all the immovable and movable properties (including all receivables, tangible and intangible properties) of the project both present and future. 2. A first charge / assignment/ security interest on rights, titles and interests of the LAnPL in respect of all assets of the project. 3. A first charge/assignment/security interest on rights, titles and interests of the LAnPL in all project documents/ contracts/ licenses including insurance contracts pertaining to the project. 4. A first charge/assignment / security interest of contractor guarantee, performance bonds and any letter of credit that may be provided by any party under the project. 5. A first charge /assignment/security interest on the irrevocable, no lien Trust and Retention Accounts (TRA) into which all cash inflows from the project. 6. Pledge of 61% of the fully paid up share capital of the project (Phase-I), as appraised by the Lenders, as collateral security. 7. LAnPL has not paid principal amount of ₹ 65.15 Crores (Previous Year ₹ 95.12 Crores) and interest amount of ₹ 99.96 Crores (Previous Year ₹ 122.01 Crores) as at March 31, 2017.
5	Lanco Vidarbha Thermal Power Limited (LVTPL)	3,452.50 (2,978.14)	760.18 (642.93)	(a) LVTPL got sanctioned term loan from consortium of Bankers / Financial Institution for its Project amounting to ₹ 8,346 Crores and at the end of reporting financial year LVTPL has been disbursed loan amounting to ₹ 4,261.85 Crores. There are loans from multiple lenders and the carrying interest rate as per the loan agreement is linked to each of the Lender's Base Rate plus a weighted average spread of 3.47% as applicable. Indian Rupee Loan from Banks and Financial Institutions of ₹ 8,346.00 Crores is repayable in 45 quarterly installments. The repayment amount is ₹ 222.84 Crores per quarter for the first 3 quarters, ₹ 208.63 Crores per quarter for next 20 quarters, ₹ 187.77 Crores per quarter for next 4 quarters, ₹ 166.90 Crores per quarter for next 16 Quarters, and ₹ 41.71 Crores per quarter for next 2 quarters. The repayment shall commence on September 30, 2018. The loan is secured by: (i) First mortgage and charge on all the immovable properties, present and future. (ii) First charge by way of hypothecation of all movable properties and assets, present and future. (iii) First charge on Borrower's book debt, operating cash flows, current assets, receivables, revenues, Intangible, goodwill and uncalled capital present and future. (iv) First charge by way of assignment or creation of charge in favour of the lenders of the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time. (v) First charge on all letter of credit, escrow accounts, trust and retention account and any other bank accounts.

(₹ Crores)

S. No.	Company Name	Amount of Loan From Banks *	Amount of Loan From Financial Institutions *	Security & Terms and Conditions
				(vi) Pledge of 51% of Paid up Share Capital of LVTPL and Pledge of incremental shares issued after March 31, 2014. (vii) Corporate Guarantee by LTPL, the Company and personal guarantee of Mr. L. Madhusudan Rao & Mrs L. Ramalaksmamma. (b) LVTPL has not paid Interest amount of ₹ 192.89 Crores (Previous year ₹ 148.20 Crores) as at March 31, 2017.
6	Lanco Babandh Power Limited (LBPL)	4,070.43 (3,419.81)	1,499.18 (1,300.00)	I. LBPL has availed loans from consortium of lenders carrying interest rate(s) as per the loan agreements with the Lenders. The weighted average interest rate of all loans is Lead Bank base rate + weighted average spread of 3.31%. The sanctioned loan of ₹ 8,344.00 Crores as part of the cost overrun proposal is repayable in 40 unequal quarterly instalments, commencing 12 months from COD, i.e April 01, 2017 or April 01, 2018 whichever is earlier. Approval from all lenders have been received as on the Balance Sheet Date for the restructuring . II. Loans from banks and financial institutions are secured / to be secured by first ranking charge/ mortgage /hypothecation on the following: a) Immovable Properties (incl. 711.4855 acres of Land) and movable properties including plant and machinery, machine spares, tools and accessories, furniture, fixtures, vehicle and other movable assets, both present and future; b) All the Borrower's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future; c) Assignment of all insurance policies, including but not limited to the Insurance Contracts, performance bonds, contractors' guarantees and any letter of credit provided by any person under LBPL Documents; d) Assignment of all of the Borrower's rights, title and interest under each of LBPL Project Documents and Contracts, all the Borrower's rights under each letter of credit/guarantee or performance bond that may be posted by any party to a Project Documents for the Borrower's benefit and all the Borrower's rights under the Clearances (to the extent assignable under Applicable Law); e) All the book debts, operating cash flows, receivables, all other current assets, commission, revenues of the Borrower, both present and future; and f) All the Accounts and all other bank accounts of the Borrower (except the Distribution Account on which a floating charge shall be created which shall get converted to a fixed charge on the happening of an Event of Default); g) Further the loans (including ECB Loan) have been guaranteed by a Corporate Guarantee of the Company, LTPL and Personal Guarantee for the same have been given by Sh. L. Madhusudhan Rao and Smt. Ramalakshmamma Lagadapati. h) Pledge of 46.46% of paid up Share Capital of the Phase 1 (1320 MW = 28660 MW) of the LBPL by Shareholders. LBPL has not paid the Interest amount of ₹ 260.43 Crores as at March 31, 2017. (Previous year ₹122.04 Crores).

(₹ Crores)

S. No.	Company Name	Amount of Loan		Security & Terms and Conditions
		From Banks *	From Financial Institutions *	
7	Lanco Thermal Power Limited (LTPL)	180.29 (182.45)	-	(a) Indian Rupee Loan from Axis Bank amounts to ₹ 85.00 Crores out of which 70% of the said loan is repayable in 62 ballooning quarterly instalments along with interest at the rate of 11.50% from June 30, 2015 upto September 30, 2030. The balance 30% of the debt to be paid in a single installment on September 30, 2030. Further, the loan has been guaranteed by the corporate guarantee of LPL. The loan is secured by hypothecation / Pledge / Mortgage / First Charge etc. on (i) First Charge on all immovable and movable assets of LTPL. (ii) First Charge on all book debts, operating cash flows, revenue and escrow of receivables of LTPL, present & future. (iii) First charge on all intangible assets of LTPL including but not limited to goodwill, uncalled capital present & future. (iv) First charge by way of assignments or creation of security interest of all the rights, title, interest, benefits, claims and demands whatsoever of LTPL in project documents. (v) All the rights, title, interest, benefits, claims and demands whatsoever of the project in the permits, approvals and clearances pertaining to LTPL. (vi) All the rights, title, interest, benefits, claims and demands whatsoever of LTPL in letter of credit, guarantee, performance bond, corporate guarantee, bank guarantee provided by any party. (vii) All insurance contracts / insurance proceeds related to LTPL. (viii) First charge on the trust & retention account, debt service reserve account and other reserves and any other bank accounts of LTPL wherever mentioned. (b) Indian Rupee Loan from Andhra Bank of ₹ 100.00 Crores repayable in 30 structured quarterly instalments along with interest at the rate of 10.75%, from June 30, 2016 upto September 30, 2024. Further, the loan has been secured by Pledge / Mortgage etc. on (i) Pledge of 4.00 Crores shares of LTPL, held by LPL valued at ₹ 10/- per share (ii) Pledge of 2.77 Crore shares of LTPCL valued at ₹ 45/- per share (iii) Mortgage of prime land admeasuring 100.55 acres valued at 0.40 Crores per acre (iv) Charge on 2.17 acres of land of VPPL Valued at 0.21 Crores per acre. (c) LTPL has not paid Interest amount of ₹ 10.99 Crores as at March 31, 2017 (Previous Year ₹ 3.18 Crores) and princpial amount of ₹ 1.64 Crores as at March 31, 2017 (Previous Year ₹ Nil).
8	Lanco Mandakini Hydro Energy Private Limited (LMHEPL)	767.14 (622.64)	Nil	(a) The sanctioned loan of ₹ 767.14 Crores as a part of cost over run is repayable in 48 quarterly installments along with interest from December 2018 . The Loan is secured by hypothecation / Pledge / Mortgage / First Charge etc. on (i) All immovable and movable properties, both present and future. (ii) All intangible assets of LMHEPL including but not limited to goodwill, uncalled capital present & future (iii) By way of assignments or creation of security interest of all the rights, title, interest, benefits, claims and demands whatsoever of LMHEPL project documents (iv) All the rights, title, interest, benefits, claims and demands whatsoever of LMHEPL in the permits, approvals and clearances pertaining to LMHEPL project. (v) All the rights, title, interest, benefits, claims and demands whatsoever of LMHEPL in letter of credit, guarantee, performance bond, corporate guarantee, bank guarantee provided by any party.

(₹ Crores)

S. No.	Company Name	Amount of Loan From Banks *	Amount of Loan From Financial Institutions *	Security & Terms and Conditions
				(vi) All insurance contracts / insurance proceeds related to the project. (vii) On the trust & retention account, debt service reserve account and other reserves and any other bank accounts of the project wherever mentioned. (b) The Loan is secured by pledge of the 100% of paid up Equity Share Capital of LMHEPL, the total shares pledged as on March 31, 2017, equivalent to 96.73% (c) LMHEPL availed loans from multiple lenders which carry interest rate as per the respective loan agreements with the respective banks which are linked to MCLR / Base Rate +/- spread as applicable. (d) LMHEPL has not paid the interest amount of ₹ 16.76 Crores as at March 31, 2017 (₹ 13.57 Crores as at March 31, 2016)
9	Lanco Hydro Power Limited (LHPL)	29.80 (31.70)	Nil	(a) Indian Rupee Loan from Axis Banks of ₹ 38 Crores, the said loan is repayable in 60 ballooning quarterly instalments along with interest (at the rate of 11.50%) from June 30, 2014 upto March 31, 2029. The loan is secured by hypothecation / Pledge / Mortgage / First Charge etc. on (i) First Charge on all immovable and movable assets of the Project. (ii) First Charge on all book debts, operating cash flows, revenue and escrow of receivables of the project, present & future. (iii) First charge on all intangible assets of the project including but not limited to goodwill, uncalled capital present & future. (iv) First charge by way of assignments or creation of security interest of all the rights, title, interest, benefits, claims and demands whatsoever of the company in project documents. (v) All the rights, title, interest, benefits, claims and demands whatsoever of the project in the permits, approvals and clearances pertaining to the project. (vi) All the rights, title, interest, benefits, claims and demands whatsoever of the project in letter of credit, guarantee, performance bond, corporate guarantee, bank guarantee provided by any party. (vii) All insurance contracts / insurance proceeds related to the project. (viii) First charge on the trust & retention account, debt service reserve account and other reserves and any other bank accounts of the project wherever mentioned. (b) LHPL has not paid Interest amount of ₹ 0.21 Crores as at March 31, 2017 (Previous Year NIL).
10	Diwakar Solar Projects Limited (DSPL)	- (5.73)	Nil	The loan is secured by a way of pledge of 79% of total equity shares of DSPL held by the Company, Corporate Guarantee of the Company and by way of rank pari passu charge of project on all mortgages, charges, assignments and pledges as per the standard security package and is identified by and between consortium members and LC/Escrow accounts,including *inter-alia*: First charge by way of mortgage on immovable properties, present & future of DSPL. First charge by way of hypothecation on all movables including movable plant and machinery, machiney spares, tools and accessories, furniture, fixtures, vehicles, present & future of DSPL. First charge on all book debts, operationg cash flows, recievables, commissions, revenues of whatsoever nature and wherever arising of DSPL present & future, of DSPL. A first charge on all intangible assets, if any, of DSPL including but not limited to goodwill, uncalled capital, present & future. DSPL has repaid its rupee term loan from Axis Bank. The above mentioned securities have not been discharged by the bank as the same will be utilised to secure ₹183.83 Crores Bank Guarantee issued by Axis Bank in favour of NTPC Vidyut Vyapar Nigam Limited (NVVN).

(₹ Crores)

S. No.	Company Name	Amount of Loan		Security & Terms and Conditions
		From Banks *	From Financial Institutions *	
11	Lanco Solar Private Limited (LSPL)	1091.82 (972.95)	Nil	(a) LSPL availed loans from multiple lenders carrying interest rate(s) as per the loan agreements with the respective banks which are linked to Bank's Base Rate + weighted average spread of 4.61%. As per the sanctioned letter given by the Axis Bank Limited for the revised Project Cost and COD the loan is repayable in 60 structured quarterly installments along with interest, commencing from 12 month from the date of COD, repayment will start from December 31, 2018. The loan is secured by way of pledge of shares of LSPL held by LSEPL, Corporate Guarantee of the Company up to ₹ 940 Crores and Corporate Guarantee of LSEPL for balance amount and are secured by way of Hypothecation / Pledge / Mortgage / First Charge etc. of immovable properties both present and future, tangible movable properties including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, equipment, and all other movable fixed assets, both present and future, all the rights, title and interests of the Borrower in and to all the receivables, accounts, other bank accounts, retention accounts, book debts, operating cash flows, commissions, other revenues of whatsoever nature and wherever arising, and all intangible assets including but not limited to goodwill, uncalled capital, both present and future of LSPL pertaining to Poly-silicon, Wafer and Module manufacturing plant with capacity of 1800 TPA, 100 MW and 75 MW respectively at Villages Mehrumkhurd and Chhawardal, Tehsil Rajnandgaon, District Rajnandgaon in the state of Chhattisgarh. (b) LSPL has not paid the interest of ₹ 88.57 Crores as at March 31, 2017 (March 31, 2016 : ₹ 19.76 Crores)
12	Khaya Solar Projects Private Limited (KSPL)	43.37 (45.89)	Nil	(a) Indian Rupee Term Loan from AXIS Bank carries interest at Base Rate Plus 3.25%. The loan is repayable in 56 quarterly structured instalments with a moratorium period of 6 months from the Commercial Operation Date (COD). The repayment started from September 30, 2012. The loan is secured by way of pledge of shares of KSPL, Corporate Guarantee of the Company and are secured by way of first charge by way of hypothecation of KSPL's movable assets, book debts, Intangible Assets, Letter of Credit /Escrow Account. (b) KSPL has not paid Interest amount of ₹ 0.47 Crores as at March 31, 2017 (Previous year ₹ 0.50 Crores)
13	Newton Solar Private Limited (NSPL)	8.64 (8.83)	22.61 (25.52)	(a) Indian Rupee Loan from PFC carries interest at the rate prevalent on the date of disbursement and in case of multiple disbursement weighted average of interest rate prevalent on each disbursement date, at the time of sanction interest at present is 12.00%. The loan is repayable in 48 equal quarterly installments starting from January 15, 2013. The loan is secured by First Charge by way of mortgage on all of NSPL's immovable properties and hypothection on all of the movable properties including movable plant & machinery, tools & spares etc (present or future). Further, first charge on book debts, cash flows, commission and revenue of NSPL. Further, the loan is secured by way of corporate guarantee of the Company, and further collateral security in form of pledge of 60% equity & preference share capital of NSPL. (b) Indian Rupee Loan from Axis Bank carries interest at Base rate + 3%. The loan is repayable in 52 structured quarterly installments starting from June 30, 2014 and ending on March 31, 2027. The loan is secured by First Charge by way of mortgage on all of NSPL's immovable properties and hypothection on all of the movable properties including movable plant & machinery, tools & spares etc (present or future). Further, first charge on book debts, cash flows, commission and revenue of NSPL. Further, collateral security in form of pledge of 60% equity & preference share capital of NSPL. (c) NSPL has not paid principal amount of ₹ 0.05 Crores and interest amount of ₹ 0.17 Crores to Axis Bank Limited as at March 31, 2017 (Previous year ₹ 0.05 Crores and ₹ 0.09 Crores respectively).

(₹ Crores)

S. No.	Company Name	Amount of Loan From Banks *	Amount of Loan From Financial Institutions *	Security & Terms and Conditions
14	Lanco Solar Energy Private Limited (LSEPL)	40.23 (50.00)	Nil	(a) LSEPL had availed Term Loan facility of ₹ 50.00 Crores in June, 2015 from Central Bank of India payable in 9 yearly equal installments due on every September 30 starting from 2016 onward. The Term Loan is secured by exclusive charge on yearly retention amount of ₹ 9.77 Crores receivable from Mahagenco every year up to 2024. (b) LSEPL has unpaid interest dues of ₹ 11.78 Crores as at March 31, 2017 (₹ 5.02 Crores as at March 31, 2016). (c) LSEPL has availed Loan from single lender carrying interest rate as per the loan agreement with the banks which is linked to lenders base rate plus 3% spread.
15	Lanco Hoskote Highway Limited (LHHL)	447.91 (462.07)	Nil	(a) Indian Rupee Loan from Consortium Banks of ₹ 356.80 Crores is repayable in 44 quarterly unequal installments ranging from ₹ 1.78 Crores to ₹ 11.15 Crores per quarter begining from September 30, 2011 to June 30, 2022. The loan is secured by way of pari-passu first charge on all the assets, including both immovable (tangible and intangible) and movable assets of LHHL, both present and future excluding Project assets as defined in Concession Agreement and pledge of equity shares held by the promotors aggregating to 51% paid-up and voting equity share capital of LHHL. (b) During the year 2012-13, the term loan taken from Consortium Banks was restructured and as per the revised terms. Loans are repayble in 48 unequal quarterly installments beginning from June 30, 2013 to March 31, 2025 ranging from ₹ 0.11 Crores to ₹ 12.49 Crores per quarter. The Present rate of Interest is 12.20% (c) Indian Rupee Loan from ICICI Bank of ₹ 125.00 Crores is repayable in 84 unequal monthly installments beginning from April 30, 2018 to March 31, 2025 ranging from ₹ 0.63 Crores to ₹ 2.29 Crores per month. The Loan is secured by way of second charge by hypothication of all tangible and intangible, movable assets (both present and future) of LHHL. Further, the loan has been guaranteed by the corporate guarantee of the Company. The present rate of Interest is 12.35%. (d) LHHL has not paid principal amounting ₹ 1.79 Crores and interest amount of ₹ 25.94 Crores as at March 31, 2017.
16	Lanco Devihalli Highways Limited (LDHL)	318.32 (322.11)	Nil	(a) Indian Rupee Loan from Consortium Banks of ₹ 261.00 Crores is repayable in 44 quarterly unequal instalments ranging from ₹ 1.74 Crores to ₹ 10.44 Crores per quarter begining from September 30, 2011 to June 30, 2022. The loan is secured by way of pari-passu first charge on all the assets, including both immovable (tangible and intangible) and movable assets of LDHL, both present and future excluding Project assets as defined in Concession Agreement and pledge of equity shares held by the promotors aggregating to 51% paid-up and voting equity share capital of LDHL. Further, the loan has been guaranteed by the corporate guarantee of the Company. The present rate of interest is 10.50% (b) During the year 2014-15, the term loan taken from Consortium Banks was restructured and as per the revised terms. Loans are repayble in 59 unequal quarterly installments beginning from June 30, 2014 to December 31, 2029 ranging from ₹ 0.06 Crores to ₹ 3.21 Crores per quarter. (c) Indian Rupee Loan from ICICI Bank of ₹ 90.00 Crores is repayable in 44 unequal quarterly installments beginning from June 30, 2013 to March 31, 2023 ranging from ₹ 0.56 Crores to ₹ 2.81 Crores per quarter. The Loan is secured by way of second charge by hypothecation of all tangible and intangible, movable assets (both present and future) of LDHL. Further, the loan has been guaranteed by the corporate guarantee of the Company. The present rate of Interest is 13%. (d) LDHL has not paid principal amounting ₹ 0.45 Crores and interest amount of ₹ 5.01 Crores as at March 31, 2017.

(₹ Crores)

S. No.	Company Name	Amount of Loan		Security & Terms and Conditions
		From Banks *	From Financial Institutions *	
17	Lanco Solar (Gujarat) Private Limited (LSGPL)	369.45 (Nil)	Nil	₹ 369.45 Crores (March 31, 2016 : ₹ Nil Crores) term Loan is secured by way of first Charge on the cash flows, project documents, all bank accounts including TRA & DSRA, mortgage on the immovable assets and hypothecation of movable assets both present & future of the solar power projects Chadiyana (15 MW) and Charanka (15 MW) on first charge basis and will be repaid in 82 structured quarterly installments ending on March 31, 2036. Further, land admeasuring 572.29 acres held by one of the fellow subsidiary company and personal guarantee of promoter of the Company are offered as collateral security for this term loan. *Rate of interest on the above borrowings is as per the agreement with the bank i.e. bank rate (+/-) spread as applicable.
18	Lano Hills Technology Park Private Limited (LHTPPL)	869.86 (832.36)	Nil	Phase II Term Loans from Banks of ₹ 869.86 Crores carries floating interest rates ranging from Base Rate + 4.25% to Base Rate + 5.5% and BPLR -1% to BPLR +1% . The Loans are repayable in 10 equal half yearly instalments after 6 months from project completion date. The Loans are repayable in 10 equal half yearly instalments after 6 months from project completion date. Term Loans availed from Banks are secured by way of hypothecation of all the movable assets of the Phase II Project ranking pari passu with the consortium members, first charge by way of mortgage of land measuring 60.84 acres with the immovable assets of the Project both present and future constructed / developed to be constructed / to be developed by LHTPPL on the Phase II lands situated at Manikonda, Hyderabad. The Term Loans are further secured by way of corporate guarantee from the Company, LPL and personal guarantees of Promoters. The additional Term Loans are further secured by mortgage of land measuring 27 acres in Siruseri, Chengalpattu Taluk, Kancheepuram District Tamilnadu owned by LHrPL. Further, part of the loan is secured by pledge of LHPL shares held by LPL.
	Total	**25,549.47 (23,451.06)**	**10,371.40 (9,849.22)**	

* Previous Year figures are mentioned in Brackets

B. Foreign Currency Loan from Banks

(₹ Crores)

S. No.	Company Name	Amount of Loan From Banks*	Security & Terms and Conditions
1	Lanco Infratech Limited (LITL) - the Company	358.13 (432.61)	Foreign Currency Non-Resident (FCNR) Loan from banks of ₹ 358.13 Crores (March 31, 2016 : ₹ 432.61 Crores) out of which ₹ 64.72 Crores (March 31, 2016 : ₹ 66.22 Crores) is current is having first pari passu charge on fixed assets and current assets (present and future) of the Company except assets with exclusive charge. Further, this loan is secured by pledge of equity shares of the Company held by its Promoters, Corporate Guarantee given by Promoter Company, Personal Guarantee of Promoters, subservient charge on the asset of 7 SPVs / Subsidiaries and unencumbered shares of 8 SPVs held by Promoters, the Company and its step down subsidiaries and associates. These loans are having moratorium period of 2 years from the cut off date i.e. April 01, 2013 and are repayable in 30 quarterly installments starting from June 30, 2015.
2	Lanco Babandh Power Limited (LBPL)	574.44 (411.81)	Refer S. No. 6 of Rupee Term Loans terms & conditions.
3	Lanco Resources International Pte. Ltd. (LRIPL)	6186.64 (5889.91)	Loan is secured by pledge of equity shares and charge over all present and future assets of LRIPL and its subsidiaries. The obligations are further supported by an irrevocable and unconditional, joint and several guarantee from LRIPL and its subsidiaries as the case may be and Corporate Guarantee directly from the Company. The security shall be shared on *Pari-passu* basis with the lenders of existing acquisition facility and other SBLC issuers.
	Total	**932.57 (844.42)**	

* Previous Year figures are mentioned in Brackets

C. Deferred Payment Liability

S. No.	Company Name	Amount of Loan From Banks*	Security & Terms and Conditions
1	Lanco Resources International Pte. Ltd. (LRIPL)	743.32 (761.40)	Refer Note. 3 of Long Term Foreign Currency Loans from banks.

*Previous Year figures are mentioned in Brackets.

21 Trade payables

₹ Crores

	Non-current		Current	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Trade Payables (including acceptances)				
(a) Total outstanding dues of micro enterprises and small enterprises	-	-	7.08	3.26
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	302.00	363.80	4,138.04	3,794.77
	302.00	363.80	**4,145.12**	3,798.03

22 Other financial liabilities

₹ Crores

	Non-current		Current	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Current maturities of long-term debt		-	3,458.32	2,033.45
Interest accrued but not due on borrowings	-	-	0.85	-
Interest accrued and due on borrowings	-	1.49	2,458.77	1,204.83
Amount payable in respect of Purchase of Fixed Assets	0.01	9.94	174.68	183.05
Salaries and other benefits Payable	-	-	90.41	90.28
Other Payables	1.80	0.53	173.96	136.04
	1.81	11.96	**6,356.99**	3,647.65

23 Provisions

₹ Crores

	Long Term		Short Term	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Provision for Leave Encashment	29.68	32.37	14.73	16.42
Provision for Gratuity	20.16	19.82	6.06	7.28
Provision for Bonus	-	-	3.49	4.44
Provision for Retention Bonus	-	0.55	0.65	3.08
Provision for Other Employee Benefits	-	-	1.85	2.38
Provision for Operations and Maintenance	87.72	51.90	14.13	9.80
Provision for Lease Equalisation	0.19	0.21	0.02	0.31
Provision for Warranty	332.86	332.44	-	-
Provision for Mine Restoration	140.55	122.82	5.33	7.33
Other Provisions	-	-	27.20	18.86
	611.16	560.11	**73.46**	69.90

24 Deferred Tax

₹ Crores

24.1 Deferred Tax Liability - Net	As at March 31, 2017	As at March 31, 2016
Deferred Tax Liabilities		
Differences in Written Down Value in Block of Fixed Assets as per Tax Books and Financial Books	1,238.93	1,306.96
Deferred Tax Assets		
Provision for Gratuity and Compensated Absences	2.08	2.02
Carry Forward Losses as per the Income Tax Act 1961	571.73	646.90
Provision for Other Disallowances	1.79	1.79
Gross Deferred Tax Assets	**575.60**	650.71
Deferred Tax Liability - Net	**663.33**	656.25

24.2 Deferred Tax Asset (net)	As at March 31, 2017	As at March 31, 2016
Deferred Tax Liabilities		
Differences in Written Down Value in Block of Fixed Assets as per Tax Books and Financial Books	25.71	75.69
Gross Deferred Tax Liabilities	25.71	75.69
Deferred Tax Assets		
Provision for Gratuity and Compensated Absences	28.97	30.14
Provision for Doubtful Debts	0.20	-
Provision for Incentives and Exgratia	0.02	0.42
Carry Forward Losses as per the Income Tax Act 1961	19.47	64.76
Provision for Other Disallowances	56.16	56.13
Inter Company profit eliminations	550.04	501.86
Gross Deferred Tax Assets	**654.86**	653.31
Deferred Tax Asset - Net	**629.15**	577.62

25 Other liabilities

₹ Crores

	Non-current		Current	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Advance from Customers	926.97	954.59	463.34	423.95
Advance received against proposed sale of Investments	-	-	11.50	1.00
Taxes Payable (Other than Income Tax)	-	-	98.26	99.24
Employee Contributions Payable	-	-	6.36	6.03
Other Payables	6.76	11.76	27.22	67.78
	933.73	966.35	**606.68**	598.00

26 Short Term Borrowings

₹ Crores

	As at March 31, 2017	As at March 31, 2016
Cash Credits and Working Capital Demand Loan from Banks (Secured)	2,480.04	2,161.60
Other Loans repayable on demand		
Unsecured		
From Banks	-	225.00
Rupee Loans and Advances		
Unsecured		
From Others	6.10	-
Foreign Currency Loans and Advances		
Secured		
From Banks	409.59	525.31
Other Loans and Advances		
Secured Loan against Fixed Deposits	-	4.35
Loans and Advances from Related Parties		
Unsecured		
Rupee Loans and Advances	5.29	5.22
	2,901.02	2,921.48

A. Cash Credits and Working Capital Demand Loan

(₹ Crores)

S. No.	Company Name	Amount of Loan From Banks*	Security & Terms and Conditions
1	Lanco Infratech Limited (LITL)- the Company	1,354.91 (1,116.34)	₹ 1,354.91 Crores (March 31, 2016 : ₹ 1,116.34) Crores is having first pari passu charge on fixed assets and current assets (present and future) of the Company except assets with exclusive charge as per the CDR scheme approved by CDR EG. Further, this loan is secured by pledge of equity shares of the Company held by its Promoters, Corporate Guarantee given by Promoter Company, Personal Guarantee of Promoters, subservient charge on the asset of 7 SPVs / Subsidiaries and unencumbered shares of 8 SPVs held by Promoters, the Company and its step down subsidiaries and associates.
2	Lanco Kondapalli Power Limited (LKPL)	132.74 (109.03)	Cash Credits and Working Capital demand loan from Banks secured by way of charge on LKPL's inventories, consumable stores, book debts and all the movable properties of LKPL including its movable plant and machinery, spares, tools, accessories and other movables both present and future and further secured by way of an equitable charge by deposit of title deeds of all the immovable properties of LKPL situated at Krishna District in the State of Andhra Pradesh, both present and future ranking pari passu with charges created for securing term loans of LKPL and secured on a pari passu basis by way of registered mortgage of LKPL's freehold properties in the State of Maharashtra and Tamil Nadu and assignment of project contracts. Further, secured by pledge of a portion of shares held by promoters. The Cash Credit is repayable on demand and carries interest @ Base Rate + 2.60% to Base Rate + 3.00%. (March 31, 2016 : Base Rate + 2.60% to Base Rate + 3.00%). LKPL has not paid interest amounting to ₹ 13.94 Crores (March 31, 2016 : ₹ 13.23 Crores).
3	Lanco Tanjore Power Company Limited (LTPCL)	9.99 (10.43)	Cash Credits and Working Capital demand loan from Banks is secured by hypothecation of stocks and other current assets both present and future on pari passu basis on movable and immovable properties and also guaranteed by certain directors/ others in their personal capacity and by issue of Letter of Comfort by LTPCL. The Cash Credit is repayable on demand and carries interest @ 13.85% to 14.05%.
4	Lanco Amarkantak Power Limited (LAPL)	412.35 (367.54)	(a) Working Capital Loans include Cash Credit (CC) availed from the consortium of Canara Bank and Allahabad Bank (Unit 1) in respect of the sanctioned CC limit of ₹ 135 Crores and from IDBI Bank Ltd (Unit 2) in respect of its sanctioned CC limit of ₹ 145 Crores. During the year LAPL has availed short term working capital loan of ₹ 125 Crores from PFC . The entire Working Capital Fund Based CC Loans including disbursed portion of short term working capital loan and Non Fund Based facilities to the extent of ₹ 144 Crores are secured by way of first charge on the project assets of Unit 1&2 ranking pari passu with the Term Lenders of Unit 1&2. Non-Fund Based facilities in excess of ₹ 144 Crores are secured by way of a Second Charge on the project Assets of Unit 1&2.
5	Lanco Anpara Power Limited (LAnPL)	433.30 (434.61)	Cash Credits and Working Capital demand loan Secured as follows : 1. First pari-passu charge by way of hypothecation of entire Current Assets, namely, raw-materials, stock-in-process, semi-finished goods and finished goods, stores and spares including relating to plant and machinery (Consumable Stores & Spares), Bills Receivable and Book Debts and operating cash flows, revenues and receivables of the Project and all other movables of the Borrower, both present and future; 2. First ranking pari-passu charge on project assets both present and future ranking pari-passu with other working capital lenders; 3. First pari-passu charge by hypothecation on all the movable fixed assets of LAnPL, both present & future; 4. First pari-passu charge by way of equitable charge on all the immovable fixed assets of LAnPL, both present & future; 5. First pari-passu charge/assignment/security interest of contractor guarantees, performance bonds and any letter of credit that may be provided by any party under the project;

(₹ Crores)

S. No.	Company Name	Amount of Loan From Banks*	Security & Terms and Conditions
			6. First pari-passu charge/assignment/security interest of rights, titles and interest of LAnPL in all project documents/contracts/licenses including insurance contracts pertaining to the project. 7. The Cash Credit is repayable on demand and carries interest rate which are linked to Bank's Base Rate/MCLR + weighted average spread of 4.46%. 8. LAnPL has not paid interest amount of ₹ 2.12 Crores (Previous Year ₹ 0.84 Crores) as at March 31, 2017.
6	Lanco Solar Energy Private Limited (LSEPL)	136.75 (123.65)	(a) Cash Credits and Working Capital demand loan from Banks is secured by first pari passu charge on all current assets both present and future of LSEPL with all member banks under multiple banking arrangement. (b) LSEPL has interest due of ₹ 27.62 Crores on Cash Credits and LC. In LSEPL there are many lenders. The carrying interest rate is as per the respective loan agreements entered at LSEPL level which is linked to each of the Lender's Bank Rate +/- Spread as applicable.
	Total	**2,480.04 (2,161.60)**	

* Previous Year figures are mentioned in Brackets

B. Rupee Term Loan from Banks / Financial Institutions

(₹ Crores)

S. No.	Company Name	Amount of Loan From Banks*	Security & Terms and Conditions
1	Lanco Anpara Power Limited (LAnPL)	Nil (225.00)	During the year the loan was repaid.

Previous year figures are mentioned in Brackets.

C. Foreign Currency Loan from Banks

(₹ Crores)

S. No.	Company Name	Amount of Loan From Banks*	Security & Terms and Conditions
1	Lanco Infratech Limited (LITL)- the Company	22.50 (127.31)	₹ 22.50 Crores (March 31, 2016 : ₹ 127.31 Crores) Foreign Currency Term Loans (Buyers Credit) from banks is secured by hypothecation of movable assets both present and future of the project were having first pari passu charge on fixed assets and current assets (present and future) of the Company except assets with exclusive charge along with pledge of equity shares of the Company held by its Promoters, Corporate Guarantee given by Promoter Company, Personal Guarantee of Promoters, subservient charge on the asset of 7 SPVs / Subsidiaries and unencumbered shares of 8 SPVs held by Promoters, the Company and its step down subsidiaries and associates. *Rate of interest on the above borrowings is as per the agreement with the respective banks i.e. bank rate (+/-) spread as applicable.
2	Lanco International Pte. Ltd. (LIPL)	387.09 (398.00)	The term loan bears interest rate at 6 months LIBOR plus 160 bps. The loan is repayable on the termination date of the Standby Letter of Credit or 12 months from the date of drawdown, whichever is earlier. The loan is secured by way of Standby letter of credit (SBLC) of USD 6 Crores issued by Axis Bank.
	Total	**409.59 (525.31)**	

* Previous Year figures are mentioned in Brackets

LIBOR means London Inter Bank Offer Rate and BPS means Basis Points

27 Tax Liabilities (Net)

₹ Crores

	Long Term		Short Term	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Provision for Taxation (Net of Advance taxes)	-	-	8.91	24.21
	-	-	**8.91**	24.21

28 Revenue from Operations

₹ Crores

	For the Year Ended	
	March 31, 2017	March 31, 2016
Contract Operations (A)	1,050.69	1,021.35
Property Development (B)	114.40	146.92
Sale of Services (C)		
Toll Collections	124.17	116.37
Income from the Operating Leased Assets	5.71	104.74
Management Consultancy	3.00	2.30
Operations and Maintenance	10.59	11.81
	143.47	235.22
Sale of Products (D)		
Electrical Energy	5,290.64	6,039.62
Coal	520.92	492.61
Solar Modules & Other Goods	218.67	158.68
	6,030.23	6,690.91
Other Operating Revenue (E)		
Sale of Emission Reductions (CDM)	0.16	-
Other Operating Income	4.74	4.07
	4.90	4.07
Revenue from Operations (A+B+C+D+E)	**7,343.69**	8,098.47

29 Other Income

₹ Crores

	For the Year Ended	
	March 31, 2017	March 31, 2016
Interest Income on		
Deposits and Margin money	19.16	16.29
Inter Corporate Loans	4.09	15.30
Long Term Investments	0.09	0.09
Others (includes on trade receivables)	40.20	160.42
Dividend Income on		
Long Term Investments	0.12	0.95
Current Investments	0.08	0.43
Net Gain on sale of		
Long Term Investments	0.03	0.09
Current Investments	0.74	0.15

Other Non-Operating Income (Net of expenses directly attributable to such Income)		
Insurance Claims Received / Receivable	3.48	1.91
Liabilities and Provisions no longer required written back	48.68	29.24
Net Profit on Sale of Assets	26.36	0.19
Rental Income	0.27	0.26
Miscellaneous Income	23.08	11.11
	166.38	236.43

30 Cost of Materials Consumed

₹ Crores

	For the Year Ended	
	March 31, 2017	**March 31, 2016**
Construction Material Consumed	612.29	337.26
Property Development Cost	114.31	115.00
Coal for Power Generation	2,221.81	2,111.35
Gas and Naphtha for Power Generation	759.93	1,162.62
Secondary Fuel (HFO, LDO & HSD) for Power Generation	19.18	14.85
Other consumables for Power Generation	10.36	17.43
Consumables for Coal Mining	121.45	133.36
Raw Materials Consumed - Solar Module & Other Goods	236.33	223.07
	4,095.66	4,114.94

31 Purchase of stock-in-trade

₹ Crores

	For the Year Ended	
	March 31, 2017	**March 31, 2016**
Power Purchase	307.59	200.17
	307.59	200.17

32 Construction, Transmission, Plant / Site and Mining Expenses

₹ Crores

	For the Year Ended	
	March 31, 2017	**March 31, 2016**
Equipment / Machinery Hire charges	84.69	113.67
Transmission Charges	24.43	5.34
Repairs, Operations and Maintenance	166.55	146.66
Consumption of Stores and Spares	36.95	45.45
Insurance	39.96	34.80
Electricity	23.54	15.81
Security Charges	22.06	23.41
Coal Mining and transportation Cost	253.69	240.60
Others	92.47	56.65
	744.34	682.39

33 (Increase) / Decrease In Inventories of Finished Goods and Work in Progress

₹ Crores

	For the Year Ended	
	March 31, 2017	**March 31, 2016**
Finished Goods		
Inventories at the beginning of the Year	6.46	3.18
Less : Inventories at the end of the Year	13.04	6.46
Sub Total (A)	**(6.58)**	(3.28)
Construction / Development Work in Progress		
Inventories at the beginning of the Year	1,791.54	1,902.84
Add : Consolidation Eliminations	-	(314.76)
Less: Adjustments	-	(0.01)
	1,791.54	1,588.09
Less : Inventories at the end of the Year	1,909.69	1,791.54
Sub Total (B)	**(118.15)**	(203.45)
(Increase) / Decrease in inventories (A+B)	**(124.73)**	**(206.73)**

34 Employee Benefits Expenses

₹ Crores

	For the Year Ended	
	March 31, 2017	**March 31, 2016**
Salaries, allowances and benefits to employees	312.61	326.49
Contribution to provident fund and other funds	18.75	18.47
Employee Stock Option Charge	(1.45)	0.64
Recruitment and training	1.89	2.39
Staff welfare expenses	14.76	16.79
	346.56	364.78
Less: Transferred to Development Cost	11.33	11.92
	335.23	352.86

35 Finance Cost

₹ Crores

	For the Year Ended	
	March 31, 2017	**March 31, 2016**
Interest	3,922.32	3,532.84
Other Borrowing Cost (Upfront Fees, Commitment Charges etc.)	291.05	222.69
	4,213.37	3,755.53
Less: Transferred to Investment Property under Development	171.07	152.35
Less: Transferred to Capital Work in Progress - Other Direct Cost	1,046.99	945.18
	2,995.31	2,658.00

36 Depreciation And Amortization Expense

₹ Crores

	For the Year Ended	
	March 31, 2017	**March 31, 2016**
Depreciation on PPE	853.59	779.33
Amortization on Intangible Assets	50.23	38.15
Depreciation on Investment Property	0.06	0.06
	903.88	817.54

37 Other Expenses

(₹ Crores)

	For the Year Ended	
	March 31, 2017	March 31, 2016
Rent	25.30	21.87
Rates and taxes	17.48	22.05
Donations	3.04	3.94
Corporate Social Responsibility Expenses	0.76	0.61
Repairs and Maintenance:		
Office Building	0.23	3.24
Others	20.84	18.36
Marketing and selling expenses	9.14	4.30
Office maintenance	11.85	10.18
Insurance	7.41	4.41
Printing and stationery	1.65	1.85
Consultancy and other professional charges	84.15	75.53
Directors sitting fee	1.04	1.10
Electricity charges	3.86	5.06
Net Loss on sale of Long Term Investments	0.54	-
Net Loss on Foreign Exchange Fluctuations	(44.06)	(118.54)
Net Loss on Fair valuation of Financial assets & liabilities	33.75	3.54
Remuneration to auditors (As Auditor):		
Audit Fee	3.95	4.03
Tax audit fees	0.32	0.32
Remuneration to auditors (In other capacity) - Certification charges	0.31	0.07
Reimbursement of expenses to Auditors	0.27	0.19
Travelling and conveyance	23.67	27.10
Communication expenses	4.78	5.44
Net Loss on Sale/Write off of fixed assets	8.67	10.65
Provision for Expected Credit Loss on Financial Assets	142.47	30.19
Business Promotion and Advertisement	4.46	5.06
Miscellaneous expenses	20.45	10.62
	386.33	151.17
Less: Recovery of Common Expenses	9.10	8.37
Less: Transferred to Development cost	0.67	0.90
Less: Elimination of Cost on Intercompany Management Consultancy Income	11.44	12.82
	365.12	129.08

38 Other Comprehensive Income

(₹ Crores)

	For the Year Ended	
	March 31, 2017	March 31, 2016
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	0.47	(1.05)
	0.47	(1.05)

39 Exceptional items

Exceptional item of ₹ (4.52) Crores for the year ended March 31, 2017 includes

(a) In case of LMHEPL, considerable damage was witnessed across the project site during the devastating flash floods that occurred in the Rudraprayag district of Uttarakhand in the month of June 2013. LMHEPL Project was insured under CAR & ALOP policies to cover the damages including Act of God. Insurance Claims were lodged with the insurer during the financial year 2013-14 and LMHEPL is involved in restoration activities at site. Exceptional item represents the cost of damage to the project and project components due to the flash floods, which is netted off against the insurance claim receivable. The difference between the reinstatement cost incurred to restore the damaged project assets and the insurance claims receivable as per the policy terms amounts to ₹ 3.70 Crores.

(b) In case of LSGPL, ₹ 0.82 Crores is on account of write off of the power equipement damaged due to flood, after netting off of insurance claims received.

Exceptional item of ₹ 279.86 Crores for the year ended March 31, 2016 includes

(a) The company along with its step down subsidiaries have completed the sale transaction of Udupi Power Corporation Limited (UPCL) on April 20, 2015. The profit arising on account of sale of shares treated as an exceptional item amounting to ₹ 115.02 Crores.

(b) Subsidiary of a step down subsidiary to the company had become an associate to the step down subsidiary. Consequently part of the profit eliminated in the past was brought back to the tune of ₹ 50.41 Crores, which is reported as an exceptional item.

(c) One of the step down subsidiary (LKPL) reversed the transmission charges provisioned in earlier years ₹ 113.43 Crores upon receipt of favourable order from the Appellate Tribunal for Electricity (APTEL) and treated as an exceptional item.

(d) Exceptional item also includes reversal of PLF bonus provision ₹ 1.48 Crores in LKPL and Other Miscellaneous amounting to ₹ (0.48) Crores.

40 During the year ended March 31, 2017 some of the foreign subsidiaries could not complete the audit of their financial statements, hence the financial statements prepared by the Management have been considered in consolidation. Accordingly total assets of ₹ 10,279.89 Crores as at March 31, 2017, the total revenue of ₹ 685.31 Crores and total net loss of ₹ 597.10 Crores for the year ended March 31, 2017, have been taken from the financials prepared by the Management under Ind AS.

41 As at March 31, 2017 the Group has receivables from various State Electricity Utility Companies and other customers for sale of power aggregating to ₹ 1,377.30 Crores, net current liabilities of ₹ 2,419.86 Crores and current maturities of long term borrowings of ₹ 3,458.32 Crores. Based on internal assessment and various discussions with the customers, the management is confident of recovery of receivables. At present the Group's operating assets are not generating envisaged revenues on account of various factors beyond the control of the company, such as short supply of gas, partial procurement of power, pending tariff clarity and part payments from the customers is posing challenges for meeting the cash flow needs. However the Group has actively engaged in resolving each of the aspects associated with the respective revenue generating units by effectively addressing the core issues which would enable a quick turnaround in the situation and the management is confident that the efforts would result in the operating units generating positive cash flows. The approved CDR scheme & additional funding to the company and the lenders approvals of the cost overrun proposals for the projects under construction and the effort to bring strategic investors, disposal of assets, would also bring in the additional cash flows into the system. Cumulatively, the Group is confident that the initiatives narrated above would address the bottlenecks and make the operating units viable, augmenting the EPC activity to normal level and thus does not foresee any eventual cash flow mismatch in terms of meeting its financial obligations including that of the lenders, vendors and others and also will have adequate cash flows to support the implementation of ongoing projects which are capitalizing interest and expenses during the period of construction including the low level period of construction.

42 LKPL entered long term PPA for supply of electricity from phase - I with Andhra Pradesh State Electricity Board (the Board). LKPL applies Appendix C of Ind AS 17 which relates to arrangements that do not take the legal form of a lease but convey the right to use an asset in return for a payment or a series of payments. An arrangement conveys the right to use the asset if the arrangement conveys to the purchaser (lessee) the right to control the use of the underlying asset. LKPL has treated the agreement as operating lease on the following basis.

(a) The Board is the sole purchaser of the electricity generated from power plant at a price other than at market price and the price varies other than in response to market price changes, this variability is regarded by Appendix C of Ind AS 17 as capacity payments are being made for the right to use the power plant.

(b) The power purchase agreement does not transfer substantially all the risks and rewards incidental to LKPL's ownership of the power plant to the Board.

Therefore, LKPL considered the arrangement as an operating lease and capacity charges from the use of power plant to generate electricity as rental payments. This results in revenue recognition approximating the straight-line requirements of Ind AS 17 on leases.

Income from operating lease represents revenues from capacity charges invoices issued by LKPL for the use of power plant to generate electric capacity for the benefit of the Andhra Pradesh State Electricity Board according to the power purchase agreement, which is considered an operating lease under Appendix C of Ind AS 17. Capacity charges are materially straight-line over the life of the plant which results in revenue recognition approximating the straight-line requirements of Ind AS 17 on leases. According to the agreement, the board shall pay for all the capacity available from the use of LKPL's Phase I power plant, regardless of the extent to which the board can absorb that capacity, for a predetermined price set out in the Power Purchase Agreement for each operating year.

43 LAPL has entered in long term PPA for supply of electricity from unit 1 with PTC India Ltd - Madhya Pradesh. LAPL applies Appendix C of Ind AS 17 which relates to arrangements that do not take the legal form of a lease but convey the right to use an asset in return for a payment or a series of payments. An arrangement conveys the right to use the asset if the arrangement conveys to the purchaser (lessee) the right to control the use of the underlying asset. LAPL has treated the agreement as operating lease on the following basis:

(a) The PTC / Electricity Board is the sole purchaser of the electricity generated from power plant at a price other than at market price and the price varies other than in response to market price changes, this variability is regarded by Appendix C of Ind AS 17 as capacity payments are being made for the right to use the power plant.

(b) The power purchase agreement does not transfer substantially all the risks and rewards incidental to LAPL ownership of the power plant to the Board.

Therefore, LAPL considered the arrangement of the power plant agreement as an operating lease. Considering that fuel availability is a significant risk which results in significant fluctuations in monthly revenues, LAPL has classified its revenue under the lease as contingent rent and account for the same as and when it is realized. The lease rent amount has been included in capacity charges which forms part of sale of energy."

44 LTPCL entered in long term PPA for supply of electricity from its power plant with Tamil Nadu Electricity Board (TNEB). LTPCL applies Appendix C of Ind AS 17 which relates to arrangements that do not take the legal form of a lease but convey the right to use an asset in return for a payment or a series of payments. An arrangement conveys the right to use the asset if the arrangement conveys to the purchaser (lessee) the right to control the use of the underlying asset. LTPCL has treated the agreement as operating lease on the following basis:

a. The Board is the sole purchaser of the electricity generated from power plant at a price other than at market price and the price varies other than in response to market price changes, this variability is regarded by Appendix C of Ind AS 17 as capacity payments are being made for the right to use the power plant.

(b) The Power Purchase Agreement does not transfer substantially all the risks and rewards incidental to LTPCL's ownership of the power plant to the Board.

Therefore, LTPCL considered the arrangement as an operating lease. Considering that fuel availability is a significant risk and also PPA not envisage dual fuel option which results in significant fluctuations in monthly revenues, LTPCL has to classify its revenue under the lease as contingent rent and account for the same as and when it is realized. The lease rent amount has been included in capacity charges which form part of sale of energy.

45 Earning Per Share (EPS)

(₹ Crores)

		March 31, 2017	March 31, 2016
Total Operations for the year			
Profit/(Loss) attributable to owners of the Company for calculation of basic EPS	**(A)**	(2,049.13)	(269.10)
Net Profit as above		(2,049.13)	(269.10)
Add : Interest on bonds/Debentures/Loan convertible into equity shares (Net of tax)		409.83	368.81
Net Profit/(Loss) for calculation of diluted EPS	**(B)**	(1,639.30)	99.71
Weighted average number of Equity Shares for Basic EPS	**(C)**	273.20	256.70
Effect of dilution :			
Stock options under ESOP		0.22	0.29
Convertible Debentures / Loans into Equity Shares		576.82	566.14
Weighted Average number of Equity shares for Diluted EPS	**(D)**	850.24	823.13
Basic EPS on the basis of Total Operations in ₹	(A) / (C)	(7.50)	(1.05)
Diluted EPS on the basis of Total Operations in ₹	(B) / (D)	(7.50)	(1.05)

*Diluted EPS when anti dilutive is restricted to basic EPS.

46 Intra Group Turnover and Profits

The Group 'Revenue from Operations', 'Comprehensive Income for the period attributable to Owners of the company', 'Net Cash flow from Operating Activities' and 'Other Equity' is after eliminating inter-company transactions as per Ind AS (AS) 110 "Consolidated Financial Statements" and Ind AS 28 "Investments in Associates and Joint Ventures". The impact of these eliminations on the said items is as under:

(₹ Crores)

	For the Year Ended	
	March 31, 2017	March 31, 2016
Revenue from Operations		
Before Elimination	8,279.10	9,861.48
Less : Elimination of Intersegment Operating Income	935.41	1,763.01
After Elimination (As per Note 28)	**7,343.69**	8,098.47
Total Comprehensive Income for the period attributable to Owners of the company		
Before Elimination	(1,935.62)	(92.35)
Less : Elimination for current year post tax	113.04	177.80
After Elimination	**(2,048.66)**	(270.15)
Net Cash flow from Operating Activities		
Before Elimination	2,341.28	93.38
Less : Eliminated profit on transactions with subsidiaries	113.10	177.48
After Elimination	**2,228.18**	(84.10)

	As at March 31, 2017	As at March 31, 2016
Total Other Equity		
Before Elimination	(1,365.24)	637.52
Less : Cumulative Eliminated profit on transactions with subsidiaries and Associates	1,039.30	941.64
After Elimination (As per Note 19)	**(2,404.54)**	(304.12)

47 Employee Benefits

Defined Benefit Plans

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary for each completed year of service subject to a maximum of ₹ 15 Lakhs. The plan for the same is unfunded / funded.

(₹ Crores)

	March 31, 2017	March 31, 2016
Net Employee benefit expense recognized in the employee cost in statement of profit & loss account		
Current service cost	4.02	4.33
Interest cost on benefit obligation	2.14	1.90
Expected return on plan assets	(0.13)	(0.13)
Sub Total	**6.03**	6.10
Recognised in Other Comprehensive Income		
Net actuarial (gain)/loss recognized in the year		
i. Demographic Assumptions on obligation	(0.04)	0.02
ii. Financial Assumptions on obligation	0.53	0.61
iii. Experience Adjustments on obligation	(1.04)	0.78
iv. Financial Assumptions on plan assets	(0.00)	0.01
Sub Total	**(0.55)**	1.42
Net benefit expense	**5.48**	7.52

(₹ Crores)

	March 31, 2017	March 31, 2016
Balance Sheet		
Benefit asset / liability		
Present value of defined benefit obligation	27.07	27.95
Fair value of plan assets	0.85	0.85
Assets / (Liability) recognized in the balance sheet	**(26.22)**	(27.10)
Change in the present value of the defined benefit obligation		
Opening defined benefit obligation	27.95	22.78
Benefit transferred in	1.53	2.12
Benefit transferred Out	(2.48)	(1.80)
Benefits paid	(5.54)	(2.80)
Expenses Recognised in Statement of Profit and Loss Account		
Current service cost	4.02	4.33
Interest cost on benefit obligation	2.14	1.90
Recognised in Other Comprehensive Income		
Actuarial (gain)/loss on obligation	(0.55)	1.42
Closing defined benefit obligation	**27.07**	27.95
Change in the fair value of plan assets		
Opening fair value of plan assets	0.85	0.64
Contributions by employer	0.11	0.08
Benefits paid	(0.24)	(0.01)
Expenses Recognised in Profit and Loss Account		
Expected return	0.13	0.13
Recognised in Other Comprehensive Income		
Actuarial (gain) / loss on plan assets	-	0.01
Closing fair value of plan assets	**0.85**	0.85
Investment details of the plan assets		
Investment with Insurer	0.85	0.85
Assumptions		
Discount Rate (%)	7.00	7.50
Estimated Rate of Return on Plan Assets %	7.00	9.15
Attrition Rate%	19 to 30	19.00
Expected rate of salary increase (%)	6.00	6.00
Expected Average Remaining Service/mortality and withdrawal (years)	4.43	3.98

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts of Defined benefit plan for the current and previous four periods are as follows

(₹ Crores)

	Present value of Defined benefit obligation	**Surplus / (deficit)**	**Experience adjustments on plan liabilities**	**Experience adjustments on plan assets**
March 31, 2017	27.07	(26.22)	(1.04)	-
March 31, 2016	27.95	(27.10)	0.78	0.01
March 31, 2015	25.02	(21.87)	(1.10)	0.16
March 31, 2014	19.43	(16.59)	1.43	(0.05)
March 31, 2013	19.17	(16.60)	3.52	-

Sensitivity analysis of the defined benefit obligation

(₹ Crores)

Particulars	0.5% Increase		0.5% Decrease	
	2017	2016	2017	2016
Impact of the change in discount rate	(0.33)	-	0.30	-
Impact of the change in salary increase	0.34	-	(0.29)	-

Note : Sensitivity due to mortality and withdrawals are not material and hence impact of change not calculated.

Defined Contribution Plans

In respect of the defined contribution plan (Provident fund), an amount of ₹ 14.44 (Previous year : ₹ 14.91) Crores has been recognized as expenditure in the Statement of Profit and Loss / Capital Work in Progress.

In respect of the State Plans (Employee State Insurance), an amount of ₹ 0.47 (Previous year : 0.40) Crores has been recognized as expenditure in the Statement of Profit and Loss / Capital Work in Progress Account.

48 Employee Stock Option Scheme

The Company has till March 31, 2017 allotted 1.11 (March 31, 2016: 1.11) Crores equity shares of ₹ 10 each to LCL Foundation (ESOP - Trust) towards the Employee Stock option plan 2006 (The Plan) which was formulated by the Company. The plan provides for grant of stock options of equity shares of the Company to employees of the Company and its subsidiaries subject to continued employment with the Company or Group.

Each option comprises of one equity share which will vest on annual basis at 20% each over five years and shall be capable of being exercised within a period of ten years from the date of first annual vesting.

Each option granted under the above plans entitles the holder to one equity share of the company at an exercise price, which is approved by the compensation committee.

The Plan is in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Stock Purchase Scheme) Guidelines, 1999.

Consequent to the splitting of Equity Share of ₹ 10 each into 10 equity shares of Re.1 each in the year 2009-10, the number of shares allotted to the trust and the options granted, forfeited, exercised are disclosed at Re.1 each.

A summary of the status of the Company's plan is given below:

	March 31, 2017		March 31, 2016	
	No. Crores	Weighted Average Exercise Price (₹)	No. Crores	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	0.31	0.24	0.51	0.24
Granted during the year	-	-	-	-
Forfeited during the year	(0.04)	-	(0.10)	-
Exercised during the year	(0.03)	0.24	(0.10)	0.24
Expired during the year	-	-	-	-
Outstanding at the end of the year	0.24	0.24	0.31	0.24
Exercisable at the end of the year	0.24	0.24	0.31	0.24

The weighted average share price for the period over which stock options were exercised was ₹ 3.84 (March 31, 2016 ₹ 5.61)

The details of exercise price for stock options outstanding at the end of the year are:

	March 31, 2017			
Grant No. (Grant Date)	Range of Exercise Price	Number of Options outstanding (Lakhs)	Weighted average remaining contractual life of options (in years)	Weighted average exercise price
Grant 1 (24.06.2006)	0.24	0.01	-	0.24
Grant 2 (02.07.2007)	0.24	0.06	-	0.24
Grant 3 (26.09.2007)	0.24	0.01	-	0.24
Grant 4 (24.04.2008)	0.24	0.03	-	0.24

	March 31, 2017			
Grant No. (Grant Date)	**Range of Exercise Price**	**Number of Options outstanding (Lakhs)**	**Weighted average remaining contractual life of options (in years)**	**Weighted average exercise price**
Grant 5 (04.07.2008)	0.24	0.01	-	0.24
Grant 6 (01.11.2008)	0.24	0.00	-	0.24
Grant 7 (19.02.2009)	0.24	0.00	-	0.24
Grant 8 (29.07.2009)	0.24	0.03	-	0.24
Grant 9 (27.01.2010)	0.24	0.02	-	0.24
Grant 10 (30.04.2010)	0.24	0.01	-	0.24
Grant 11 (13.08.2010)	0.24	0.06	-	0.24
Grant 12 (12.11.2010)	0.24	0.00	-	0.24

	March 31, 2016			
Grant No. (Grant Date)	**Range of Exercise Price**	**Number of Options outstanding (Lakhs)**	**Weighted average remaining contractual life of options (in years)**	**Weighted average exercise price**
Grant 1 (24.06.2006)	0.24	0.01	-	0.24
Grant 2 (02.07.2007)	0.24	0.06	-	0.24
Grant 3 (26.09.2007)	0.24	0.01	-	0.24
Grant 4 (24.04.2008)	0.24	0.03	-	0.24
Grant 5 (04.07.2008)	0.24	0.02	-	0.24
Grant 6 (01.11.2008)	0.24	0.00	-	0.24
Grant 7 (19.02.2009)	0.24	0.00	-	0.24
Grant 8 (29.07.2009)	0.24	0.05	-	0.24
Grant 9 (27.01.2010)	0.24	0.02	-	0.24
Grant 10 (30.04.2010)	0.24	0.01	0.08	0.24
Grant 11 (13.08.2010)	0.24	0.10	0.37	0.24
Grant 12 (12.11.2010)	0.24	0.00	0.62	0.24

49 Leases

Operating Lease : Group as lessee

The Group has entered into certain cancellable and non-cancellable operating lease agreements mainly for office premises, land and infrastructure facilities' which are renewable on mutual agreement with the parties. There is an escalation clause in the lease arrangements during the lease period inline with the expected general inflation. The lease rentals charged during the year and maximum obligations on long term non-cancellable operating lease payable as per the agreements are as follows :

(₹ Crores)

	March 31, 2017	March 31, 2016
Lease rentals charged during the year		
Under Cancellable Leases	12.86	8.09
Under Non-Cancellable Leases	4.55	4.27
Future minimum lease payments under Non-Cancellable Leases		
Not later than one year	3.82	3.63
Later than one year and not later than five years	9.87	9.44
Later than five years	164.98	164.70

Operating Lease : Group as lessor

One of the entity in the group has given buildings on operating lease. The lease rentals receivables during the year and maximum outstandings on long term non- cancellable operating leases recievables as per the agreements are as follows :-

(₹ Crores)

	March 31, 2017	March 31, 2016
Future minimum lease rentals receivables under Non-Cancellable Leases		
Not later than one year	6.73	4.69
Later than one year and not later than five years	15.00	4.64

50 Movement in Provisions

(₹ Crores)

		March 31, 2017		
Particulars		**Operations & Maintenance**	**Warranties**	**Mine Restoration**
(a)	Balance as on 01.04.2016	61.70	332.44	130.15
(b)	Additional Provision made during the year	40.21	8.97	18.65
(c)	Provision reversed / used during the year	0.06	1.13	-
(d)	Foreign exchange rate variation	-	(7.42)	(2.92)
(e)	Balance as on 31.03.2017 (a+b-c+d)	101.85	332.86	145.88

		March 31, 2016		
Particulars		**Operations & Maintenance**	**Warranties**	**Mine Restoration**
(a)	Balance as on 01.04.2015	37.08	459.87	152.15
(b)	Additional Provision made during the year	24.62	46.28	-
(c)	Provision reversed / used during the year	-	200.89	0.14
(d)	Foreign exchange rate variation	-	27.18	(21.86)
(e)	Balance as on 31.03.2016 (a+b-c+d)	61.70	332.44	130.15

51 Deferral / Capitalisation of Exchange Difference

The Group has adopted the policy as per Para D13 AA of the Ind AS 101 for accounting for exchange difference arising from translation of long term foreign currency monetary items recognised in the financial statement for the period ending immediately before the beginning of first Ind AS financial reporting period as per the previous GAAP. The foreign exchange (gain) / loss arising on revaluation of long term foreign currency monetary items in so far as they relate to the acquisition of depreciable capital assets to be depreciated over the balance life of such assets and in other cases the foreign exchange (gain) / loss to be amortised over the balance period of such long term foreign currency monetary items. On availment of option, foreign exchange difference remains unamortized is ₹ 1,398.81 (Previous Year ₹ 1,447.16) Crores.

52 Capital and Other Commitments

(₹ Crores)

	March 31, 2017	March 31, 2016
Estimated amount of contracts remaining to be executed on capital account other than investment property and not provided for*	21,970.85	22,624.28
Estimated amount of contracts remaining to be executed on investment property and not provided for*	884.99	884.81
Investment Commitment in Associates	69.73	69.73
Contractual obligations for purchase of coal under fuel supply agreement	41.74	41.74
Contractual obligation for Long Term Access for transmission of power	160.00	160.00

*Capital commitments mentioned above is inclusive of Engineering, Procurement and Construction (EPC) Contracts which are under revision and this commitment may undergo change.

53 Contingent Liabilities - Not probable and therefore not provided for

A. Claims disputed by the Group *

(₹ Crores)

	March 31, 2017	March 31, 2016
Custom Duty	49.58	49.58
Sales tax / VAT Liability	108.01	621.42
Service tax Liability	140.14	140.44
Income tax Liability	599.51	262.20
Construction Cess under Building and Other Construction Workers Act, 1996	1.16	1.16
Claims against the group not accepted by the Group	1,481.88	1,345.32

* The Group has internally assessed and / or been advised that the demands or claims are likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

B. Company's share of contingent liabilities of associate companies is ₹ 2.62 (March 31, 2016: 2.60) Crores.

C. Bond for SEZ - In case of LSPL, Bond Cum Legal Undertaking for Special Economic Zone (SEZ) has been entered between LSPL and President of India acting through the Development Commissioner of Visakhapatnam SEZ and the Special Officer for ₹ 171.24 Crores. As per the terms and conditions of the Bond cum Legal Undertaking, LSPL shall be obligated to pay all duties chargeable on the goods imported if LSPL carries any operations other than authorized operations as per SEZ Act 2005. The amount of utilisation till March 31, 2017 is ₹ 171.33 Crores.

D. Outstanding Corporate Guarantees

(₹ Crores)

	March 31, 2017	March 31, 2016
Given to Financial Institutions, Banks on behalf of Associate Companies	156.40	170.76

E. Claims not acknowledged as debts - amounts not Quantifiable

(i) In case of LKPL, with respect to the Phase - I is selling electric energy under a power purchase agreement (PPA) with Andhra Pradesh Power Co-ordination committee (APPCC), APPCC has raised certain disputes regarding the installed capacity and the reduction in tariff as per the PPA which are subjudice at present. As these matters are technical and interpretational in nature, the Management contends that it is not practicable to estimate the overall financial impact, if any, at this stage. Pending such disputes, LKPL has recognized revenue to the extent accepted by the APPCC as in earlier years. Further, the Management, based on its internal assessment and legal opinion, is confident that the above matters will be decided in its favour.

(ii) In case of LKPL, On December 15, 2005, APPCC raised a claim of liquidated damages amounting to ₹ 95.16 Crores towards alleged delay in commissioning of the Phase I project as stipulated in PPA by the LKPL and has unilaterally adjusted dues to extent of ₹ 46.25 Crores from the monthly tariff bill dated December 12, 2005 against this claim.

On June 13, 2011, APERC passed an order stating that there was a delay in the commissioning of the Phase I project and thus, the liquidated damages amounted to ₹ 74.87 Crores. However, it is held that such claim by APPCC is barred by limitation. Whilst the matter stood thus, APPCC adjusted another ₹ 62.69 Crores against the tariff bill dated June 13, 2011 and informed LKPL that an interest of ₹ 62.14 Crores accrued on their claim and demanded the balance amount of ₹ 28.07 Crores. The LKPL filed appeal with Appellate Tribunal for Electricity (APTEL) against the order dated June 13, 2011 and APTEL by its order dated January 12, 2015 allowed the appeal and directed APPCC to pay the adjusted amount with interest @ 12%. Aggrieved by the same Discoms filed Civil Appeal No. 4463 of 2015 before the Supreme Court. The Supreme Court vide its interim order dated July 27, 2015 directed Discoms to deposit ₹ 100.00 Crore which can be withdrawn by the LKPL on furnishing bank guarantee. Discoms complied the said Order and Supreme Court released ₹ 100 Crores to the LKPL on furnishing BG.

(iii) In case of LKPL, with respect to the Phase I, on September 23, 2004 the APTRANSCO has informed the LKPL that by oversight or mutual mistake, wrongly calculated the tariff ignoring the stipulation imposed by Central Electricity Authority and claimed a refund of ₹ 224.00 Crores and bills will be paid at lower rate for future supplies. The LKPL filed a petition in City Civil Court, Hyderabad for injunction orders. The Civil City Court allowed the petition by granting injunction on September 8, 2008 in favour of the LKPL. Later APTRANSCO filed an appeal in High Court of Andhra Pradesh against the injunction order of City Civil Court and the same is pending. Further, the Management based on the legal opinion, is confident that the above matter will be decided in its favour.

(iv) On June 12, 2015 the LKPL entered into short term Power Purchase Agreement for sale of 210 MW RTC power to Kerala State Electricity Board ("KSEB") for the period from August 01, 2015 to September 30, 2015 under the scheme for utilization of gas based power generation capacity notified by Ministry of Power. During the said period, sufficient gas was not supplied by Gas Authority of India Limited (GAIL) due to which LKPL was not able to supply the electricity to KSEB. KSEB raised claim amounting ₹ 52.38 Crores to LKPL towards excess expenditure resulting from purchase of costly power from other parties on account of non supply by the LKPL. KSEB filled petition before Kerala State Electricity Regulatory Commission ("KSERC") for recovery of the amount. KSERC in its order dated February 07, 2017 in O.P. No. 01 of 2017 allowed the petition and held that it has jurisdiction to decide the matter. LKPL filed an appeal in appellate tribunal for electricity challenging the jurisdiction of KSERC. Pending the appeal is to be listed for hearing. Further, the management based on the legal opinion, is confident that the above matter will be decided in the favour of the LKPL, hence no provision is required in the books of account.

54 Segment Reporting

The details of segment information for the year ended March 31, 2017 and March 31, 2016 are given below:

(a) The segment report of LITL and its subsidiaries (the Group) has been prepared in accordance with IND AS 108 "Operating Segments" as notified under section 133 of the Companies Act.

(b) The Group is currently focused on five operating business segments: EPC and Construction, Power, Property Development, Infrastructure and Resources.

(c) The Group has identified its geographical segments as (i) India, (ii) Singapore, (iii) Australia & (iv) Others. The secondary segment information has been disclosed accordingly.

(d) The business segments of the Group comprises of the following:

Segment	Details of Business
EPC and Construction	Construction of Industrial, Residential & Commercial Buildings and Roads etc., Engineering, Procurement and Commissioning (EPC)
Power	Generation of power and trading in power
Property Development	Development of integrated properties comprising of commercial and residential buildings
Infrastructure	Development of roads on Build, Operate and Transfer basis and other infrastructure.
Resources	Exploration, mining and marketing of coal
Others	Residual activities

e) For the purpose of reporting, business segments are primary segments and the geographic segment is a secondary segment.

f) Segment wise Name of Companies

1	**EPC and Construction**			
	1	Lanco Infratech Limited	4	Lanco Enterprise Pte Limited (China)
	2	Lanco Solar Energy Private Limited	5	Lanco Solar International Pte Limited
	3	Lanco International Pte Limited		
2	**Power**			
	1	Lanco Infratech Limited	28	Bhanu Solar Projects Private Limited
	2	Lanco Power Limited	29	Newton Solar Power Limited
	3	Arneb Power Private Limited	30	Lanco Solar Power Projects Private Limited
	4	Lanco Thermal Power Limited	31	Orion Solar Projects Private Limited
	5	Lanco Kondapalli Power Limited	32	Lanco Wind Power Private Limited
	6	Lanco Tanjore Power Company Limited	33	Amrutha Power Private Limited
	7	Lanco Amarkantak Power Limited	34	Pragdisa EPC Limited formerly known as Spire Rotor Private Limited
	8	Lanco Anpara Power Limited	35	EO Power Holdco Limited formerly known as Emerald Orchids Private Limited
	9	Lanco Babandh Power Limited	36	JH Patel Power Project Private Limited
	10	Lanco Vidarbha Thermal Power Limited	37	National Energy Trading and Services Limited

	11	Himavat Power Limited	38	Lanco Infratech Nepal Private Limited
	12	Mimas Trading Private Limited	39	Lanco Power International Pte Limited
	13	Charon Trading Private Limited	40	Lanco Solar Holding Netherland B.V Utrecht
	14	Portia Properties Private Limited	41	Lanco Solar International US Inc.
	15	Regulus Power Private Limited	42	Green Solar SRL
	16	Phoebe Trading Private Limited	43	Bhola Electricity Private Limited
	17	Lanco Operation and Maintenance Company Ltd.	44	Sirajganj Electric Private Limited
	18	Lanco Hydro Power Limited	45	Lanco Kanpur Power Limited
	19	Lanco Mandakini Hydro Energy Private Limited	46	Nekkar Power Private Limited
	20	Lanco Rambara Hydro Private Limited	47	Vainateya Power Private Limited
	21	Diwakar Solar Projects Limited	48	Siddheshwara Power Private Limited
	22	Lanco Solar Services Private Limited	49	Mirach Power Limited
	23	Lanco Solar Private Limited	50	Basava Power Private Limited
	24	Khaya Solar Projects Private Limited	51	Banas Thermal Power Private Limited
	25	Pasiphae Power Private Limited	52	Avior Power Private Limited
	26	Lanco Energy Talent School for Skills Private Limited formerly known as Sabitha Solar Projects Private Limited	53	Lanco Solar (Gujarat) Private Limited formerly known as Lanco Property Management Company Private Limited
	27	Helene Power Private Limited	54	Lanco Energy Private Limited
3.	**Property Development**			
	1	Lanco Hills Technology Park Private Limited	9	Nix Properties Private Limited
	2	Uranus Projects Private Limited	10	Cordelia Properties Private Limited
	3	Jupiter Infratech Private Limited	11	Deimos Properties Private Limited
	4	Uranus Infratech Private Limited	12	Dione Properties Private Limited
	5	Leda Properties Private Limited	13	Neptune Projects Private Limited
	6	Coral Orchids Private Limited	14	Pearl Farms Private Limited
	7	Thebe Properties Private Limited	15	Telesto Properties Private Limited
	8	Cressida Properties Private Limited	16	Lanco Horizon Properties Private Limited
4.	**Resources**			
	1	Lanco Resources International Pte Limited	5	Western Australia Coal Terminal Pty Ltd
	2	Lanco Resources Australia Pty Limited	6	Mahatamil Mining and Thermal Energy Limited
	3	The Griffin Coal Mining Company Pty Limited	7	Tasra Mining & Energy Company Private Limited
	4	Carpenter Mine Management Pty Limited		
5	**Infrastructure**			
	1	Lanco Infratech Limited	6	Tethys Properties Private Limited
	2	Lanco Hoskote Highway Limited	7	Bianca Properties Private Limited
	3	Lanco Devihalli Highways Limited	8	Belinda Properties Private Limited
	4	Mercury Projects Private Limited	9	Ananke Properties Private Limited
	5	Lanco Kanpur Highways Limited		
6	**Others**			
	1	LE New York - LLC	3	P.T Lanco Indonesia Energy*
	2	Lanco Holding Netherland B.V *	4	Lanco Infratech (Mauritius) Limited *

* During the year these companies had been sold / closed

g) Segment Reporting for the year ended March 31, 2017

The details of Primary Segments information for the Year Ended March 31, 2017 and March 31, 2016 are given below:

(₹ Crores)

Business Segments	EPC and Construction		Power		Property Development		Infrastructure		Resources		Unallocable		Eliminations		Total	
	March 31, 2017	March 31, 2016	**March 31, 2017**	March 31, 2016	**March 31, 2017**	March 31, 2016	**March 31, 2017**	March 31, 2016	**March 31, 2017**	March 31, 2016	**March 31, 2017**	March 31, 2016	**March 31, 2017**	March 31, 2016	**March 31, 2017**	March 31, 2016
Revenue																
External Customers	1,302.19	1,184.14	5,382.87	6,318.48	161.10	162.57	126.43	116.89	521.93	493.05	3.00	2.30			7,497.52	8,277.43
Inter Segment Sales	900.53	1,691.13	-	4.20	-	-	-	-	-	-	34.88	67.68	(935.41)	(1,763.01)	-	-
Total Revenues	**2,202.72**	2,875.27	**5,382.87**	6,322.68	**161.10**	162.57	**126.43**	116.89	**521.93**	493.05	**37.88**	69.98	**(935.41)**	(1,763.01)	**7,497.52**	8,277.43
Segment Result	29.57	472.26	919.05	1,868.67	27.93	3.74	27.30	36.92	(137.70)	(157.28)	3.37	(30.22)	(172.95)	(271.41)	696.56	1,922.68
Finance Cost											2,995.31	2,658.00			2,995.31	2,658.00
Other Income											8.03	337.33	-		8.03	337.33
Profit/(Loss) Before Tax															**(2,290.72)**	(397.99)
Current Tax															26.43	33.32
Deferred Tax															**(56.33)**	(158.89)
Net Profit/(Loss) After Taxation															**(2,260.82)**	(272.42)
Other Information																
Segment Assets	5,797.66	5,544.66	37,654.56	35,633.96	2,824.74	2,578.43	1,475.93	1,475.92	7,739.73	7,763.38	763.28	895.33	-	-	**56,255.91**	53,891.68
Segment Liabilities	5,149.22	4,893.65	2,287.66	1,778.44	472.03	573.89	230.55	181.92	502.80	438.93	48,562.68	44,672.90	-	-	57,204.94	52,539.73
Capital Expenditure	3.97	27.49	3,526.90	4,384.34	193.94	3.11	0.77	0.01	268.62	410.45	-	-			3,994.19	4,825.40
Depreciation and Amortization	59.49	77.96	614.59	556.26	5.51	3.32	45.22	36.33	179.07	143.66	-	-	-	-	903.88	817.54
Other Non cash Expenses	81.12	30.42	95.01	7.71	0.07	0.08	0.01	-	-	-	-	-	-	-	176.21	38.21

h) The group's secondary segments are the geographic distribution of the activities. Revenues and receivables are specified by location of customers while the other geographical information is specified by location of assets. The following table summarizes the geographical information for the Year ended March 31, 2017 and March 31, 2016:

Geographical Segments	India		Singapore		Australia		Other		Total	
Particulars	**March 31, 2017**	March 31, 2016	**March 31, 2017**	March 31, 2016	**March 31, 2017**	March 31, 2016	**March 31, 2017**	March 31, 2016	**March 31, 2017**	March 31, 2016
External Revenue by Location of Customers	6,968.82	7,784.17	6.77	-	521.93	493.05	-	0.21	7,497.52	8,277.43
Carrying Amount of Segment Assets by Location of Assets	47,670.39	45,196.21	1,010.79	1,091.72	7,517.81	7,545.23	56.91	58.52	56,255.91	53,891.68
Capital expenditure	3,732.22	4,427.73	0.02	-	261.95	397.67	-	-	3,994.19	4,825.40

i) Revenue arising from the Power Segment is from Government agencies, which contributes more than 10% of the Consolidated Revenue.

55. Related Party Disclosure

a) Names of Related Parties and description of relationship.

Relation	S. No.	Related Party Name
Parent Company	1	Lanco Group Limited (LGL) (till 13.03.2017)
Associate Companies	1	Bay of Bengal Gateway Terminal Private Limited (BBGTPL)
	2	DDE Renewable Energy Private Limited (DREPL)
	3	Electromech Maritech Private Limited (EMPL)
	4	Finehope Allied Engg. Private Limited (FAEPL)
	5	Genting Lanco Power (India) Private Limited (GLPIPL)
	6	KVK Energy Ventures Private Limited (KEVPL)
	7	Lanco Teesta Hydro Power Limited (LTHPL) (from 20.10.2015)
	8	Pragdisa Power Private Limited (PrPPL)
	9	Saidham Overseas Private Limited (SOPL)
	10	Vasavi Solar Power Private Limited (VSPPL)
	11	Newton Solar Private Limited (NSPL) (up to 27.03.2016)
Key Management Personnel	1	Sri L. Madhusudhan Rao (Chairman) (LMR)
	2	Sri G. Bhaskara Rao (Vice Chairman) (GBR)
	3	Sri G. Venkatesh Babu (Managing Director) (GVB)
	4	Sri Raj Kumar Roy (Whole Time Director) (RKR) (from 01.04.2016)
	5	Mr. S. C. Manocha (Whole Time Director) (SCM) (till 15.03.2016)
Close Family Members of Key Management Personnel	1	Smt L. Rajya Lakshmi (Spouse of LMR) (LRL)
	2	Smt. G. Padmavathi (Spouse of GBR) (GP)
	3	Smt. L. Padma (Spouse of LR) (LP)
	4	Smt. L. Sirisha (Spouse of LS) (LSi)
	5	Sri G. Avinash (Son of GBR) (GA)
	6	Sri L. Rajagopal (Brother of Chairman) (LR)
	7	Sri L. Sridhar (Brother of LMR) (LS)
Enterprises Controlled or significantly influenced by Key Management Personnel or their Close Family Members	1	Chatari Hydro Power Private Limited (CaPTL)
	2	Cygnus Solar Projects Private Limited (CsPPL)
	3	Lanco Bay Technology Park Private Limited (LBTPL)
	4	Lanco Foundation (LF)
	5	Lanco Horizon Properties Private Limited (LHrPPL) (till 30.03.2017)
	6	Lanco Kerala Seaports Private Limited (LKSPL)
	7	Lanco Rani Joint Venture (LRJV)
	8	Lanco Transport Network Company Private Limited (LTNCPL)
	9	LCL Foundation (LCL)
	10	Nekkar Power Private Limited (NePPL) (till 30.03.2017)

b) Summary of transactions with related parties are as follows:

(₹ Crores)

Nature of Transaction	For the Year ended March 31, 2017									
	Parent Company		Associate Companies		Key Management Personnel		Close Family Members of Key Management Personnel		Enterprises Controlled or significantly influenced by key management personnel or their close family members	
	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount
Sale of Goods			VSPPL	3.49						
Operations and Maintenance Services Rendered / (Availed)			DREPL	0.40						
			EMPL	0.40						
			FAEPL	0.40						
			VSPPL	0.40						
			SOPL	0.40						
			GLPIPL	(30.02)						
				(28.02)						

(₹ Crores)

Nature of Transaction	For the Year ended March 31, 2017									
	Parent Company		Associate Companies		Key Management Personnel		Close Family Members of Key Management Personnel		Enterprises Controlled or significantly influenced by key management personnel or their close family members	
	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount
Management Consultancy Services Rendered			LTHPL	3.00						
Shared Services Provided			LTHPL	0.45						
Interest Paid / (Received)			DREPL	(0.44)						
			EMPL	(0.89)						
			FAEPL	(0.90)						
			VSPPL	(0.96)						
			SOPL	0.66						
				(2.53)						
Donation paid									LF	3.08
Managerial Remuneration: Short Term / Post Term Employee Benefits					GVB	3.98				
					RKR	2.54				
					GBR	0.65				
					LMR	0.79				
						7.96				
Sitting Fee					LMR	0.01	LS	0.03		
Expenditure incurred by Company on Behalf of Related Parties - Reimbursed			DREPL	0.04						
			FAEPL	0.00						
			VSPPL	0.04						
			KEVPL	0.15						
				0.23						
Receipts/Payments/ Adjustments (Net)+(-)			LTHPL	(0.36)	LMR	0.02	LS	0.03	LF	0.00
			DREPL	0.12	GBR	0.02	LR	0.02		
			EMPL	0.80	RKR	(0.01)	LP	0.00		
			FAEPL	(0.06)	GVB	**(0.02)**	GP	0.00		
			VSPPL	2.19						
			KEVPL	0.64						
			SOPL	(0.10)						
				3.23		**0.00**		**0.05**		**0.00**
Purchase / (Sale) of Shares					GBR	0.02	LS	0.02		
					LMR	0.02	LR	0.02		
							LP	0.01		
							GP	0.00		
						0.04		**0.04**		
Purchase / (Sale) of Fixed Assets			LTHPL	0.00						
Loans given / (refunded) during the year										
			VSPPL	1.56						
			EMPL	(1.13)						
				0.43						
Balance Receivable at the period end - Share Application Money									CaPTL	0.03
Balance Receivable at the period end - Loans			DREPL	5.48						
			EMPL	10.90						
			LTHPL	42.65						
			FAEPL	11.17						
			VSPPL	12.48						
				82.68						

(₹ Crores)

Nature of Transaction	For the Year ended March 31, 2017									
	Parent Company		Associate Companies		Key Management Personnel		Close Family Members of Key Management Personnel		Enterprises Controlled or significantly influenced by key management personnel or their close family members	
	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount
Balance Receivable at the year end-Others (Trade Receivables and Other receivables)			LTHPL	116.70					LRJV	11.57
			DREPL	2.53					LF	0.53
			EMPL	0.30					CSPPL	0.00
			FAEPL	4.52						
			VSPPL	4.61						
			KEVPL	56.07						
				184.74						**12.10**
Balance Payable at the period end-Loans			SOPL	5.22						
Balance Payable at the year end-Others (Trade Payables and Other Payables)			LTHPL	172.79	GVB	0.04	LS	0.01	LRJV	0.88
			PrPPL	7.28	RKR	0.01			LF	0.17
			KEVPL	181.82	GBR	0.01			LCL	0.14
			VSPPL	0.34						
			SOPL	1.82						
			GLPIPL	28.96						
				393.01		**0.06**		**0.01**		**1.19**
Debts Outstanding in respect of Corporate Guarantee Given to Bank/FI on Behalf of Related Parties (Balance as at the year end)			SOPL	45.35						
			DREPL	38.07						
			VSPPL	25.19						
			FAEPL	25.19						
			EMPL	22.60						
				156.40						

b) Summary of transactions with related parties are as follows:

(₹ Crores)

Nature of Transaction	For the Year ended March 31, 2016									
	Parent Company		Associate Companies		Key Management Personnel		Close Family Members of Key Management Personnel		Enterprises Controlled or significantly influenced by key management personnel or their close family members	
	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount
Contract Services Rendered			LTHPL	6.39						
Operations and Maintenance Services Rendered /(Availed)			GLPIPL	(30.97)						
			DREPL	0.38						
			EMPL	0.38						
			FAEPL	0.38						
			VSPPL	0.38						
			SOPL	0.38						
			NSPL	0.38						
				(28.69)						
Management Consultancy Services Rendered			LTHPL	1.34						
Shared Services Provided			LTHPL	0.20						

(₹ Crores)

Nature of Transaction	For the Year ended March 31, 2016									
	Parent Company		Associate Companies		Key Management Personnel		Close Family Members of Key Management Personnel		Enterprises Controlled or significantly influenced by key management personnel or their close family members	
	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount
Interest Paid / (Received)			DREPL	(0.75)						
			EMPL	(2.29)						
			FAEPL	(1.53)						
			VSPPL	(2.81)						
			SOPL	0.66						
			NSPL	(1.36)						
				(8.08)						
Donation paid									LF	4.26
Managerial Remuneration :										
Short Term/ Post Term Employee Benefits					GVB	3.85				
					SCM	2.26				
					GBR	0.60				
					LMR	0.60				
						7.31				
Employee Cost							GA	0.37		
Sitting Fee							LS	0.03		
							LMR	0.01		
								0.04		
Expenditure incurred by Company on Behalf of Related Parties - Reimbursed			LTHPL	0.01					LF	0.75
			DREPL	0.02						
			VSPPL	0.01						
				0.04						**0.75**
Purchase /(Sale) of Shares			PrPPL	3.08	GBR	0.01	LRL	0.01		
					LMR	0.01	GP	0.01		
							LSi	0.01		
							LP	0.01		
							LS	0.01		
				3.08		**0.02**		**0.04**		
Share Application Money Paid during the year			LTHPL	16.63						
Receipts/Payments/ Adjustments (Net)+(-)			LTHPL	0.27	GVB	**(0.01)**			LF	1.19
			PrPPL	0.01	SCM	**0.01**				
				0.28		**0.00**				**1.19**
Loans given / (refunded) / (Converted into equity shares) during the year	LGL	(167.06)	EMPL	(7.89)						
			VSPPL	(13.33)						
				(21.22)						
			KEVPL	57.59						
			VSPPL	(1.68)						
				55.91						
Balance Receivable at the year end -Share Application Money									CaPTL	0.03
Balance Receivable at the year end - Loans			DREPL	5.48						
			EMPL	10.77						
			FAEPL	11.17						
			LTHPL	34.69						
			VSPPL	10.92						
				73.03						

(₹ Crores)

Nature of Transaction	For the Year ended March 31, 2016									
	Parent Company		Associate Companies		Key Management Personnel		Close Family Members of Key Management Personnel		Enterprises Controlled or significantly influenced by key management personnel or their close family members	
	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount	Party Name	Amount
Balance Receivable at the year end-Others (Trade Receivables and Other receivables)			LTHPL	118.66					LRJV	11.57
			DREPL	2.34					LF	0.53
			EMPL	1.55					LHrPPL	0.02
			FAEPL	3.64						
			VSPPL	3.72						
			SOPL	0.29						
			KEVPL	52.37						
				182.56						12.12
Balance Payable at the year end- Loans			SOPL	5.22						
Balance Payable at the year end-Others (Trade Payables and Other Payables)			VSPPL	1.68	GVB	0.02			LRJV	0.89
			SOPL	1.33					LF	0.17
			LTHPL	172.79					LCL	0.14
			KEVPL	181.59					LHrPPL	0.07
			PrPPL	7.28						
			GLPIPL	22.98						
				387.65		**0.02**				**1.27**
Debts Outstanding in respect of Corporate Guarantee Given to Bank/FI on Behalf of Related Parties (Balance as at the year end)			DREPL	40.25						
			EMPL	25.52						
			FAEPL	28.44						
			VSPPL	28.44						
			SOPL	48.11						
				170.76						

56 Financial Risk Management Objectives and Policies

a. Capital Management

The objective of the Group capital management structure is to ensure sufficient liquidity to support its business and provide adequate return to shareholders. Management monitors the long term cash flow requirements including externally imposed capital requirements of the business in order to assess the requirement for changes to the capital structure to meet the said objective. As part of this monitoring, the management considers the cost of capital and the risks associated with each class of capital and makes adjustments to the capital structure, where appropriate, in light of changes in economic conditions and the risk characteristics of the underlying assets. The funding requirement is met through a combination of equity, internal accruals, borrowings or undertake other restructuring activities as appropriate.

No changes were made in the objectives, policies or processes during the year ended 31 March 2017.

(₹ Crores)

	March 31, 2017	March 31, 2016
The Group's capital and net debt were made up as follows:		
Net debt (Long term debt less Cash and Cash equivalent)	43,936.68	40,766.66
Total equity	**(2,074.28)**	(30.34)

b. Financial Risk Management Framework

The Group principal financial liabilities comprise borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations and projects under implementation. The Group's principal financial assets include Investments, Trade receivables, loans, cash and bank balances and other financial assets.

Risk Exposures and Responses

The Group is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews policies for managing each of these risks, which are summarised below.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk i.e. interest rate risk, currency risk, commodity risk and other price risk.

Interest rate risk

The Group obtains financing through borrowings and also provide loans & advances to group's associate companies. The Group's policy is to obtain the most favourable interest rates available.

The Group's exposure to interest rate risk relates primarily to interest bearing financial liabilities. Interest rate risk is managed by the Group on an on-going basis with the primary objective of limiting the extent to which interest expense could be affected by an adverse movement in interest rates.

Sensitivity Analysis

An increase/decrease of 100 basis points in interest rate at the end of the reporting period for the variable financial instruments would (decrease)/increase profit after taxation for the year by the amounts shown below. This analysis assumes all other variables remain constant.

(₹ Crores)

	Profit / (Loss) after taxation	
	March 31, 2017	March 31, 2016
Financial Liabilities - Borrowings		
+1% (100 basis points)	210.62	188.81
-1% (100 basis points)	(210.62)	(188.81)

There is no significant hedging instruments to mitigate this risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign exchange risk arising from transactions i.e. import of materials, recognised assets and liabilities denominated in a currency that is not the Group companies functional currency.

Group's Total Foreign currency exposure:

Particulars	**March 31, 2017**			
	Currency	**Exchange Rate**	**Amount in Foreign Currency - Crores**	**Amount in ₹ Crores**
Trade Receivables	USD	64.84	5.02	325.25
Advance to Suppliers	USD	51.14	1.39	70.99
Advance to Suppliers	EURO	74.64	0.11	8.37
Trade Payables	USD	64.84	10.24	664.11
Trade Payables	EURO	69.25	0.18	12.43
Foreign currency loans (Buyers Credit)	USD	66.44	4.81	319.33
Foreign currency term loans including interest	USD	64.67	128.96	8,339.17
Advance from Customers	USD	46.33	0.11	5.32
	March 31, 2016			
Trade Receivables	USD	66.33	4.82	319.72
Advance to Suppliers	USD	54.45	1.42	77.25
Advance to Suppliers	EURO	75.10	0.01	0.75
Trade Payables	USD	66.33	9.03	599.25
Trade Payables	EURO	75.10	0.08	5.80
Foreign currency loans (Buyers Credit)	USD	66.98	5.38	360.18
Foreign currency term loans including interest	USD	66.11	120.68	7,978.24
Advance from Customers	USD	46.22	0.12	5.44

Group's Un hedged Foreign currency exposure:

Particulars	March 31, 2017			
	Currency	Exchange Rate	Amount in Foreign Currency ₹ Crores	Amount in ₹ Crores
Trade Receivables	USD	64.84	5.02	325.25
Advance to Suppliers	USD	51.14	1.39	70.99
Advance to Suppliers	EURO	74.64	0.11	8.37
Trade Payables	USD	64.84	10.24	664.11
Trade Payables	EURO	69.25	0.18	12.43
Foreign currency loans (Buyers Credit)	USD	64.84	3.07	199.08
Foreign currency term loans	USD	64.84	125.86	8,160.47
Advance from Customers	USD	46.33	0.11	5.32
	March 31, 2016			
Trade Receivables	USD	66.33	4.82	319.72
Advance to Suppliers	USD	54.45	1.42	77.25
Advance to Suppliers	EURO	75.10	0.01	0.75
Trade Payables	USD	66.33	9.03	599.25
Trade Payables	EURO	75.10	0.08	5.80
Foreign currency loans (Buyers Credit)	USD	66.33	4.17	276.54
Foreign currency term loans	USD	66.33	117.58	7,799.30
Advance from Customers	USD	46.22	0.12	5.44

Sensitivity

If Foreign currency rates had moved as illustrated in the table below, with all other variables held constant, currency fluctuations on unhedged foreign currency denominated financial instruments, post tax profit would have been affected as follows:

(₹ Crores)

	Profit / (Loss) after taxation	
	March 31, 2017	March 31, 2016
USD sensitivity		
INR/USD-increase by 5%	(401.40)	(384.93)
INR/USD-decrease by 5%	401.40	384.93
EURO sensitivity		
INR/Euro-increase by 5%	(0.62)	(0.29)
INR/Euro-decrease by 5%	0.62	0.29

Commodity Risk

The Group has commodity price risk, primarily related to the purchases of coal, natural gas, electricity, construction material and consumables and the group monitors its purchases closely to optimise the price. However, in case of power segment the Group do not bear significant exposure to earnings risk, as such changes are included in the rate-recovery mechanisms with the customers.

Other Price Risk

The Group's exposure to price risk arises from investments held and classified in the balance sheet as fair value through profit or loss. The majority of the Group's equity investments are not publicly traded and hence, information related to sensitivity analysis is not presented.

ii. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade and other receivables) and from its financing activities, including short-term deposits with banks and financial institutions, and other financial assets.

Credit risk management

The finance function of the Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assesses the credit risk for each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

The risk parameters are same for all financial assets for all periods presented. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due . A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Trade Receivables: Concentration of credit risk with respect to trade receivables are limited /low as mentioned below

On Sale of Electricity: In case of the operating power generating entities of the Group has entered into long-term / short-term agreements with power distribution / transmission companies incorporated by the Indian state governments to sell the electricity generated.

On Rendering of Contractual Services and sale of goods: Customers are located in several jurisdictions and industries and operate in largely independent markets. The Group has also taken advances from its customers, which mitigate the credit risk to an extent.

Bank Deposits: The credit risk is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Other Financial Assets: The Group ensures concentration of credit does not significantly impair the financial assets since the customers to whom the exposure of credit is taken are well established and reputed industries engaged in their respective field of business. The credit worthiness of customers to which the Group grants credit in the normal course of the business is monitored regularly.

The company's management believes that all the financial assets as mentioned bellow, are not impaired for each of the reporting dates under review and are of good credit quality.

The maximum exposure for credit risk at the reporting date is the carrying value of financial assets as stated in the balance sheet. The Group does not hold any credit derivatives to offset its credit exposure.

Provision for expected credit losses

Loans: The Group provides for expected credit loss based on general appoach (lifetime) expected credit loss mechanism.

Trade Receivables : The Group provides for expected credit loss under simplified approach.

Reconciliation of Allowance/Impairment for Financial Assets

(₹ Crores)

Particulars	**Trade Receivables**
Loss allowance as on April 01, 2015	6.92
Add / (less)	
Modification of contractual cash-flows that did not result in de-recognition	1.93
Loss allowance on March 31, 2016	8.85
Add / (less)	
Modification of contractual cash-flows that did not result in de-recognition	42.82
Loss allowance on March 31, 2017	**51.67**

iii. Liquidity risk

Liquidity risk arises from the financial liabilities of the Group and the Group's subsequent ability to meet its obligations to repay its financial liabilities as and when they fall due. The Group regularly monitors its risk to a shortage of funds.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital facilities and borrowings. The Group has reviewed the borrowings maturing within 12 months.

The following table details the remaining contractual maturities of the Group's financial liabilities at the end of the reporting period, which are based on the contractual undiscounted cash flows and the earliest date the Group is required to pay:

(₹ Crores)

Particulars	Weighted average interest rate (%)	Less than 1 year	More than 1 year
March 31, 2017			
Borrowings - Variable Interest Rate	12.50%	8,818.96	40,752.58
Trade Payables & Other Financial Liabilities		4,584.17	303.81
Total		**13,403.13**	41,056.39
March 31, 2016			
Borrowings - Variable Interest Rate	12.50%	6,159.76	39,089.67
Trade Payables & Other Financial Liabilities		4,207.40	374.27
Total		**10,367.16**	39,463.94

c. Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

(₹ Crores)

	March 31, 2017	
	FVTPL	**Amortised Cost**
Financial assets		
Investments		
Equity Shares	5.52	-
Preference shares	-	0.39
Debentures	1.00	-
Mutual funds	22.13	-
Trade receivables	-	2,846.97
Loans	-	260.37
Cash and cash equivalents	-	274.22
Bank Balances	-	278.86
Other Financial Assets	-	630.80
Total	**28.65**	**4,291.61**
Financial liabilities		
Borrowings	-	43,501.75
Trade payables	-	4,447.12
Other Financial Liabilities	-	6,358.80
Total	**-**	**54,307.67**

(₹ Crores)

	March 31, 2016	
	FVTPL	**Amortised Cost**
Financial assets		
Investments		
Equity Shares	5.84	-
Preference shares	-	0.39
Debentures	1.00	-
Mutual funds	55.88	-
Trade receivables	-	3,248.35
Loans	-	242.42
Cash and cash equivalents	-	355.01
Bank Balances	-	268.10
Other Financial Assets	-	591.25
Total	62.72	4,705.52

		(₹ Crores)
	March 31, 2016	
	FVTPL	**Amortised Cost**
Financial liabilities		
Borrowings	-	41,843.47
Trade payables	-	4,161.83
Other Financial Liabilities	-	3,659.61
Total	**-**	49,664.91

57 First Time Adoption of Ind AS - Disclosures

I Balance Sheet as on April 01, 2015 (Ind AS transition date)

	(₹ Crores)
ASSETS	
Non Current Assets	
(a) Property, Plant and Equipment	15,571.11
(b) Capital work-in-progress	22,019.91
(c) Investment Property	313.14
(d) Investment property under development	1,476.53
(e) Other Intangible assets	1,601.71
(f) Financial Assets	
(i) Investments	173.13
(ii) Trade receivables	804.46
(iii) Loans	150.07
(iv) Other financial assets	251.52
Total Financial Asset	**1,379.18**
(g) Deferred tax assets (net)	593.33
(h) Other non current assets	387.71
Total Non Current Assets	**43,342.62**
Current assets	
(a) Inventories	2,435.31
(b) Financial Assets	
(i) Investments	12.68
(ii) Trade receivables	3,344.80
(iii) Loans	130.97
(iv) Cash and cash equivalents	641.31
(v) Bank balances	191.10
(vi) Other financial assets	609.58
Total Financial Asset	**4,930.45**
(c) Current tax assets (Net)	50.48
(d) Other current assets	2,119.50
Total Current Assets	**9,535.73**
Non current assets classified as held for sale	5,135.60
Total Assets	**58,013.96**
EQUITY AND LIABILITIES	
EQUITY	
(a) Equity Share Capital	245.09
(b) Other Equity	(102.69)
Equity attributable to owners of the Company (I)	**142.40**
Non-controlling interests (II)	1,296.29
Total equity (I+II)	**1,438.69**

	(₹ Crores)
LIABILITIES	
Non Current Liabilities	
(a) Financial Liabilities	
(i) Borrowings	36,793.35
(ii) Trade payables	364.47
(iii) Other financial liabilities	0.00
Total Financial Liabilities	**37,157.82**
(b) Provisions	763.81
(c) Deferred tax liabilities (Net)	831.08
(d) Other non current liabilities	911.14
Total Non Current Liabilities	**39,663.85**
Current Liabilities	
(a) Financial Liabilities	
(i) Borrowings	4,528.64
(ii) Trade payables	3,904.80
(iii) Other financial liabilities	3,587.09
Total Financial Liabilities	**12,020.53**
(b) Other current liabilities	1,532.70
(c) Provisions	80.28
(d) Current tax liabilities (Net)	4.46
Total Current Liabilities	**13,637.97**
Liabilities associated with non current assets held for sale	3,273.45
Total Equity and Liabilities	**58,013.96**

II Reconciliation of Net worth as previously reported under Indian GAAP Vs IND AS

₹ Crores

	March 31, 2016	**March 31, 2015**
Net worth as per I GAAP financials	(722.52)	(447.74)
Ind AS: Adjustments increase / (decrease):		
Freehold Land Fair Valuation	1,440.78	1,440.78
Equity Component of financial instrument	321.45	167.06
De Capitalisation of ineligible expenses	(952.62)	(866.47)
Measurement of financial assets at amortised cost	(5.16)	(8.47)
Measurement of financial assets at fair value	(0.62)	2.92
Measurement of financial liabilities at amortised cost	62.96	72.31
Discounting / Unwinding of provisions	13.61	9.95
Provision for Expected Credit Loss	(8.85)	(6.92)
Impact on Service Concession arrangements	(247.48)	(266.77)
Impact on Embedded leases	-	(98.56)
Impact on Consolidation of entities on control assessment	0.98	0.33
Impact on adjustments of Prior Period Items	55.49	20.31
Shared to Non-Controlling Interest	(82.13)	(77.92)
Others adjustments	(2.46)	0.91
Deferred Tax adjustments	96.23	200.68
Net worth as reported under IND AS	**(30.34)**	142.40

III Reconciliation of PAT as previously reported under Indian GAAP Vs. IND AS

(₹ Crores)

	March 31, 2016
Net Profit/ (Loss) after Tax as per Previous Indian GAAP	(231.59)
Ind AS: Adjustments Profit increase / (decrease):	
De capitalisation of ineligible expenses	(149.78)
Measurement of financial assets at amortised cost	3.31
Measurement of financial assets at fair value	(3.54)
Measurement of financial liabilities at amortised cost	(9.35)
Discounting / Unwinding of provisions	3.66
Actuarial Gain / (Loss) on employee defined benefit obligation recognised in OCI	1.19
Provision for expected credit loss	(1.93)
Impact on Service Concession arrangements	19.29
Impact on Embedded leases	98.56
Consolidation of entities on control assessment	70.12
Impact on adjustments of Prior Period Items	35.18
Others adjustments	(3.10)
Deferred Tax adjustments	(145.74)
Deferred Tax adjustment on profits eliminated resulting from Intra group transactions	41.30
Net Profit/ (Loss) after Tax before OCI as per the IND AS	**(272.42)**

58 Details of Specified Bank Notes(SBN) held and transacted during the period

(₹ Crores)

	SBN	Other Denomination Notes
Closing Cash in Hand as on 08.11.2016	0.72	0.25
Permitted Receipts	0.62	8.68
Permitted Payments	0.02	0.32
Amount Deposited in Banks	1.32	7.72
Closing Cash in Hand as on 30.12.2016	**0.00**	0.90

59 In respect of the amounts billed by LKPL, for sale of electrical energy and for other claims up to June 15, 2003, APTRANSCO has retained certain amounts. Recognition of this revenue has been postponed till acceptance by APTRANSCO. LKPL has initiated proceedings in APERC for resolution of all such pending issues regarding outstanding amounts with APTRANSCO.

60 In case of LKPL, Phase-I PPA with AP Discoms has expired on January 01, 2016, pending renewal of the PPA, AP Discoms have agreed to buy power on the same terms and conditions of the existing PPA till May 31, 2017 or renewal whichever is earlier. Further the differences in tariff if any as per renewed PPA will be trued up.

61 In case of LKPL, due to constraints in procurement of gas at viable price and also constraints in ensuring power off take by the Discoms, power generating units of LKPL are operating on partial load and partial periods. LKPL is hopeful of getting gas supply through government initiatives and further hopeful of getting power purchase agreements. The financials of LKPL are prepared on a going concern basis and does not warrant any asset carrying value adjustment.

62 (a) LAPL entered into a Power Purchase Agreement ("PPA") with PTC India Ltd. (PTC) for sale of power generated from its Unit 2. PTC signed a Power Sale Agreement ("PSA") with Haryana Power Generation Corporation Limited ("HPGCL"). LAPL terminated the PPA, since PTC failed to fulfil certain condition precedent and its obligation under the PPA. PTC initiated arbitration proceedings against the termination. PTC claimed compensation of ₹ 162.55 Crores and any reimbursement towards any charge/ claim which HPGCL may claim from PTC. In addition PTC claimed damages from LAPL for the loss of business due to termination of the PPA. The arbitral tribunal in its order dated May 23, 2015 passed majority award in favour of LAPL, rejecting the claims of PTC and holding the legal validity of termination of the PPA by LAPL. PTC filed an appeal against the order in the High Court of Delhi. A single judge bench in its order dated September 09, 2015 dismissed the appeal of PTC. Thereafter, PTC filed an appeal before the division bench of Delhi High Court. The appeal filed by PTC is pending for adjudication.

(b) LAPL, signed a PPA with Chhattisgarh State Power Trading Company Limited ("CSPTCL") for sale of 35% of the capacity in accordance with the Implementation Agreement signed by LAPL with the Government of Chhattisgarh. In an appeal against HERC order, APTEL vide its interim order dated March 23, 2011 directed that 35% of the power generated from LAPL's Unit 2 should be sold to the state of Chhattisgarh and the balance power is to be sold to PTC.

LAPL was supplying power to PTC and CSPTCL w.e.f. May 07, 2011, based on the APTEL interim order dated March 23, 2011. LAPL filed a civil appeal along with an application for stay against APTEL final order dated November 04, 2011 in the Supreme Court. The Hon'ble Supreme Court in its order dated December 16, 2011 directed LAPL to continue supply of power in terms of the APTEL interim order dated March 23, 2011. The appeal is pending for adjudication before the Hon'ble Supreme Court & the Honourable Supreme Court stayed further proceedings of the petition filed by HPGCL before HERC challenging the termination of PPA. Further, the Hon'ble Supreme Court in its order dated December 16, 2011 directed HERC to fix/ approve the tariff of sale and purchase of power for the period in dispute uninfluenced with any earlier orders. LAPL recognized revenue on the basis of CERC Tariff Regulations, 2009, but the payments were released by PTC (Haryana) based on the erstwhile PPA capped tariff rate. APTEL in a judgement order dated January 03, 2014 directed LAPL to file necessary details of project cost before HERC and directed it to re-determine the tariff dehorns the PPA in accordance with HERC Tariff Regulations 2008. On January 23, 2015, HERC has re-determined the tariff as per HERC Tariff Regulations 2008 comprising of fixed charges and energy charges for FY 2011-12 to FY 2014-15. LAPL filed an appeal in APTEL challenging methodology followed by HERC in the computation of energy charges. After the payment based on tariff determined by HERC, the outstanding receivables are ₹ 100.90 Crores. LAPL has recognised ₹ 24.42 Crores during the year ended on March 31, 2017 towards partial interest on the arrear released from PTC (Haryana). LAPL has also filed appeal before APTEL against HREC order for recovery of the interest. The Management based upon its assessment and legal advice obtained, is confident of the outcome of the matter in its favour and recovery of the above said receivables.

(c) In terms of PPA dated January 12, 2011, LAPL commenced supply of power to CSPTCL w.e.f. June 22, 2011. The said PPA with CSPTCL provides for 5% of the net power to be supplied at Energy Charges and 30% of the net power at full Tariff (Fixed Charges + Energy Charges) computed as per CERC Tariff Regulations, 2009. LAPL recognized revenue on the basis of CERC Tariff Regulations, 2009, whereas the payments were released by CSPTCL at an adhoc rate resulting in accumulation of receivables of ₹ 20.25 crores. LAPL requested Chhattisgarh State Electricity Regulatory Commission (CSERC) to adjudicate on its claim for recovery of tariff. CSERC vide its order dated December 30, 2014 dismissed petition of LAPL on the grounds the dispute between the parties cannot not be resolved without determination of tariff and has relied upon Section 64(5) of the Electricity Act stating the State Commission would have the jurisdiction as power supplied by LAPL has been utilized by the distribution licensee for meeting its requirements. LAPL has requested CSPTCL to file a petition for determination of tariff before CSERC.

(d) South Eastern Coalfields Limited (SECL) terminated the FSA dated December 31, 2005 entered into between LAPL and SECL. SECL invoked the bank guarantee which was challenged by LAPL before the Arbitral Tribunal which held the termination and invocation as illegal & invalid. SECL challenged the order before the Hon'ble Court of District Judge Bilaspur its order dated March 11, 2013 allowed the application/objection filed by SECL & set aside the award of the Arbitral Tribunal. Being aggrieved by the order dated March 11, 2013 LAPL filed an appeal before the Hon'ble High Court of Chhattisgarh at Bilaspur. The Hon'ble High Court vide its order dated April 25, 2013 admitted the appeal & issued notice to SECL. The appeal filed is pending for adjudication. Based on the legal opinion obtained in the matter it was found the order dated March 11, 2013 passed by the Hon'ble Court of District Judge, Bilaspur is beyond the scope of interference & the arbitral award under section 34 of the Arbitration and Conciliation Act, 1996 is contrary to the facts of the case and is thus liable to be set aside. In view of the grounds raised in the appeal and the perversity of the order under challenge, LAPL has reasonably fair chance of succeeding in the appeal.

63 LAPL filed a writ petition before the Hon'ble High Court of Delhi on applicability of certain norms of CERC Tariff Regulations, 2014 for Unit 1. Pending disposal of the writ petition by the Hon'ble High Court of Delhi, LAPL submitted duly filled tariff filing formats in accordance with CERC Tariff Regulations 2014-19 to PTC for onward submission to MP Power Management Company Ltd (MPPMC) for approval of tariff for the period 2014-19. Till such time the tariff is approved by MPERC, MPPMC has agreed for provisional tariff as per the tariff filing formats submitted by LAPL and is paying for the monthly power sales bill.

64 LAPL and South Eastern Coalfields Limited (SECL) signed FSA as per the Presidential Directive in Aug 2013, but the linkage coal supply had been stopped by SECL stating that the PPA is sub-judice. Further, in the absence of linkage coal, LAPL requested the Buyers to allow the power supply with alternate coal like e-auction/open market. LAPL declared daily availability of the plant, but PTC/Haryana did not schedule the power citing higher cost of alternate coal. LAPL re-started its 300 MW Unit 2 after the Hon'ble Supreme Court order dated Septmber 18, 2015 directed SECL to supply linkage coal treating the sub-judice PPA as subsisting Long Term PPA and PGCIL enabled its transmission infrastructure for long term supply of power to Haryana through PTC and is supplying 95% power w.e.f. December 05, 2015 to PTC for onward supply to Haryana on long term basis. CSPTCL w.e.f. April 17, 2016 is availing 5% power (home state share) from LAPL's Unit 2 at variable cost.

65 LAPL is developing 2x660 MW Coal based project at Chhattisgarh. The project is funded by Power Finance Corporation (PFC) as a lead along with a consortium of 10 lenders. The project debt was restructured during March 2015 and the project cost was revised from ₹ 6,940 Crores to ₹ 10,815 Crores. After restart of work in April 2015, LAPL was required to deposit Bank Gurantees (BG) in place of

FDRs to clear materials lying at the port. Delay in issuance of BGs, as per Custom's requirement, delayed the release of materials from port. After replacement of FDRs with BGs, funds received from FDRs were utilized for project implementation. The financing agreement for 3rd cost overrun was executed in March 2015, LAPL approached lenders for modification of certain conditions which delayed the disbursements by Lenders towards Project. In March 2016, LAPL submitted equity infusion plan as per the stipulation. The Equity infusion was delayed. The equity infusion was discussed in in the Steering Committee Meeting of Lanco Group in which all major lenders of Lanco Group participated. In the meeting, the equity infusion plan in various SPVs of Lanco Group was deliberated along with the group restructuring plan. LAPL submitted request for sanction of sub-debt in lieu of last mile equity in view of the delay in bringing in Last Mile Equity. Due to delay in sanction of sub debt & consequential delayed disbursement envisaged under LCNs, the Project implementation could not achieve desired pace. Further, majority of funds meant for Project was utilized towards servicing of their interest dues. LAPL approached the Lead Lender with a further cost Overrun Proposal in February 2017 with a revised Project cost of ₹12,933 Crores & revised SCOD of November 30, 2017. PFC in its Board Meeting approved the Cost Overrun Proposal & agreed to underwrite the entire 2 nd Cost Overrun. Even after considering the cost and time overrun as stated above, the project is viable keeping in view the increasing power tariffs with the ever increasing power demand.

66 LAnPL is in the process of setting up a new project (Anpara phase-II) of 2x660 MW at Bhognipur, U.P. The land for setting up of the Plant has been acquired and most of the approvals have been received. Capital advance include an amount ₹ 3.34 Crores (Previous Year ₹ 8.13 Crores) paid to district land acquisition authorities in the state of Uttar Pradesh for acquiring land for implementation of the above project. Advance of ₹ 279.20 Crores has also been given to EPC contractor for procurement of BTG equipment. The same has been funded from equity. The approval for linkage Coal is yet to be obtained pending which the Financial Closure is yet to be completed.

67 LAnPL started its operations in December 2011 (COD) and plant had been operating at sub optimal levels on account of coal and infrastructure constraints which are due to non-fulfilment of certain obligations by buyers i.e., Uttar Pradesh State Power Distribution Companies under RFP / PPA with company for sale of 1,100 MW power. LAnPL had terminated the PPA and exercised the option available under PPA by filing petition before Uttar Pradesh Electricity Regulatory Commission (UPERC) seeking resolution of its claims. LAnPL has received tariff order dated November 23, 2015 from UPERC to compensate for changes in RFP / PPA conditions in respect of coal supply and power purchase payments. Consequent to the order LAnPL recognized revenue of ₹ 712.48 Crores (₹ 132.54 Crores for the year ended March 31, 2017) up to March 31, 2017. LAnPL received an order from APTEL on November 30, 2016, which has set aside UPERC's order dated November 23, 2015 and remanded the matter to UPERC for a fresh consideration. At present, the proceedings on the matter are in progress at UPERC. The financial impact if any, arising on account of the APTEL Order is not reckoned in these financial statements.

68 (a) LAnPL is in possession of 923.91 Acres of land for establishing of Anpara phase-II (660X2 MW TPP) at Tehsil Bhoginipur, District Kanpur Dehat (Ramabai Nagar). LAnPL has provided security by way of mortgage of land measuring 314.36 Acres and 609.55 Acres to Canara Bank and Punjab National Bank, credit facility availed by the Company.

(b) LAnPL has created subservient charge over the assets of LAnPL in favour of CDR Lenders of the company.

(c) Pledge of 61% of the fully paid up share capital of the project (phase-I), as appraised by the Project Lenders as collateral security with Project Lenders. Balance share capital of LAnPL is pledged in favour of CDR Lender of the Company."

69 In case of LVTPL execution of the construction activities at project site got affected stalled due to litigation on granted Environment Clearance leading to delay of around three years which was beyond the control of LVTPL, which lead to time & cost overrun. LVTPL approached power purchaser i.e. Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) to extend the scheduled commencement date and provide the reliefs in accordance with PPA provisions on force majeure, which was not accepted by MSEDCL. MSEDCL encashed the Bank Guarantee of ₹ 51 Crores and unilaterally demanded liquidated damages of ₹ 300 Crores. LVTPL made attempts for an amicable resolution, however MSEDCL didn't responded positively and hence, LVTPL terminated the PPA with MSEDCL in September, 2014.

LVTPL has filed a writ petition before MERC for adjudication of dispute between LVTPL & MSEDCL with the prayer to declare the PPA termination as valid, direct MSEDCL to return the Performance Guarantee of ₹ 51 Crores and declare the additional liquidated damages claim of ₹ 351 Crores by MSEDCL as illegal and wrongful. LVTPL is confident of getting the refund of encashed bank guarantee and reversal of demanded Liquidated Damages, hence no provision has been made in the books of accounts on account of liquidated damages.

70 In Case of LVTPL, Out of the total Land measuring 286.50 hectares owned, three parcel of Land measuring 5.56 hectares is under ligitation before District Court. In all the three pending cases, LVTPL is holding legal titles and is in possession of the Lands. The lands are also mortgaged to Lenders after title clearance by Lender Legal Council. LVTPL is confident that the outcome will be favourable.

71 In case of LVTPL, the Ministry of Power, Government of India issued a notification No.A-4/2011-IPC dated August 17, 2011, requiring all the eligible power projects, inter alia, to obtain Provisional Mega Project Status on satisfying certain conditions as stated in the policy guidelines for setting up of Mega Power Projects. The Project Company furnished security in the form of Fixed Deposit Receipt (FDR) initially (as applicable) for an amount equal to the Customs Duty payable on Offshore supplies/Excise Duty payable for On-shore supplies. Ministry of Power vide letter No. C-8/2011-IPC dated November 21, 2011 granted Provisional Mega Power Project Status to 1,320 MW (2 x 660 MW) Vidarbha Power Project. Subsequently, the Government of India permitted Bank Guarantees (BG) also as a form of security and hence, LVTPL furnished security in the form of Bank Guarantee for an amount equal to the Customs Duty payable on Offshore supplies and Excise Duty payable for On-shore supplies till the end of reporting date. LVTPL shall furnish additional security in the form of Bank Guarantees for future Offshore/Onshore supplies (as applicable).

LVTPL received twelve (12) consignments totalling to 16,111 tonnes, at Mumbai Port during the period October 22, 2011 to April 16, 2012. In the tripartite meeting on Ocotober 5, 2015 among Mumbai Port Trust (MPT) officials, LVTPL representatives and officials of Lead Lender, M/s. Punjab National Bank, LVTPL's proposal of one-time settlement of the demurrage at Rs 75 Crores (plus Tax) was accepted. LVTPL has fully paid the amount of ₹ 75.00 Crores (plus taxes) as per the one-time settlement with MPT (Ist Installment in January 2016 and final installment in October 2016). LVTPL has lifted 8,886 MT of material from port upto the reporting date and approached MPT for permission to lift the balance material. MPT clearance is awaited.

72 LVTPL has requested Lenders to approve increase in Project cost and extend Commercial Operation Date (COD). Due to late commencement of disbursals after the COR Approval and large scale restart of activities, execution of some of the critical components of the Project was delayed which are beyond the control of LVTPL. The COD is likely to get delayed beyond the presently approved SCOD and the Management is confident of getting the necessary approvals from Project Lenders and regulators for the revised COD and therefore does not envisage any adjustments in the books of accounts.

73 In case of LBPL, LPL participated in the Bid, towards procurement of 1000 MW of power by Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL), was issued LoI, among others, for supply of 350 MW, which included additional 250 MW offered to LBPL over and above the 100 MW. Consequently a Power Purchase Agreement was signed by LBPL. However, Rajasthan Electricity Regulatory Commission (RERC) had adopted only 500 MW out of the total Bid Capacity of 1000 MW, whereby the capacity offered by LBPL was not considered. LBPL has challenged the order of RERC adopting tariff for 500 MW only, instead of 1000 MW in APTEL. Certain co-bidders have also challenged the said order. Based on the Expert Legal Opinion, the management is confident that the outcome would be favourable to LBPL.

74 In case of LBPL, based on the Request for Qualification (RFQ) floated by Haryana Power Generation Corporation Limited (HPGCL) for tariff based competitive bidding for procurement of power, the Compnay and LKPL, a fellow subsidiary of the Company (collectively called the "Consortium") had participated in the bidding process and were declared qualified for supplying 389 MW of power from project in Odisha State namely LBPL. LoI was issued, which was not accepted due to various reasons attributing to delay in acquisition of the land, so the Consortium expressed their inability to sign a Power Purchase Agreement (PPA) with HPGCL. HPGCL encashed the bid bond as per terms of the RFQ and filed a petition with Haryana Electricity Regulatory Corporation (HERC) seeking specific performance of the Consortium's obligations. The Consortium challenged the jurisdiction of HERC, however HERC passed an order holding that it had jurisdiction and also restrained from contracting 389 MW of Power by LBPL. The consortium challenged the decision of HERC before the Appellate Tribunal for Electricity (APTEL), and APTEL also ruled in favour of HPGCL. Aggrieved by the APTEL's judgement, the consortium has filed a civil appeal under section 125 of the Electricity Act, 2003 before the Hon'ble Supreme Court of India. Based on the Expert Legal Opinion, the management is confident that the outcome at the Hon'ble Supreme Court of India would be favourable to LBPL.

75 In case of LBPL, Power Grid Corporation of India Limited (PGCIL) has filed a petition in Central Electricity Regulatory Commission (CERC) for directing Independent Power Producers (IPPs) of transmission system of Phase-I in High Capacity Power Transmission (HCPTC) corridors in Odisha for opening of Letter of Credit as per CERC (Sharing of Inter-state transmission charges & Losses Regulations 2010) & LTA (Long Term Access) granted to them. LBPL is one of the Respondents to the case and has taken up the Force Majeure issue. Hearings completed and Order is reserved by CERC. Based on the Expert Legal Opinion, the management is confident that the outcome is likely to be favourable to LBPL.

76 LBPL has entered in Power Purchase Agreements (PPA's) with Power Procurers, consequent to which the power supply commitments starts at a certain specified date. Various factors have contributed to the delay in the Project execution, which has eventually resulted in the extension of the planned commercial operation date (COD). The revised COD, as approved by the lenders would fall after the supply commitment dates as per the PPA's. The management is confident of obtaining the time extensions for the committed supplies and therefore no adjustments have been made to the financial statements.

77 In case of LBPL, as per the Government of India (GoI) guidelines, Mega Power Status was granted to projects once 85% of the power is tied up through competitive bidding enabling the companies to import the equipment at nil Custom & Excise duty. However, Ministry of Power (MoP), in consultation with Ministry of Finance (MoF), has vide notification No.A-4/2011-IPC dated August 17, 2011 introduced a new provision wherein 'Provisional Mega Project Certificate' is issued which necessitated submission of fixed deposit receipts for an amount equal to the Customs/Excise duty payable, for a term of 36 months. MoP, GoI has amended the Mega Power Policy on January 20, 2014 wherein the time limit of 36 months has been extended to 60 months from the date of import for 25 projects which includes LBPL. This deposit will be returned upon receipt of Mega Project Certificate. Additionally, requiring power tie up of 100% out of which 65% of installed capacity/net capacity through competitive bidding and up to 35% installed capacity/net capacity under regulated tariff as per Host state policy, as the case may be, approved by the respective Regulators under long term PPA with Discoms/state designated Agency. MoP has Vide letter No. C-7/2007-IPC dated November 28, 2011 has granted Provisional Mega Power Project Status to LBPL 2 x 660 MW power project.

MoF has amended the provision of submission of customs duty / excise duty vide circular 43/2012 – Customs & 28/2012- Excise dated June 27, 2012, giving the option to submit Bank Guarantee (BGs) equal to the custom and excise duty for clearance of the goods. This facility can be availed in respect of FDs already taken earlier and can be replaced with BGs. LBPL cleared some imports against Fixed Deposits amounting to ₹ 1.78 Crores. LBPL also cleared some imports against Bank Guarantees amounting to ₹ 186.64 Crores provided out of both the Company (₹18.48 Crores) and LBPL (₹ 168.16 Crores) non fund based limits. LBPL has approached lenders for sanctioning Bank Guarantees limits of ₹ 750.00 Crores against payment of Customs/Excise Duty. The Bank Guarantees approved limit of ₹ 574.00 Crores out of ₹ 750.00 Crores.

Imported consignments as at March 31, 2017 (assessable value ₹ 615.74 Crores, quantity 21,015 MT) which reached the port were pending for clearance due to non-availability of Bank Guarantee limits. On LBPL request to Paradip Port Authorities, a separate area was provided for storing the material. LBPL was provided 2 types of plots viz. Normal Plot and Transit Plot. The plot rent for normal plot is ₹ 8.41 Lakhs /month and that of transit plot is ₹ 3.87 Lakhs/month. Currently, these imported consignments at the port pending clearance is classified under Capital Work in Progress.

78 LBPL has requested Lenders to approve Increase in Project cost and extend Commercial Operation Date (COD). Due to late commencement of disbursals after the COR Approval and large scale restart of activities, execution of some of the critical components of the Project was delayed which are beyond the control of LBPL. The COD is likely to get delayed beyond the presently approved SCOD and the Management is confident of getting the necessary approvals from Project Lenders and regulators for the revised COD and therefore does not envisage any adjustments in the books of accounts.

79 LBPL has filed Four legal suits against various parties in the process of Land Acquisition at Dhenkanal Village where the Plant exists. Twenty legal suits have been filed by various parties against LBPL and Others, which are pending at various judicial forums on account of the Land Acquisition process. Based on the Expert Legal Opinion, the management is confident that the outcome would be favourable to LBPL.

80 In Case of LBPL, Three Public Interest Litigation was filed by a party against LBPL which is pending at the High Court of Orissa against Memorandum of Understanding entered by LBPL with Government of Orissa towards setting up of Power Project in Dhenkanal Village. Based on the Expert Legal Opinion, the management is confident that the outcome would be favourable to LBPL.

81 (a) HPL is in the process of setting up a Project of 2 X 660 MW at Bhognipur, Uttar Pradesh. Land required for setting up the Plant had been acquired and most of the approvals had been obtained. The lead Lender, IDBI, had sanctioned a Rupee Term Loan (RTL) of ₹ 1500 Crores against which Interim Facility of ₹ 450 Crores had been received by HPL periodically. This interim borrowing facility was repayable in 12 equal Monthly Instalments along with interest, commencing from November 01, 2014. Accordingly, HPL has paid ₹ 450 Crores upto March 31, 2016 as repayment of loan out of amount received from EPC Contractor (the Company) as refund of advance paid to them. Interest on the Interim Facility has been capitalised. Financial closure of the project is still pending primarily on account of coal linkage which has been delayed by the Govt. of India. Notwithstanding the refund of the EPC advances, the management is confident that the construction activities shall start in the due course once coal linkage is obtained and financial closure is achieved consequently. The activities necessary to prepare an asset for its intended use or sale extend to more than just physical construction of the asset. It may also include technical (DPR, environmental clearance, planning, Land acquisition and geological study) and administrative work such as obtaining approvals before the commencement of physical construction.

(b) HPL has entered in Power Purchase Agreements (PPA) with Power Procurer, consequent to which the power supply commitments starts at a certain specified date. Various factors as enumerated earlier have contributed to the delay in the financial closure, which has eventually resulted in the extension of the planned commercial operation date (COD). Based on HPL's request, the Power Procurer had provided extension towards supply commitment upto December 14, 2013, which was further extended to March 31, 2017. The power procurer has also conveyed that the additional Interest Costs incurred by HPL after the extension period shall not be allowed for tariff determination. Based on the current level of low key project activities, the Management is confident of obtaining further time extensions for the committed supplies. The management is also confident that the Interest cost incurred, once the key project activities commence, after financial closure, will be allowed for tariff determination. The interest costs not being allowed during the interim period would not materially impact the recoverability of the Project cost.

Considering the above factors no adjustments have been made to the financial statements.

82 In case of LTPL

a) Workers of two contractors engaged during the construction period by LTPL, have filed a petition with the Payment and Wages Commissioner for non-payment of wages against the sub contractor. LTPL being the principal employer has been made respondent party in the said case.

b) A case was filed with the chief judicial magistrate by a worker who was employed by one of the contractor during the construction period, owing to injury suffered, requesting for suitable compensation. Management is confident that the outcome would be favourable to LTPL.

83 In the case of LTPL, a step-down subsidiary of the Company, engaged in power generation has cash flow needs in excess of its funds generating ability to meet its debt obligation in respect of which the Company has to support such short fall as may be ascertained from time to time. The support in terms of cash flow is temporary till LTPL augments its cash flows and the management is confident that this shall not have any bearing on the carrying cost of investments in the assets.

84 In case of LTPL & LHPL has filed an appeal before Honorable High Court of Shimla contending the constitutional validity on HP tax on entry of Goods.

85 LMHEPL has received a dispensation from RBI towards the time overrun, consequently, the lenders have appraised and sanctioned the Project cost and Commercial Operation date (COD) was extended. Due to large scale of restoration activities, execution of some of the critical components of Project was effected due to geological surprises, which are beyond the control of LMHEPL. The COD is likely to get delayed beyond the approved COD and the management is confident of getting the necessary approvals from its lenders and regulators and therefore does not envisage any adjustments in the books of accounts.

86 In case of LMHEPL, one Public Interest Litigation has been filed by a party against hydro power developers located on the banks of river Mandakini and Alaknanda in the state of Uttarakhand which is pending in Uttarakhand High court. LMHEPL is one of the respondent in the said case.

87 (a) In case of LTHPL an associate of the Company, Pursuant to RBI Circular DBR.BP.BC.No.101/21.04.132/2014-15 dated June 8, 2015, the consortium of Lenders of LTHPL, invoked Strategic Debt Restructuring Scheme (SDR) in LTHPL, on July 24, 2015 (Reference Date). Post SDR Scheme, the Lenders are now collectively holding 51% equity shares of LTHPL, which they are required to divest to a new investor as soon as possible to bring the Change in Management in LTHPL to complete the SDR Process. The SDR standstill period of 18 months has elapsed in January 2017. The Lenders along with LTHPL, are in the process of identifying a probable investor to divest the 51% shareholding of the Project Company, presently acquired by the Lenders as per SDR Scheme.

(b) Due to delay in diversion of forest land, poor geology and earthquake, leading to substantial time and cost overrun, LTHPL had requested the power purchaser to revise PPA Tariff for viability of the project. As there was no positive response from the power purchaser, LTHPL filed a petition seeking tariff revision before the Regulatory Commission. The Hon'ble Commission after hearing the matter disposed off the petition through final order dated August 20, 2014 stating that LTHPL may approach the Hon'ble Commission once the Project is nearing COD. With no immediate relief available regarding tariff increase, LTHPL terminated the PPA with effect from September 18, 2014 in line with the provisions of PPA. LTHPL is exploring power sale tie up with new power purchasers and PPA will be executed once the potential buyer is finalised. Ministry of Power, Government of India reviewed the project during the year and directed the committee appointed for this purpose to submit a revival plan in consultation with LTHPL, Lenders and Governement of Sikkim for which necessary submissions were made by LTHPL pending finalisation of the revival plan. The Management is confident of getting the revised funding from the lenders, complete the project as per the revised timelines and resolution of PPA issues. Even after considering the cost overrun and delay in execution, there is viability in the project and hence the Management does not foresee any requirement for adjustment for carrying value of assets in the financial statements. Accordingly, financial statements have been prepared on a going-concern basis.

88 In case of the LHPL,

i) A case was filed with the Chief Judicial Magistrate by a worker who was employed by one of the contractors during the construction period, owing to injury suffered, requesting for suitable compensation. The management is confident that the outcome would be favourable to LHPL.

ii) Sixteen workers were employed by one of the sub-contractors during the construction period, these workers had filed a petition for employment with LHPL before the Additional Sessions Judge, Labour cum Industrial Tribunal Courts, Dharamshala. LHPL being the principal employer has been made third party respondent in the said case, therefore the management is of the view that the case is likely to go in LHPL's favour.

89 In case of NETS, Rajasthan Discoms Power Procurement Centre (RDPPC) has raised compensation bills amounting ₹ 1.68 Crores for short supply of power for the months of February 2011, April 2011 & May 2011. Against that RDPPC has adjusted EMD ₹ 0.60 Crores and also filed a petition before Rajasthan Electricity Regulatory Commission (RERC) for recovery of balance amount of ₹ 1.08 Crores. On December 14, 2016, RERC passed order against the NETS. NETS filed an appeal before APTEL against RERC order, the same has been admitted and APTEL granted the stay on the RERC order for payment of sum of ₹ 1.08 Crores. The matter is pending for further hearing. Further the management based on the legal opinion is confident that above matter will be decided in its favour.

90 LHTPPL, a subsidiary of the Company, has obtained possession of land parcel of 100 acres at Manikonda, Hyderabad, as per the development agreement ('the agreement') dated November 6, 2006, entered into between Andhra Pradesh Industrial Infrastructure Corporation (APIIC) and LHTPPL. The land has been obtained for developing residential and commercial space and amenities. The transfer of ownership to LHTPPL of such land is subject to the fulfilment of the commitment to develop the land as stipulated in the agreement. Accordingly to the extent of development commitment already executed by LHTPPL, proportionate land admeasuring 26.97 Acres has been transferred in favour of LHTPPL on June 22, 2010 and the land admeasuring 12.50 Acres has been transferred in favour of LHTPPL on November 05, 2015. The management is hopeful that the balance land will be transferred in favour of LHTPPL in due course, by fulfilling commitments in discussion with the appropriate Regulatory Authority.

The ownership of the land obtained as above is disputed by various parties stating that the land belongs to Dargah and consequently being administered by the Wakf Board. The disputes are presently pending at various levels of judiciary bodies. During the year 2010-11, The Andhra Pradesh Wakf Tribunal ('the tribunal') passed a temporary injunction against LHTPPL and restrained LHTPPL from alienating the land. LHTPPL, in response to the temporary injunction, had filed review petitions in the High Court of Andhra Pradesh for setting aside the said injunction of the tribunal and the same was dismissed. Further LHTPPL had appealed against the order of the High Court before the Hon'ble Supreme Court, which granted an interim stay against the orders of Honourable High Court of Andhra Pradesh and the WAKF Tribunal. Pending the final outcome of Appeal before the Supreme Court, the management on the basis of an expert legal opinion, is of the view that no adjustments are required in the financial statements in respect of such disputes.

91 In case of LHTPPL, Cash Flows from the operations have got affected due to ongoing legal matter regarding the title of the land which was sold by Government of Andhra Pradesh under Competitive bidding for cash consideration. Currently the short fall in cash flows are supported by the Company. Consequent to the interim order of the Hon'ble Supreme Court, the management is estimating that the cash flows required for the project implementation and business requirements would be met from the customer collections and if any short fall in the cash flows arises, will be supported by the Company. Based on the support from the Company the management is confident of executing the on going project in the revised timeline.

92 In case of LHTPPL, the management has multiple plans for development of commercial, residential and office spaces in the land held by LHTPPL. Considering the business plans the management is confident of recovering the cost incurred on development of projects including interest cost which is grouped under Investment Property under Development and Development work in progress.

93 In case of LHTPPL, Telangana State Iindustrial Infrastructure Corporation (TSIIC) which was formed in lieu of APIIC on formation of new state i.e. Telangana out of united Andra Pradesh, has extended the timeline for implementation of the project under development agreement upto November 2016. LHTPPL is confident of completing the committed development of one million sft (of which 0.65 mn sft. Is already built) based on discussions with the appropriate Regulatory Authority.

94 In case of LSPL, in view of the growing solar power generation market in India and the favorable policy initiatives for the growth of the sector, the Lanco Solar Private Limited (LSPL) has approached the Consortium of Lenders for the change in scope and capacity of the Polysilicon, Wafer and Module Plants. In accordance with that, Consortium of Lenders have sanctioned and documented the proposed change of scope and capacity. Thereby the revised capacity of Polysilicon Plant from 1250 TPA to 1800 TPA, Wafer Plant from 80 MW to 100 MW and added 75 MW of module line (in addition to the existing facility) respectively. Due to this change the project Scheduled Commercial Operation Date (COD) has also been revised from October 12, 2012 to October 12, 2014. After this change is taken place during the financial year 2014-15, the company has approached the Lenders for the revision of COD and increase of project cost due to increased Interest During Construction from October 2014 to October 2016 and from ₹ 1698.06 Crores to ₹ 1921.81 Crores respectively. Based on the revised envisaged Project cost and along with independent assessment done by ITCOT Consultancy and Service Ltd (ITCOT stands for Industrial and Technical Consultancy Organization of Tamilnadu), the Project has been assessed to be technically feasible and financially viable. After this assessment has taken place, the Lead Lender – Axis Bank Limited has issued Information Memorandum and sanctioned for revised COD from October 12, 2014 to October 12, 2016, Cost Over Run (COR) funding, change of repayment structure. Accordingly all the member of Consortium have sanctioned as above and consequentially joint documentation has been executed on May 26, 2015. Subsequently due to the inadequacies of promoters for infusing further equity required for the completion of the project LSPL has proposed change in management as per the Reserve Bank of India guidelines. As per the new proposal submitted to the Lead Lender the management has requested for revised Project Cost of ₹ 2069.21 Crores with revised COD of September 30, 2017. The said proposal has been accepted and agreed by the consortium of lenders and accordingly Lead Lender - Axis Bank Limited has given its sanction. The management of LSPL is confident of obtaining the sanctions from the rest of the lenders and accordingly execute the documentation and achieve the scheduled COD. Hence LSPL does not foresee any requirement for adjustment in carrying value of assets under construction as at March 31, 2017.

95 DSPL is engaged in setting up concentrated solar power plant (100 MW each), on account of various factors beyond the control of DSPL (like non-availability of additional land, non-availability of Heat Transfer Fluid (HTF), re-designing of the Project, fluctuations in forex), the project has undergone substantial time and also cost overrun. DSPL has filed petition with Central Electricity Regulatory Commission (CERC) for extension of Commercial Operation Date (COD) and to revise the Power Purchase Agreement (PPA) Tariff for viability of the project. As per the petition filed with the CERC, DSPL requested CERC for revised COD of 18 clear months from the date of increased tariff approval received by DSPL. The Management is confident that upon tariff revision and other permissions/approval for the requests made in the petition filed before CERC and also achieving financial closure for executing the project, DSPL does not foresee any requirement for adjustment in carrying value of investments under construction as at March 31, 2017.

96 In case of DSPL, Assets Under Construction includes Materials (Steam Turbine Generator) amounting to ₹ 100.12 Crores, held as trust by the Original Equipment Manufacturer (OEM) at warehouse outside India.

97 KEVPL an associate of the Company, the management of KEVPL is making efforts in obtaining the extension of revised SCOD and revision in tariff. In the opinion of KEVPL management, the execution of the project with the extended timelines for bringing the assets to its intended use with revised tariff being considered favourably, is still viable even taking into account low implementation activities. Accordingly, in the opinion of the management, no provision is required for any diminution in the carrying value of the investment. Pending the final outcome in the matters relating to extension of revised SCOD and revision of tariff, no adjustments have been carried out to the carrying value of investment, the impact, if any is currently unascertainable.

98 MMTEL, a subsidiary of the Company had entered into Coal Mining Services Agreement (CMSA) with Mahatamil Collieries Limited (MCL) for developing and mining of Gare Pelma Sector II Coal block located in Raigarh district in the state of Chhattisgarh, the allocation of said coal block was cancelled by the Hon'ble Supreme Court's order dated September 24, 2014. As per CMSA MMTEL has incurred an amount of ₹ 204.66 Crores till March 31, 2015 towards exploration, infrastructure and performance security deposit. The amount incurred has been claimed by MMTEL as per terms of the Coal Mines (Special Provisions) Ordinance, 2014 and the management is confident on recoverability of the claim.

99 LKHL, a subsidiary of the Company had entered into concession agreement with NHAI for developing a road project in Uttar Pradesh state under BOOT mechanism. The construction work is delayed due to pending approvals and right of way to be arranged by NHAI. During the previous year LKHL had received notice of termination of concession agreement from NHAI and issued a notice of termination of concession agreement to NHAI. Arbitration proceedings have been initiated to settle the claims and the counter claims associated with the termination as per the Concession Agreement. Based on the expert legal opinion, the management is confident on the recoverability of its claims submitted and is not expecting any liability on counter claims filed by NHAI.

100 LHHL and LDHL, subsidiaries of the company has been incurring losses since commencement of operations and also due to de-recognition of Capital Grant from Reserves as per requirement of Ind AS 11 Appendix A on Service Concession Arrangement, the Net Worth fell below 50% of paid-up capital as at March 31, 2017. The Management is taking necessary steps to improve the profitability in future and is of the view that the carrying value of assets of LHHL & LDHL is realizable at the value stated therein. Accordingly, no adjustments have been made in these financial statements.

101 The Company acquired Griffin coal mine operations, Australia through its wholly owned subsidiary LRIPL to further invest in expansion to enhance the capacity. Post-acquisition certain approvals for mine expansion and other infrastructure related obtained. LRIPL along with its subsidiary companies (Griffin Coal Mine Operations, Australia) has been incurring losses from acquisition onwards. Due to circumstance beyond the control of the Company, the mine expansion got delayed resultantly anticipated incremental EBIDTA could not be earned, thus increasing the loans from the lenders to meet the interest obligations. Due to default in debt servicing, as per the Security Agreement entered by LRIPL with lenders, lenders appointed the receivers and managers on April 27, 2017 and transferred the pledged shares to the nominee of the security agent of the lenders. It was clarified by the counsel of the lenders that the transfer was to have legal title on the shares to the lenders with the beneficial interest continued with the Company, as part of perfection of security under the Singapore laws.

To transfer the beneficial interest to the lenders, foreclosure of security through a Singapore court order is mandatory. The foreclosure of share transfer requires valuation of the shares and finalisation of the consideration payable by the lenders or lender agents to the Company for the share transfer. Since the valuation for transfer of shares is not completed accordingly no adjustments have been made in these financial statements.

102 In case of LRAPL, the deferred consideration relates to the deferred consideration payable in relation to the acquisition of GCM and CMM in March, 2011.

LRAPL (and other plaintiffs from the Lanco Group) have alleged that Griffin Energy Group Pty Limited (subject to a deed of company arrangement), Carpenter Mine Management Holdings Pty Ltd (subject to a deed of company arrangement) and the past and present administrators of those companies engaged in conduct that was misleading or deceptive, or likely to mislead or deceive, in relation to the sale of GCM and CMM.

LRAPL has been given the ability by the court to delay payment of the deferred consideration until the allegations mentioned above, have been heard by the court. The trial commenced during March 2017.

103 (a) On March 30, 2012, the Company has put in place two level power holding company structure wherein LPL a wholly owned subsidiary of the Company as the power holding vehicle for the Group. LPL has further two wholly owned subsidiaries namely LTPL and LHPL as thermal power holding company and hydro power holding company respectively.

(b) As approved by the members vide their resolution dated March 19, 2010 the Company has sold its shareholding in some of its Subsidiaries and Associate Companies (hereinafter referred as 'related entities') to its wholly owned step down subsidiaries i.e. LTPL, LHPL and to an associate, RPPL (an erstwhile subsidiary) on March 30, 2012 for total cash consideration amounting to ₹ 6,815.51 Crores. As of March 31, 2017 ₹ 1,162.44 (March 31, 2016 ₹ 1,161.52) Crores representing the balance amount of consideration for sale of shares is receivable from the above entities and it includes further sale of shares of some of its subsidiaries to LTPL and LHPL.

(c) The aforesaid transfer of shares in various subsidiaries and associates requires lenders / customer approvals. Pending the receipt of approvals, the Company has recorded the sale of investments in related entities in the financial statements. Up to the year ended March 31, 2017, the management has obtained approvals from the most of the lenders and the management is confident of receiving the residual approvals and share transfer is in progress. In case such approvals are not received, the loans given by the lenders to the respective related entities may become due if the Company still wants to pursue transfer of shares, or the sold investments will be purchased back by the company. Based on legal advice, the management is of the opinion that the Company complied with relevant laws and regulations.

104. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

(₹ Crores)

S. No	Name of the entity	Net Assets, i.e., total assets minus total liabilities *		Share in Profit / Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of Consolidated Net assets	Amount	As % of Consolidated Profit / Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
Parent	Lanco Infratech Limited	-109.34%	1,037.66	43.41%	(889.53)	117.29%	0.55	43.39%	(888.98)
Subsidiaries	**Indian**								
1	Lanco Power Limited	-602.54%	5,718.33	-0.20%	4.01	25.07%	0.12	-0.20%	4.13
2	Lanco Thermal Power Limited	-502.40%	4,767.96	0.83%	(16.93)	1.17%	0.01	0.83%	(16.93)
3	Lanco Kondapalli Power Limited	-116.63%	1,106.86	23.47%	(480.83)	-54.58%	(0.26)	23.48%	(481.09)
4	Lanco Tanjore Power Company Limited	-56.10%	532.36	0.72%	(14.79)	14.35%	0.07	0.72%	(14.72)
5	Lanco Amarkantak Power Limited	-237.09%	2,250.09	0.42%	(8.61)	3.79%	0.02	0.42%	(8.59)
6	Lanco Anpara Power Limited	-112.78%	1,070.36	-0.21%	4.29	-49.33%	(0.23)	-0.20%	4.06
7	Lanco Vidarbha Thermal Power Limited	-115.24%	1,093.66	0.11%	(2.17)	0.00%	-	0.11%	(2.17)
8	Lanco Babandh Power Limited	-158.58%	1,504.96	0.03%	(0.69)	0.00%	-	0.03%	(0.69)
9	Arneb Power Private Limited	-1.87%	17.72	0.00%	-	0.00%	-	0.00%	-
10	Portia Properties Private Limited	-7.38%	70.05	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
11	Lanco Hydro Power Limited	-48.13%	456.77	0.50%	(10.26)	1.04%	0.00	0.50%	(10.26)
12	Lanco Mandakini Hydro Energy (P) Limited	-24.53%	232.82	0.19%	(3.99)	0.00%	-	0.19%	(3.99)
13	Lanco Rambara Hydro Private Limited	0.00%	(0.01)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
14	Diwakar Solar Projects Limited	-25.05%	237.77	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
15	Lanco Solar Energy Private Limited	-73.25%	695.15	-0.24%	4.90	-2.03%	(0.01)	-0.24%	4.89
16	Lanco Solar Services Private Limited	-0.07%	0.64	-0.03%	0.71	-0.98%	(0.00)	-0.03%	0.70

(₹ Crores)

S. No	Name of the entity	Net Assets, i.e., total assets minus total liabilities *		Share in Profit / Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of Consolidated Net assets	Amount	As % of Consolidated Profit / Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
17	Lanco Solar Private Limited	-56.67%	537.80	0.01%	(0.16)	15.93%	0.07	0.00%	(0.08)
18	Khaya Solar Projects Private Limited	-2.24%	21.28	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
19	Bhanu Solar Projects Private Limited	0.00%	(0.03)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
20	Lanco Solar Power Projects Private Limited	-0.14%	1.30	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
21	Orion Solar Projects Private Limited	-0.09%	0.81	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
22	Pasiphae Power Private Limited	0.00%	(0.01)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
23	Lanco Energy Talent School for Skills Private Limited (formerly known as Sabitha Solar Projects Private Limited)	-0.03%	0.32	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
24	Helene Power Private Limited	-0.06%	0.61	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
25	Newton Solar Private Limited	-0.81%	7.65	0.04%	(0.91)	0.00%	-	0.04%	(0.91)
26	Lanco Wind Power Private Limited	-4.27%	40.48	0.01%	(0.14)	0.00%	-	0.01%	(0.14)
27	Amrutha Power Private Limited	-0.03%	0.31	0.00%	0.02	0.00%	-	0.00%	0.02
28	Pragdisa EPC Limited (formerly known as Spire Rotor Pvt. Ltd.)	0.00%	0.01	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
29	EO Power Holdco Limited (formerly known as Emerald Orchids Pvt. Ltd.)	-0.01%	0.06	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
30	JH Patel Power Project Private Limited	-0.02%	0.16	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
31	National Energy Trading and Services Ltd	-9.50%	90.20	-0.05%	1.00	3.63%	0.02	-0.05%	1.02

(₹ Crores)

S. No	Name of the entity	Net Assets, i.e., total assets minus total liabilities *		Share in Profit / Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of Consolidated Net assets	Amount	As % of Consolidated Profit / Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
32	Mahatamil Mining and Thermal Energy Ltd	-3.49%	33.12	0.32%	(6.61)	0.00%	-	0.32%	(6.61)
33	Mercury Projects Private Limited	-1.30%	12.31	0.03%	(0.54)	0.00%	-	0.03%	(0.54)
34	Tasra Mining & Energy Company (P) Ltd	-1.26%	11.97	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
35	Lanco Hills Technology Park Private Limited	-16.08%	152.56	6.39%	(130.93)	4.00%	0.02	6.39%	(130.91)
36	Lanco Solar (Gujrat) Private Limited (formerly known as Lanco Property Management Company Private Ltd)	-0.31%	2.94	0.10%	(2.13)	0.00%	-	0.10%	(2.13)
37	Lanco Energy Private Limited	-0.31%	2.92	0.01%	(0.16)	0.00%	-	0.01%	(0.16)
38	Lanco Kanpur Power Limited	-0.01%	0.08	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
39	Uranus Projects Private Limited	-2.19%	20.74	-0.12%	2.43	0.00%	-	-0.12%	2.43
40	Jupiter Infratech Private Limited	-0.28%	2.67	-0.06%	1.20	0.00%	-	-0.06%	1.20
41	Uranus Infratech Private Limited	-0.32%	3.05	-0.09%	1.77	0.00%	-	-0.09%	1.77
42	Leda Properties Private Limited	-0.70%	6.69	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
43	Coral Orchids Private Limited	-0.63%	5.95	-0.06%	1.26	0.00%	-	-0.06%	1.26
44	Thebe Properties Private Limited	-1.40%	13.32	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
45	Cressida Properties Private Limited	-0.34%	3.23	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
46	Nix Properties Private Limited	0.01%	(0.10)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
47	Cordelia Properties Private Limited	-0.19%	1.85	0.00%	(0.00)	0.00%	-	0.00%	(0.00)

(₹ Crores)

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		As % of Consolidated Net assets	Amount	As % of Consolidated Profit / Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
48	Deimos Properties Private Limited	-1.47%	13.96	-0.51%	10.53	0.00%	-	-0.51%	10.53
49	Dione Properties Private Limited	-0.80%	7.63	-0.17%	3.51	0.00%	-	-0.17%	3.51
50	Neptune Projects Private Limited	-0.54%	5.09	-0.16%	3.26	0.00%	-	-0.16%	3.26
51	Pearl Farms Private Limited	-0.72%	6.86	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
52	Telesto Properties Private Limited	-0.59%	5.62	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
53	Lanco Hoskote Highway Limited	-27.16%	257.79	4.01%	(82.10)	2.11%	0.01	4.01%	(82.09)
54	Lanco Devihalli Highways Limited	-4.00%	37.98	1.83%	(37.58)	2.11%	0.01	1.83%	(37.57)
55	Lanco Kanpur Highways Limited	-20.42%	193.81	0.03%	(0.67)	0.00%	-	0.03%	(0.67)
56	Charon Trading Private Limited	-1.57%	14.93	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
57	Himavat Power Limited	-71.44%	678.02	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
58	Vainateya Power Private Limited	-2.86%	27.14	0.37%	(7.56)	0.00%	-	0.37%	(7.56)
59	Avior Power Private Limited	0.00%	0.02	0.01%	(0.17)	0.00%	-	0.01%	(0.17)
60	Mirach Power Limited	0.00%	0.01	0.02%	(0.48)	0.00%	-	0.02%	(0.48)
61	Mimas Trading Private Limited	-0.38%	3.61	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
62	Ananke Properties Private Limited	-2.20%	20.87	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
63	Tethys Properties Private Limited	-2.18%	20.66	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
64	Bianca Properties Private Limited	-2.16%	20.51	0.00%	(0.10)	0.00%	-	0.00%	(0.10)
65	Belinda Properties Private Limited	-3.06%	29.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
66	Phoebe Trading Private Limited	-0.43%	4.04	0.00%	(0.00)	0.00%	-	0.00%	(0.00)

(₹ Crores)

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		As % of Consolidated Net assets	Amount	As % of Consolidated Profit / Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
67	Basava Power Private Limited	0.00%	0.00	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
68	Siddheswara Power Private Limited	0.00%	(0.00)	0.01%	(0.16)	0.00%	-	0.01%	(0.16)
69	Regulus Power Private Limited	-1.64%	15.58	0.00%	-	0.00%	-	0.00%	-
70	Banas Thermal Power Private Limited	0.13%	(1.23)	0.20%	(4.02)	0.00%	-	0.20%	(4.02)
71	Lanco Operation and Maintenance Co. Limited	-0.05%	0.44	0.00%	0.02	0.00%	-	0.00%	0.02
72	Lanco Horizon Properties Private Limited	-7.64%	72.53	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
73	Nekkar Power Private Limited	0.00%	0.02	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
	Foreign								
74	Lanco International Pte Limited	-108.58%	1,030.41	1.69%	(34.60)	0.00%	-	1.69%	(34.60)
75	Lanco Enterprise Pte Limited	0.21%	(1.95)	0.15%	(3.06)	0.00%	-	0.15%	(3.06)
76	Lanco Infratech (Mauritius) Limited	0.00%	-	0.06%	(1.27)	0.00%	-	0.06%	(1.27)
77	Lanco Infratech Nepal Private Limited	-0.08%	0.72	0.00%	-	0.00%	-	0.00%	-
78	LE New York - LLC	-0.16%	1.50	0.00%	-	0.00%	-	0.00%	-
79	Lanco Power International Pte Limited	0.00%	-	-0.56%	11.56	0.00%	-	-0.56%	11.56
80	Lanco Solar International Pte Limited	0.97%	(9.18)	-0.01%	0.14	0.00%	-	-0.01%	0.14
81	Lanco Solar Holding Netherland B.V	1.51%	(14.35)	0.00%	(0.07)	0.00%	-	0.00%	(0.07)
82	Lanco Solar International USA Inc.	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-
83	Green Solar SRL	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-

(₹ Crores)

S. No	Name of the entity	Net Assets, i.e., total assets minus total liabilities *		Share in Profit / Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of Consolidated Net assets	Amount	As % of Consolidated Profit / Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
84	Lanco Resources International Pte Ltd	-4.53%	43.00	13.08%	(267.97)	0.00%	-	13.08%	(267.97)
85	Lanco Resources Australia Pty. Ltd	37.04%	(351.50)	7.02%	(143.86)	0.00%	-	7.02%	(143.86)
86	The Griffin Coal Mining Company Pty Ltd	-310.03%	2,942.27	-	(276.37)	0.00%	-	13.49%	(276.37)
87	Carpenter Mine Management Pty Ltd	-16.14%	153.17	-5.91%	121.03	0.00%	-	-5.91%	121.03
88	Western Australia Coal Terminal Pty Ltd	0.00%	-	0.00%	-	0.00%	-	0.00%	-
89	Lanco Holding Netherland BV	0.00%	-	0.00%	-	0.00%	-	0.00%	-
90	PT Lanco Indonesia Energy	0.00%	-	0.00%	-	0.00%	-	0.00%	-
91	Bhola Electricity Pvt Ltd	0.29%	(2.75)	0.00%	-	0.00%	-	0.00%	-
92	Sirajganj Electric Pvt Limited	0.00%	(0.01)	0.00%	-	0.00%	-	0.00%	-
Associates (Investment as per the equity method)									
Associates	**Indian**								
93	Genting Lanco Power (India) Private Ltd	-1.77%	16.82	-0.10%	2.04	0.00%	-	-0.10%	2.04
94	Bay of Bengal Gateway Terminal Private Ltd	0.00%	-	0.00%	-	0.00%	-	0.00%	-
95	Lanco Teesta Hydro Power Limited	-65.16%	618.42	0.00%	(0.09)	0.00%	-	0.00%	(0.09)

(₹ Crores)

S. No	Name of the entity	Net Assets, i.e., total assets minus total liabilities *		Share in Profit / Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of Consolidated Net assets	Amount	As % of Consolidated Profit / Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
96	DDE Renewable Energy Private Limited	-0.24%	2.29	0.03%	(0.60)	0.00%	-	0.03%	(0.60)
97	Electromech Maritech Private Limited	-0.59%	5.56	-0.01%	0.17	0.00%	-	-0.01%	0.17
98	Finehope Allied Engineering Private Ltd	-0.39%	3.73	-0.01%	0.19	0.00%	-	-0.01%	0.19
99	KVK Energy Ventures Private Limited	-12.20%	115.82	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
100	Saidham Overseas Private Limited	-0.39%	3.69	0.01%	(0.20)	0.00%	-	0.01%	(0.20)
101	Vasavi Solar Power Private Limited	-0.35%	3.28	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
102	Pragdisa Power Private Limited	-1.04%	9.85	0.04%	(0.80)	0.00%	-	0.04%	(0.80)
	Less: Total Eliminations	3026.48%	(28,722.16)	0.12%	(2.40)		0.08		(2.32)
		100.00%	**(949.03)**	**110.29%**	**(2,259.97)**		**0.47**		**(2,259.50)**
	Non Controlling interest in all subsidiaries		**1,125.25**	**10.29%**	**(210.84)**		**-**		**(210.84)**
	Total		**(2,074.28)**	**100.00%**	**(2,049.13)**		**0.47**		**(2,048.66)**

* Includes Non Controlling Interest in all Subsidiaries

105 Previous year figures have been regrouped/reclassified where ever necessary, to conform to those of the current year.

106 As allowed under Schedule III of the Companies Act, 2013, financials are prepared in Crores and rounded off to two decimals. The amounts / numbers below fifty thousands are appearing as zero.

The accompanying notes and other explanatory information are an integral part of the Financial Statements.
As per our report of even date.

For and on behalf of the Board of Directors of
Lanco Infratech Limited

For Brahmayya & Co
Chartered Accountants
Firm Registration No. 000511S

Lokesh Vasudevan
Partner
Membership No. 222320

Place: Gurgaon
Date: May 30, 2017

L. Madhusudhan Rao
Executive Chairman
DIN - 00074790

G. Venkatesh Babu
Managing Director
DIN - 00075079

T. Adi Babu
Chief Financial Officer

A. Veerendra Kumar
Company Secretary

Place: Gurgaon
Date: May 30, 2017

LANCO INFRATECH LIMITED

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017 - **Consolidated Financials**

INR in Crores except for earning per share

I.	Sl. no	Particulars	Audited figures (as reported before adjusting for Qualifications)	Audited figures (audited figures after adjusting for Qualifications)
	1	Turnover	7343.69	7343.69
	2	Total Expenditure	9796.27	9796.27
	3	Total Comprehensive Income	(2259.51)	(2259.51)
	4	Earnings per Share	(7.5)	(7.5)
	5	Total Assets	56,255.91	56,255.91
	6	Total Liabilities	57,204.94	57,204.94
	7	Net worth	(2074.28)	(2074.28)
	8	Minority Interest	1125.25	1125.25

II. Audit Qualifications

1 (a)	Details of Audit qualification	Note 18 to the Consolidated Results, include Financial Statements of Lanco Resources International Pte Limited (LRIPL) and its subsidiaries, Lanco International Pte Limited (LIPL) and certain subsidiaries, whose consolidated Financial Statements reflect total assets of Rs.10,279.89 Crores as at March 31, 2017, the total revenue of Rs. 685.31 Crores and total loss of Rs. 597.10 Crores for the year ended March 31, 2017. These financial statements and other financial information have been prepared by the management and which have not been audited and our opinion is based solely on the management accounts.
1 (b)	Type of Audit qualification	Qualified Opinion.
1 (c)	Frequency of qualification	Qualified in FY 2016-17

LANCO INFRATECH LIMITED

1 (e)	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	(i) Management's estimation on the impact of audit qualification	Non Quantifiable.
	(ii) If management is unable to estimate the impact, reasons for the same:	As per local GAAP applicable to subsidiaries of LRIPL, fair valuation of assets is mandatory from the external valuer at the every year ending. During the year ended March 31, 2017 valuation of those foreign subsidiaries assets is under progress and due to that auditor of LRIPL subsidiaries could not complete their audit. As a consequential impact, LRIPL and other subsidiary LIPL could not complete their audit. Hence the financial statements prepared by the management have been considered in consolidation. The qualification by the Auditor is not about deviation from the Accounting Standards but on the consolidation of the un-audited financials of some of the foreign subsidiary companies as on the reporting date. For the year ended March 31, 2016 also the results were published based on the management accounts, which were subsequently updated with the Audited Accounts in the following quarter. There were no material differences between management accounts and audited accounts for the year ended March 31, 2016.
	(iii) Auditors' Comments on (i) or (ii) above:	The financial statements and other financial information having been prepared by the management and not been audited, we are unable to comment on the adjustments that may have been required had such accounts been audited. If the audited financial statements differ from the reported management financial statements, such differences would be adjusted in the subsequent period financial statements.

LANCO INFRATECH LIMITED

III. Signatories:-

CEO/Managing Director	G. Venkatesh Babu Managing Director
CFO	T. Adi Babu Chief Financial Officer
Audit Committee Chairman	Dr. Uddesh Kumar Kohli Audit Committee Chairperson
Statutory Auditor	For Brahmayya & Co. Chartered Accountants Firm Registration No. 000511S Lokesh Vasudevan Partner Membership No. 222320
Place: Gurgaon Date: May 30, 2017	

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS

LANCO INFRATECH LIMITED

MEMBER INFORMATION

To
Aarthi Consultants Private Limited
1-2-285, Domalguda
Hyderabad – 500 029
Telangana, India

Member Information-Update

I/We request you to record and update the following information against my/our Folio No.:

Folio No. / DP ID - Client ID	
Name of the first named Member	
PAN	
CIN/ Registration No. (applicable to Corporate Members)	
Tel No. With STD Code	
Mobile No.	
Email ID	

I/We hereby declare that the information given above is correct. I/We undertake to intimate changes to the above information as and when changes take place. I/We understand that the above details shall be maintained by you till I/we hold the equity shares under the above mentioned Folio No / DP ID - Client ID.

Date:

Place:

…………………………….

Signature of sole/First holder

Notes:

1. Members holding equity shares in Physical form are requested to update the above information with the Registrar and Transfer Agent of the Company.
2. Members holding equity shares in demat mode are requested to update the above information with their respective Depository Participant.

LANCO
Always Inspiring

Lanco Infratech Limited, a member of the UN Global Compact, is well recognised for its good corporate governance and CSR initiatives. These initiatives are led by Lanco Foundation that spearheads welfare and development activities in the fields of Education, Health, Safe Drinking Water, Empowerment of the Physically Challenged, Neighbourhood Community Development and Environment across 12 locations in 10 states of India.

Always Inspiring

Lanco Infratech Limited

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Fax: +91-40-2311 6127

Corporate Office:
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