BF UTILITIES LIMITED

KALYANI

18th ANNUAL REPORT
2017-18

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Annual Report for the year ended on 31st March, 2018

BOARD OF DIRECTORS

Mr. B. N. Kalyani	Chairman
Mr. A. B. Kalyani	Non-Executive Director
Mr. B. B. Hattarki	Non-Executive Independent Director
Mr. S. S. Vaidya (upto 30th May, 2018)	Non-Executive Independent Director
Ms. A. A. Sathe	Non-Executive Independent Director
Mr. S. K. Adivarekar (from 30th May, 2018)	Non-Executive Independent Director

CHIEF EXECUTIVE OFFICER / COMPANY SECRETARY

Mr. B.S. Mitkari

CHIEF FINANCIAL OFFICER

Mr. S. S. Joshi

STATUTORY AUDITORS

M/s.Joshi Apte & Co., Chartered Accountants

SECRETARIAL AUDITORS

Mr. S.V. Deulkar Partner - SVD & Associates

BANKERS

HDFC Bank Limited

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited
'Akshay' Complex, Block No. 202, 2nd Floor,
Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001
Tel.: +91 (20) 2616 1629 / 2616 0084 Fax: +91 (20) 2616 3503;
Email: pune@linkintime.co.in

REGISTERED OFFICE

BF Utilities Limited
Mundhwa, Pune Cantonment,
Pune 411 036, Maharashtra, India.

ADMINISTRATIVE OFFICE

Cyber City, Tower 15, Level 6, Office 602,
Magarpatta City, Hadapsar, Pune - 411 013
Phone: +91-20-6629 2550 / 26
E-mail : bfutilitiesltd@vsnl.net
Website : http://www.bfutilities.com
CIN : L40108PN2000PLC015323

INFORMATION FOR SHAREHOLDERS

Annual General Meeting
Day & Date : Tuesday, 25th September, 2018
Time : 11.00 a.m.
Venue : Kalyani Steels Ltd. Mundhwa, Pune - 411 036
Date of Book Closure : 25th September, 2018

BF UTILITIES LIMITED

Registered Office : Mundhwa, Pune Cantonment, Pune 411 036.

CIN : L40108PN2000PLC015323

NOTICE

NOTICE is hereby given that the Eighteenth Annual General Meeting of the Members of BF Utilities Limited will be held at Kalyani Steels Ltd at Mundhwa, Pune 411 036 on Tuesday, the 25th day of September, 2018 at 11.00 a.m. (IST), to transact the following business

ORDINARY BUSINESS :

ITEM NO.1:

To receive, consider and adopt

a) the Audited Financial Statements of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon.

b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2018 and the Report of the Auditors thereon.

ITEM NO.2:

To appoint a Director in place of Mr. B. N. Kalyani (DIN : 00089380), who retires by rotation and being eligible offers himself for re-appointment.

ITEM NO.3: To consider Appointment of M/s. Joshi Apte & Co. as Statutory Auditors of the Company

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions of Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Amendment) Act 2017 (including any statutory modification(s) or re-enactment(s) thereof for time being in force) and in partial modification of resolution passed by the Members of the Company at the 17th Annual General Meeting (AGM) of the Company held on 6th November, 2017, the appointment of M/s. Joshi Apte & Co., Chartered Accountants [Firm Registration No.: 104370W] as Statutory Auditors of the Company for a period of four years commencing from the conclusion of 17th AGM till the conclusion of 21st AGM of the Company be and hereby continues for the said term, without seeking any further ratification from the shareholders of the Company for their appointment as statutory auditors till the conclusion of their tenure, at such remuneration plus Taxes at the applicable rates and reimbursement of out of pocket and travelling expenses etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors, based on the recommendation of the Audit Committee."

SPECIAL BUSINESS :

ITEM NO.4: Re-appointment of Mr. B. B. Hattarki (DIN: 00145710) as an Independent Director

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and any other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. B. B. Hattarki (DIN: 00145710), who has submitted a declaration that he meets the criteria for independence as prescribed in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years with effect from 1st April, 2019 to 31st March, 2024."

ITEM NO. 5 : Appointment of Mr. Shrikrishna K. Adivarekar (DIN: 06928271) as an Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and any other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Shrikrishna K. Adivarekar (DIN: 06928271), who has submitted a declaration that he meets the criteria for independence as prescribed in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years with effect from 30th May, 2018 to 29th May, 2023."

By Order of the Board of Directors
For BF Utilities Limited

B. S. Mitkari
Company Secretary
Membership No.FCS/3237

Pune 411 036
20th July, 2018

NOTES :

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a Poll instead of himself and the proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case, a Proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such Proxy shall not act as a Proxy for any other person or member.

   The Instrument appointing proxy should, however, be deposited at the Registered Office of the Company duly completed and signed not less than forty-eight (48) hours before the commencement of the meeting.

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Ordinary business under Item No.3 and Special Business under Item Nos.4 and 5 of the Notice to be transacted at the Annual General Meeting is annexed hereto.

3. Corporate members are requested to send board resolution duly certified, authorising their representative to attend and vote on their behalf at the Annual General Meeting.

4. Members who hold shares in dematerialised form are requested to write their DP ID AND CLIENT ID numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the meeting to facilitate easy identification of membership at the meeting.

5. Members holding shares in dematerialised form are requested to intimate any change in their address, bank details, ECS details etc. to their respective Depository Participants and those holding shares in physical form are to intimate the said changes to the Registrar and Transfer Agent of the Company, at their address given below.

6. The Share Transfer Books and the Register of Members of the Company will remain closed on Tuesday, 25th September, 2018, as an Annual Closure for Annual General Meeting.

7. Equity Shares of the Company are under compulsory demat trading by all investors. Those shareholders, who have not dematerialised their shareholding, are advised to dematerialise the same to avoid any inconvenience in future.

8. Brief Profile of Directors proposed to be appointed / re-appointed, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, herein after called "Regulations, 2015", are provided in the Report on Corporate Governance forming part of the Annual Report as well as elsewhere in the Notice.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerialised form are therefore requested to submit their PAN to the Depository Participants with whom they are maintaining the demat account. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent of the Company, at their address given below.

10. The Ministry of Corporate Affairs (MCA), Government of India, had taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and had issued circulars stating that service of notice / documents including Annual Report can be done by e-mail to its members.

    To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of dematerialised holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested submit the same to the Registrar and Transfer Agent of the Company i.e. Link Intime India Private Limited, Block No. 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road, Pune - 411 001, (Maharashtra), Telephone No. 020 2616 1629 / 2616 0084.

    The Notice of the Annual General Meeting along with the Annual Report 2017-18 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company / Depositories, unless any member has requested for the physical copy of the same.

11. In case members wish to ask for any information about accounts and operations of the Company, they are requested to send their queries in writing at least 7 days in advance of the date of the meeting so that the information can be made available at the time of the meeting.

12. All documents referred to in the Notice or in the accompanying Statement are available for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, between 10.00 a.m. to 12.00 noon, prior to the date of the Annual General Meeting and also available for inspection at the meeting.

13. Pursuant to Section 72 of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, members are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making a nomination are requested to send their requests in Form No. SH - 13 in duplicate (which will be made available on request) to the Registrar and Share Transfer Agent of the Company.

14. Voting through electronic means

    I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and 'Regulations 2015', the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Eighteenth Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

    II. The facility for voting through Polling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through Polling Paper.

    III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

    IV. The remote e-voting period commences on Saturday, 22nd September, 2018 (9:00 am) and ends on Monday, 24th September, 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday, 18th September, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V. The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)]:

(i) Open email and open PDF file viz; "BF_utilities_e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/

(iii) Click on Shareholder - Login

(iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

(vii) Select "EVEN" of "BF Utilities Limited".

(viii) Now you are ready for remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to sridharmudaliar@rediffmail.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the Eighteenth AGM :

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

*NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on **www.evoting.nsdl.com**.*

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Tuesday, 18th September, 2018.

X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 18th September, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or pune@linkintime.co.in .

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.

XIII. Mr. S. V. Deulkar (Membership No. FCS 1321 & CP No. 965) / Mr.Sridhar G. Mudaliar (Membership No. FCS 6156 & CP No. 2664) of SVD & Associates, Company Secretaries have been appointed for as the Scrutinizers for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XIV. The Chairman shall, at the Eighteenth AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.bfutilities.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the National Stock Exchange of India Limited and BSE Limited, Mumbai.

15. A member shall opt for only one mode of voting i.e. either through remote e-voting or by Ballot Paper. If the member casts vote through all the modes, the votes in the electronic system would be considered and Ballot Paper would be ignored.

16. In terms of Section 152 of the Companies Act, 2013, Mr. B. N. Kalyani (DIN:00089380) Director retires by rotation at the Meeting and being eligible offers himself for reappointment. The information as required under 'Regulations, 2015' with the Stock Exchanges, with respect to the retiring director is as under:

Directorships / Committee memberships / Chairmanships of Mr. B. N. Kalyani in other companies are as under:

Name of the Company	Board position held	Name of the Committees	Chairman/ Member
Bharat Forge Ltd.	Chairman & Managing Director	Stakeholders Relationship Committee Corporate Social Responsibility Committee	Member Member
Kalyani Steels Ltd.	Director	Audit Committee	Member
Automotive Axles Ltd.	Chairman	-	-
Hikal Ltd.	Director	-	-
Kalyani Maxion Wheels Pvt. Ltd	Director	-	-
Meritor HVS (India) Ltd.	Deputy Chairman	-	-
BF Elbit Advanced Systems Pvt. Ltd.	Director	-	-
Khed Economic Infrastructure Pvt. Ltd.	Chairman	-	-
Maxion Wheels Aluminium India Private Limited	Additional Director	-	-

BRIEF PROFILE OF MR. B. N. KALYANI

Name of the Director	Mr. B. N. Kalyani
Date of Birth	7th January, 1949
Date of first appointment on the Board	15th September, 2000
Qualification	B. E. (Mech) (Hons), MS (MIT)
Experience	46 years
A brief resume of the Director	Mr. B. N. Kalyani (69) is the Chairman of the Company. He is a Mechanical Engineer from the Birla Institute of Technology & Sciences, Pilani, Rajasthan. He has done his Master of Science from the Massachusetts Institute of technology, USA. He embarked upon his career with Bharat Forge, a flagship company of the Kalyani Group way back in 1972. He spearheaded the business operations of Bharat Forge heralding it to new heights of success.
Nature of expertise in specific functional areas	Business Strategy, Product Development, Branding and Business Management
Relationship with other Directors, Managers and other Key Managerial Personnel of the Company	Mr. B. N. Kalyani is a father of Mr. Amit B. Kalyani.Except this, Mr. B. N. Kalyani is not related to any other Director, Manager or Key Managerial Personnel.
Shareholding in the Company	7,204 Equity Shares of Rs.5/- each.
No. of Board Meetings attended during the year	3 (Three)

Save and except, Mr. B. N. Kalyani, to the extent of his shareholding interest, if any, in the Company, none of other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in the said resolution.

The Board recommends the Ordinary Resolution set out at Item No. 2 of the Notice for approval by the shareholders.

17. Disclosure of Shareholding of Directors recommended by the Board of Directors for Appointment / Re-appointment at the Annual General Meeting :

Sr. No.	Name of Director	No. of Shares held
1	Mr. B. N. Kalyani	7,204
2	Mr. B. B. Hattarki	NIL
3	Mr. S. K. Adivarekar	NIL

By Order of the Board of Directors
For BF Utilities Limited

B. S. Mitkari
Company Secretary
Membership No.FCS/3237

Pune 411 036
20th Juiy, 2018

Register and Transfer Agent
LINK INTIME INDIA PRIVATE LIMITED
Block No.202, 2nd Floor, Akshay Complex, Off Dhole Patil Road,
Near Ganesh Mandir,Pune - 411 001
Tel-020 2616 1629 / 26160084,
E-mail: pune@linkintime.co.in

ANNEXURE TO THE NOTICE

Explanatory Statement as required by Section 102 of the Companies Act, 2013

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013. As required by Section 102 of the Companies Act, 2013 (Act), the following Explanatory Statement sets out the material facts relating to the Ordinary Business under Item No.3 and Special Business mentioned under item Nos. 4 & 5 in the accompanying Notice:

ITEM NO.3 OF THE NOTICE:

At the 17th Annual General Meeting (AGM) of the Company, the shareholders had approved appointment of M/s. Joshi Apte & Co., Chartered Accountants (Firm Registration No.: 104370W), as Statutory Auditors of the Company from the conclusion of 17th AGM till the conclusion of 21st AGM, subject to ratification by the shareholders at every AGM.

The Companies (Amendment) Act, 2017 published in the Gazette of India on January 3, 2018, amended few sections of Companies Act, 2013 including omission of first proviso to Section 139(1) of Companies Act 2013 which provided for ratification of appointment of Statutory Auditors by members at every AGM. The amendment to said section is already effective from May 7, 2018.

In view of the above, the Board of Directors of Company is requested to consider partial modification of previous resolution of the members passed at the 17th AGM of the Company for appointment of Statutory Auditors and recommend to continue appointment of M/s. Joshi Apte & Co., Chartered Accountants (Firm Registration No.: 104370W), as Statutory Auditors of the Company for the period of four years commencing from the conclusion of 17th AGM till the conclusion of 21st AGM of the Company, without seeking any further ratification of their appointment from members at this AGM and ensuing AGMs till the tenure of the Statutory Auditors.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

The Board recommends the ordinary resolution at Item No. 3 for approval of the Members of the Company.

ITEM NO. 4 OF THE NOTICE:

The members at their Fourteenth Annual General Meeting held on 30th March, 2015, had appointed Mr. B. B. Hattarki as an Independent Director of the Company for the period of five years with effect from 30th March, 2015 to 29th March, 2020.

The SEBI vide its notification dated 9th May, 2018, had notified SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, which will come in force with effect from 1st April, 2019. In terms of the said amendments no listed company shall, appoint a person or continue directorship of any person who has attained the age of seventy five years unless approval of the members is obtained by way of Special Resolution. The Board is requested to consider the same.

Mr. Hattarki born on 10th October, 1941, is a Metallurgy and Mechanical Engineer, having more than 50 years rich experience in the industry. The Board is of the opinion that his association would be of immense benefit to the Company and it is desirable to avail his services as an Independent Director on the Board of the Company.

In view of the same, the fresh approval of the members is sought by way of Special Resolution for the re-appointment of Mr. B. B. Hattarki as an Independent Director of the Company for the period of five years with effect from 1st April, 2019 to 31st March, 2024.

The Company has received a declaration in writing from Mr. Hattarki that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mr. Hattarki fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his re-appointment as an Independent Director of the Company.

The Company has received notice in writing from a member as per Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Hattarki as an Independent Director of the Company.

Accordingly, the Board recommends the resolution set out at Item No.4 of the Notice, for the approval of the members of the Company.

Brief Profile of Mr. Hattarki is provided in the report on Corporate Governance forming part of the Annual Report.

Except Mr. B. B. Hattarki, being appointee, none of the Directors or Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested in the resolutions set out at Item No.4 of the Notice.

ITEM NO. 5 OF THE NOTICE:

Pursuant to the provisions of Sections 149, 152, 161 and any other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors at their meeting held on 30th May, 2018, had appointed Mr. Shrikrishna K. Adivarekar as an Additional Independent Director of the Company for the period of five years with effect from 30th May, 2018 to 29th May, 2023, subject to the approval of the members.

The Company has received a declaration in writing from Mr. Adivarekar that he meets the criteria of independence as provided in sub-Section (6) of Section 149 of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board is requested to consider the same.

In the opinion of the Board, Mr. Adivarekar fulfills the conditions specified in the Companies Act, 2013 and rules made there under and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment as an Independent Director of the Company. The Board also considers that his association would be of immense benefit to the Company and it is desirable to avail his services as an Independent Director on the Board of the Company.

The Company has received notice in writing from member as per Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Adivarekar as an Independent Director of the Company.

Accordingly, the Board recommends the resolution set out at Item No.5 of the Notice, for the approval of the members of the Company.

Brief Profile of Mr. Adivarekar is provided in the report on Corporate Governance forming part of the Annual Report.

Except Mr. Shrikrishna K. Adivarekar, being appointee, none of the Directors or Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested in the resolutions set out at Item No.5 of the Notice.

By Order of the Board of Directors
For BF Utilities Limited

B. S. Mitkari
Company Secretary
Membership No.FCS/3237

Pune 411 036
20th July, 2018

Report on Corporate Governance

(Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, herein after called "Regulations, 2015")

1. The Company's philosophy on Code of Corporate Governance

The Securities and Exchange Board of India (SEBI) has prescribed a set of standards on corporate governance for the listed companies.

The Company has included a compliance report on Corporate Governance in its Annual Report in the spirit of transparency in management and best board practices. This Chapter of the report, plus the information given under 'Management Discussion and Analysis' and 'Shareholder Information' constitute such a compliance report on corporate governance.

2. Board of Directors

a. Composition of the Board

As at 31st March, 2018, the Board comprised of five Directors. The Composition of the Board is as under:

Category of Directors	No. of Directors
Promoter	1
Executive	Nil
Non-Executive and Independent	3
Non-Executive and Non-Independent	1
Total	5

b. Number of Board Meetings

During, the Financial Year under review, Five Board Meetings were held on 25th May, 2017, 2nd September, 2017, 14th September, 2017, 11th December, 2017 and 12th February, 2018.

c. Directors' attendance record and directorships held

The information on composition and category of the Board of Directors as at 31st March, 2018, attendance of each Director at Board Meetings held during the Financial Year 2017-18 and the Annual General Meeting (AGM) held on 6th November, 2017, Directorships and Committee positions in other public companies of which the Director is a Member / Chairman and the shareholding of Non-Executive Directors is as follows:

Sr. No.	Name of Director	No. of shares held by Non-Executive Directors	No. of Directorships in other public companies #	No. of Committee positions held in other public companies***		No. of Board Meetings held	Attendance at the meetings	
				Chairman	Member		Board	AGM
	Executive Director	NA	NA	NA	NA	NA	NA	NA
	Non-Executive Directors							
1	Mr. B. N. Kalyani @	7204	5	2	1	5	3	1
2	Mr. A. B. Kalyani	0	6	0	0	5	2	1
	Independent and Non-Executive Directors							
3	Mr. B. B. Hattarki	0	4	4	3	5	5	1
4	Mr. S. S. Vaidya	0	4	3	3	5	5	1
5	Ms. A. A. Sathe	0	1	0	1	5	5	1

Note:

@ Promoters within the meaning of Securities Exchange Board of India (SEBI) (Substantial Acquisition of Shares & Takeover) Regulations, 2011.

Other Directorships exclude directorships in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

*** For this purpose only Audit and Stakeholders' Relationship Committees of the Public Limited Companies have been considered.

d. Criteria for performance evaluation

The Nomination and Remuneration Committee lays down the criteria for performance evaluation of all Directors. The annual evaluation of Directors is made on the following criteria:

i. Attendance for the meetings and participation during the meetings;

ii. Interaction with the Company's management team;

iii. Area of expertise; and

iv. Knowledge and proficiency in various subjects.

e. Meeting of Independent Directors

The meeting of Independent Directors was held on Monday, 12th February, 2018 to

(a) review the performance of non-independent Directors and the Board of Directors as a whole;

(b) review the performance of the Chairperson of the listed entity;

(c) access the quality, quantity and timeliness of flow of information between the management of the listed entity and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

f. Familiarization program for Independent Directors

The Independent Directors are given the MIS presentation on the operation of the Company. The quarterly and annual accounts are discussed and explained in details.

Information is given on regular basis concerning the areas of operation of the Company.

For details refer to our website at www.bfutilities.com

g. Code of Conduct

The Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel. The Code of Conduct is available on the Company's website viz., www.bfutilities.com. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration to this effect signed by the CEO forms part to this Report.

h. Information supplied to the Board

1. Annual operating plans and budgets, capital budgets, updates.
2. Quarterly results of the company.
3. Minutes of meetings of committees.
4. Compliance of any regulatory, statutory nature or listing requirements and shareholder services

The Board is presented with detailed notes along with the agenda papers.

e. Directors with materially pecuniary or business relationship with the Company

There has been no materially relevant pecuniary transaction or relationship between the Company and its non-executive and / or independent Directors for the period under report.

3. Audit Committee

a. Composition

As at 31st March, 2018, the Audit Committee comprised of three Non-Executive Directors, majority of whom are Independent. The Company Secretary acts as the Secretary to the Committee. The representatives of Statutory Auditors are also invited to the meetings.

During the Financial Year under review, five Meetings of the Committee were held on 25th May, 2017, 2nd September, 2017, 14th September, 2017, 11th December, 2017 and 12th February, 2018.

The composition of the Committee and attendance at its meetings is given below:

	Name of the Director	Category	Meetings attended
1.	Mr. S. S. Vaidya (Chairman)	Independent Director	5
2.	Mr. A. B. Kalyani	Non-Executive Director	2
3.	Mr. B. B. Hattarki	Independent Director	5

b. **Terms of Reference**

The terms of reference of the Audit Committee include the matters specified under Regulations, 2015. Some of these are listed as under :

i. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

ii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

iii. Examination of the financial statements and the auditors' report thereon;

iv. Approval or any subsequent modification of transactions of the company with related parties;

v. Scrutiny of inter-corporate loans and investments;

vi. Valuation of undertakings or assets of the company, wherever it is necessary;

vii. Evaluation of internal financial controls and risk management systems;

viii. Monitoring the end use of funds raised through public offers and related matters

ix. Reviewing of the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;

x. Reviewing with management the annual financial statements before submission to the Board;

xi. Reviewing with the management, external auditors and internal auditor, the adequacy of internal control systems;

xii. Discussing with internal auditor any significant finding and follow up on such issues;

xiii. Discussing with the external auditors before the audit commences on the nature and scope of audit, as well as having post audit discussion to ascertain any areas of concern;

xiv. Reviewing any changes in accounting policies or practices as compared to last completed financial year and commenting on any deviation from accounting standards;

xv. Reviewing details of related party transactions exceeding 1% of last year's turnover;

xvi. Reviewing the Company's financial and risk management policies;

c. **Powers of Audit Committee**

a. To investigate any activity within its terms of reference;

b. To seek information from any employee;

c. To obtain outside legal or other professional advice;

d. To secure attendance of outsiders with relevant expertise, if it considers necessary.

4. Nomination and Remuneration Committee

a. **Composition**

The Nomination and Remuneration Committee comprises of three Non-Executive Directors, majority of whom are Independent. The composition is in conformity with the Companies Act, 2013 and Regulations, 2015.

During the Financial Year under review, Two Meetings of the Committee were held on 2nd September, 2017 and 14th September, 2017

The composition of the Committee and attendance at its meetings is given below:

Sr. No.	Name of the Member	Category	Number of meetings attended
1.	Mr. B. B. Hattarki -Chairman	Independent Director	2
2.	Mr. S. S. Vaidya	Independent Director	2
3.	Mr. A. B. Kalyani	Non-Executive Director	NIL

b. **Terms of Reference**

The terms of reference of the Nomination and Remuneration Committee include the matters specified under Regulations, 2015 as well as those in Section 178 of the Companies Act, 2013 and *inter-alia* include the following:

i. Formulate the criteria for determining qualifications, positive attributes and independence of the Director.

ii. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management position in accordance with the criteria laid down in this Policy.

iii. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

c. **Remuneration to Directors**

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a Policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration.

Details of the remuneration paid to the Directors during Financial Year 2017-18:

Information on remuneration of Directors for the year 1st April, 2017 to 31st March, 2018.

Name of the Director	Relationship with other Directors	Sitting Fees	Salary and Perquisites	Commission	Total
Mr. B. N. Kalyani	Father of Mr. A. B. Kalyani	15000	N.A.	N.A.	15000
Mr. A. B. Kalyani	Son of Mr. B. N. Kalyani	10000	N.A.	N.A.	10000
Mr. B. B. Hattarki	None	25000	N.A.	N.A.	25000
Mr. S. S. Vaidya	None	25000	N.A.	N.A.	25000
Ms. A. A. Sathe	None	25000	N.A.	N.A.	25000

d. **BOARD DIVERSITY AND REMUNERATION POLICY**

The Board Diversity and Remuneration Policy is available on the Company's website www.bfutilities.com. The Policy provides for criteria for determining qualifications, positive attributes & independence of director as well as remuneration policy for directors, key managerial personnel and other employees.

In terms of the said Policy, a director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices. An Independent director should also meet the requirements of the Companies Act, 2013 and Regulations, 2015 concerning independence of directors.

Remuneration to Non-Executive Directors

The Non-Executive Directors are entitled to remuneration in the form of commission, upto an aggregate amount of a percentage of the net profits of the Company for the year, as prescribed by the Companies Act, 2013 as may be decided by the Board of Directors from time to time.

The Non-Executive Directors are paid sitting fees for attending the Board Meeting.

Remuneration to Key Managerial Personnel and other Employees

Remuneration to Key Managerial Personnel 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. The Remuneration will be such, so as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

5. **Stake Holders' Relationship Committee**

The Stake Holders' Relationship Committee has been constituted to look into investors' complaints like transfer of shares, non-receipt of Balance Sheet, etc. and redressal thereof. The Committee is headed by Mr. B.B. Hattarki, Independent Director, with Mr. B. N. Kalyani, Non-Executive Director and Mr. S. S. Vaidya, Independent Director being the other Member of the Committee.

During the Financial Year under review, Twenty Nine Stake Holders' Relationship Committee Meetings were held. The present Committee members attended the said Meeting.

Mr. B. S. Mitkari, Company Secretary is the Compliance Officer. The Compliance Officer can be contacted at:

BF Utilities Limited
Cyber City, Tower 15, Level 6, Office 602,
Magarpatta City, Hadapsar,
Pune 411 013
Tel.: (020) 66292550
E-mail: bfutilitiesltd@vsnl.net

The Company has designated exclusive e-mail id for the investors as bfutilitiesltd@vsnl.net to register their grievances, if any. This has been initiated by the Company to resolve such Investors' Grievances immediately. The Company has displayed the said e-mail id on its website for the use of investors.

Number and nature of complaints received and redressed during the year 2017-18.

Sr. No.	Nature of Complaints	Opening Balance	Received	Resolved	Closing Balance
1	SEBI	0	0	0	0
2	BSE/NSE	0	2	2	0
3	NSDL/CDSL	0	0	0	0
4	Non-receipt of annual report	0	0	0	0
5	Non-receipt of shares lodged for transfer/transmission	0	0	0	0

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Considering the requirement of the Companies Act, 2013, the Board constituted 'Corporate Social Responsibility (CSR) Committee'. The Committee comprises of Mr. B. B. Hattarki, Chairman, Mr. B. N. Kalyani and Mr. A. B. Kalyani, Non-Executive Directors.

During the Financial Year under review, One Meeting of the Committee was held on 11th December, 2017

Role of CSR Committee :

Formulation and recommendation to the Board, Corporate Social Responsibility Policy, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.

Recommend the amount of expenditure to be incurred on the activities referred above.

Monitor Corporate Social Responsibility Policy of the Company from time to time.

The Committee's core responsibility is to assist the Board in discharging its social responsibility by formulating and monitoring implementation of the framework of the CSR Policy. CSR Policy for the Company and the same is available on the Company's website www.bfutilities.com

Particulars relating to the attendance at the CSR Committee meetings held during the year are given below :

Name of the Director	Category	No. of meetings held	No. of meetings attended
Mr. B. B. Hattarki	Independent	1	1
Mr. B. N. Kalyani	Non-Executive	0	0
Mr. A. B. Kalyani	Non-Executive	1	1

Although the Company has not spent any funds on CSR activities during the year, the Committee is examining the areas in the field of education for CSR spend.

RISK MANAGEMENT COMMITTEE

The Company recognises that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and efficient manner. The Company has formulated Risk Management Policy to identify and then manage threats / risks that could have impact on the goals and objectives of the Company.

Considering the requirement of the Companies Act, 2013, Risk Management Committee was formed to identify, monitor and minimise risks as also to identify business opportunities. Within the framework of the Risk Management Policy, the Committee reviews risks trends, exposure, potential impact analysis and mitigation plan. The Committee comprises of Mr. B. B. Hattarki, Independent Director - Chairman, Mr. S. S. Vaidya Independent Director and Mr. Amit B. Kalyani, Non-Executive Directors of the Company. No meeting of the Committee was held during the year.

Considering the nature of activities of the Company, the Company does not face any commodity risk and does not undertake commodity hedging.

6. General Body Meeting

Previous General Meetings of the shareholders of the Company were held as under:

Financial Year	Date	Type of Meeting	Venue	Time
2014-15	2nd March, 2016	Annual General Meeting	Kalyani Steels Ltd., Pune 411036	11.30 A.M.
2015-16	30th September, 2016	Annual General Meeting	Kalyani Steels Ltd., Pune 411036	11.00 A.M.
2016-17	6th November, 2017	Annual General Meeting	Kalyani Steels Ltd., Pune 411036	11.00 A.M.

In the AGM held on 2nd March, 2016, special Resolution was passed for related party transactions upto Rs.50 Crores per annuam.

No Resolutions passed at the above General Meeting were required to be passed through postal ballot.

During the year, Company has not conducted any Postal Ballot process. At present, no resolution is proposed to be passed by postal ballot at the ensuing Annual General Meeting.

7. DISCLOSURES

i. Mandatory Requirements

The Company has complied with the mandatory requirements of Regulations, 2015.

a. Related Party Transactions

During the Financial Year under review, there was no materially significant related party transaction made by the Company, as defined in Regulations, 2015, that may have potential conflict with the interest of the Company at large. Transactions with the related parties are disclosed in Note no. 26 to the Financial Statements in the Annual Report.

b. Details of capital market non-compliance, if any

There have been no instances of non-compliances by the Company on any matters related to capital markets, during the last three years. Neither penalties have been imposed nor any strictures imposed on the Company by the Stock Exchanges, the Securities Exchange Board of India (SEBI) or any other statutory authority, on any matter related to capital markets, save as disclosed else where in the Annual Report.

c. Whistle Blower Policy

The Company has formulated and implemented the Whistle Blower Policy / Vigil Mechanism. This has provided a mechanism for Directors and Employees of the Company and other persons dealing with the Company to report to the Chairman of the Audit Committee; any instance of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The aforesaid policy has also been uploaded on the Company's website at www.bfutilities.com.

d. Policy for determining 'material' subsidiaries

As required under Regulations, 2015, the Company has formulated a policy for determining 'material' subsidiaries, which has been put up on the website of the Company at www.bfutilities.com.

e. Related Party Transactions Policy

As required under Regulations, 2015, the Company has formulated a Related Party Transactions Policy which has been put up on the website of the Company at www.bfutilities.com.

f. Disclosure by Management to the Board

All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors do not participate in the discussions nor do they vote on such matters.

ii. Non-Mandatory Requirements

The extent of adoption of non-mandatory requirements is as follows:

a. Shareholders' Rights

Since the Company publishes its quarterly results (in newspapers (English and Marathi) having wide circulation, and since the results are also displayed) on the website of the Company and the Stock Exchanges, the Company does not send any communication of half yearly performance to the shareholders. Further the Company publishes the extracts of results in Newspapers having wide circulations.

b. **Statutory Auditors' qualifications**

There are no qualifications on the Standalone Financial Statements of the Company for the year ended 31st March 2018, made by the Statutory Auditors in their Audit Report.

iii. **Other Requirements**

Disclosure in respect of unclaimed shares

The Company sends communications to shareholders to update their communication address with the Company so as to dispatch the unclaimed share certificates.

As on 31st March, 2018, the total unclaimed equity shares are 71,261 the share certificates of which have been returned undelivered.

8. PARTICULARS OF APPOINTMENT / RE-APPOINTMENT OF DIRECTORS

1. Reappointment of Mr. B. N. Kalyani

The brief resumes and other details relating to the Directors who are proposed to be appointed / re-appointed, as required to be disclosed under Regulations, 2015, are as under :

In terms of Section 152 of the Companies Act, 2013, Mr. B. N. Kalyani (DIN : 00089380) Director retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Mr. B. N. Kalyani is Chairman and Managing Director of Bharat Forge Limited. Born on 7th January, 1949, Mr. Kalyani is a Mechanical Engineer from the Birla Institute of Technology, Pilani. He also has a M.S. from the Massachusetts Institute of Technology, U.S.A

Mr. B. N. Kalyani is Promoter, Chairman holds 7204 equity shares of Rs.5 each of the Company as on 31st March, 2018. He is father of Mr. A. B. Kalyani, Director the Company

Mr. B. N. Kalyani is a member of Stakeholders Relationship Committee, and Corporate Social Responsibility Committee.

Directorships / Committee memberships / Chairmanships of Mr. B. N. Kalyani in other companies are as under:

Name of the Company	Board position held	Name of the Committees	Chairman/ Member
Bharat Forge Ltd.	Chairman & Managing Director	Stakeholders Relationship Committee Corporate Social Responsibility Committee	Member Member
Kalyani Steels Ltd.	Director	Audit Committee	Member
Automotive Axles Ltd.	Chairman	Stakeholders Relationship Committee Nomination & Remuneration Committee	Chairman Chairman
Hikal Ltd.	Director	-	-
Kalyani Maxion Wheels Pvt. Ltd	Director	-	-
Meritor HVS (India) Ltd.	Director	-	-
BF Elbit Advanced Systems Pvt. Ltd.	Director	-	-
Khed Economic Infrastructure Pvt. Ltd.	Chairman	-	-

2. Re-appointment of Mr. B. B. Hattarki

Mr. Hattarki born on 10th October, 1941, is a Metallurgy and Mechanical Engineer, having more than 50 years rich experience in the industry.

Other Directorship

Name of the Company	Board position held	Name of the Committees	Chairman/ Member
Kalyani Steels Limited	Independent Director	Audit Committee Shareholders & Investors Grievance Committee	Member Member
Automotive Axles Limited	Independent Director	Audit Committee	Chairman
Hospet Steels Limited	Director	-	-
Kalyani Mukand Limited	Director	-	-
Kalyani International Limited	Director	-	-
BF Investment Limited	Independent Director	Audit Committee Stakeholders Relationship Committee	Chairman Member
Kalyani Investment Company Limited	Director	Audit Committee Shareholders & Investors Grievance Committee	Chairman Chairman

Mr. B. B. Hattarki is not related to any other director of the Company. He does not hold any Equity Shares of the Company as on March 31, 2018.

3. **Appointment of Mr. Shrikrishna K. Adivarekar as an Independent Director**

PROFILE

Mr. Shrikrishna K. Adivarekar is a qualified Chartered Accountant (Fellow member of the ICAI) in practice of the last 15 years. He graduated in commerce with 6^{th} rank in Pune University in 2002 and qualified as a Chartered Accountant in 2003. He has been working with M/s.Kunte & Vaidya, Chartered Accountants, since 2000, in various capacities and has been involved as a partner since 2005. He is one of the founder partners of M/s. KVBA & Associates, LLP.

In his professional career, Mr. Adivarekar has dealt with and handled various corporate and legal matters under Direct Tax Laws, Company Law, FEMA etc. for various corporate / industrial groups. He has also handled various assignments in International Taxation and Transfer Pricing as well as Corporate Tax.

Other Directorship

Name of the Company	Board position held	Name of the Committees	Chairman/ Member
Kalyani Steels Limited	Independent Director	Audit Committee	Chairman
Kalyani Investment Company Limited	Independent Director	Audit Committee Corporate Social Responsibility Committee	Member Member

Mr. S. K. Adivarekar is not related to any other director of the Company. He does not hold any Equity Shares of the Company as on March 31, 2018.

9. MEANS OF COMMUNICATION

a. Quarterly results

The Extracts of Quarterly and Year to date results are published in national and local newspapers, namely The Financial Express (English) and Loksatta (Marathi), having wide circulation.

The Company's Results and official news releases are displayed on the Company's website namely www.bfutilities.com. Since the Results of the Company are displayed on Company's Website and Stock Exchanges, half yearly reports are not sent individually to the shareholders.

b. The NSE Electronic Application Processing System (NEAPS) of the National Stock Exchange of India Ltd. (NSE) and BSE Corporate Compliance and Listing Centre (the 'Listing Centre') of the BSE Ltd. (BSE)

The NEAPS and the Listing Centre of BSE are web based application designed by NSE and BSE respectively for corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Quarterly Results, etc. are filed electronically on NEAPS and the Listing Centre of BSE.

c. MANAGEMENT DISCUSSION AND ANALYSIS

The para on Management Discussion and Analysis in the Directors' Report forms part of this Report on Corporate Governance.

10. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting

Corporate Identification Number (CIN)	L40108PN2000PLC015323
Annual General Meeting	Date : Tuesday, 25th September, 2018 Time : 11.00 a.m. Venue : Kalyani Steels Ltd., Mundhwa, Pune - 411 036, Maharashtra, India
Book Closure	Tuesday, 25th September, 2018 as annual closure for the AGM.
Last date of receipt of proxy forms	Sunday, 23rd September, 2018 upto 11.00 a.m.
Financial Year 2017-18	During the year the financial results were announced as under: First Quarter : 14th September, 2017 Second Quarter : 11th December, 2017 Third Quarter : 12th February, 2018 Annual : Standalone : 3rd May, 2018 Consolidated : 30th May, 2018
International Security Identification Number (ISIN)	INE243D01012
BSE Limited (BSE)	532430
National Stock Exchange of India Limited, (NSE)	BFUTILITIE
Designated E-mail address for investor services	bfutilitiesltd@vsnl.net
Administrative Office	Cyber City, Tower 15, Level 6, Office 602, Magarpatta City, Hadapsar Pune 411 013

b. Listing Fees

The annual listing fees for the year under review have been paid to the Stock Exchanges, where your Company's shares are listed.

Save and except as disclosed elsewhere in the Annual Report, your Company has complied with all requirements of the Stock Exchange(s) and the SEBI on matters related to Capital Markets and there were no penalties imposed or strictures passed against your Company by the statutory authorities in this regard.

c. Shareholding Pattern as on 31st March, 2018.

Category	No. of Shares	% of Shareholding
1. Promoter and Promoter Group	21,085,215	55.98
2. Mutual Funds / UTI	1,709	0.00
3. Financial Institutions / Banks	115,124	0.31
4. Bodies Corporate	4,948,269	13.14
5. Foreign Portfolio Investors	352,999	0.94
6. Clearing Members	513,939	1.36
7. Non Resident Indians	210,922	0.56
8. General Public	10,439,451	27.71
Total	**37,667,628**	**100.00**

d. **Distribution of Shareholding as on 31st March, 2018.**

Pattern of shareholding by share class as on 31st March, 2018			
Shareholding class	**No. of shareholders**	**No. of shares Held**	**Shareholding %**
Up to 5,000	45891	7709414	20.47
5,001 to 10,000	137	966111	2.56
10,001 to 20,000	70	1001281	2.66
20,001 to 30,000	23	590758	1.57
30,001 to 40,000	16	570864	1.52
40,001 to 50,000	8	385760	1.02
50,001 to 100,000	21	1446265	3.84
100,001 and above	26	24997175	66.36
TOTAL	**46192**	**37,667,628**	**100.00**

Dematerialisation of shares and liquidity (as on 31st March, 2018)	**35,385,714** (representing 93.94% of the total issued share capital)
Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity	The Company has not issued GDRs / ADRs / Warrants or any Convertible instruments.

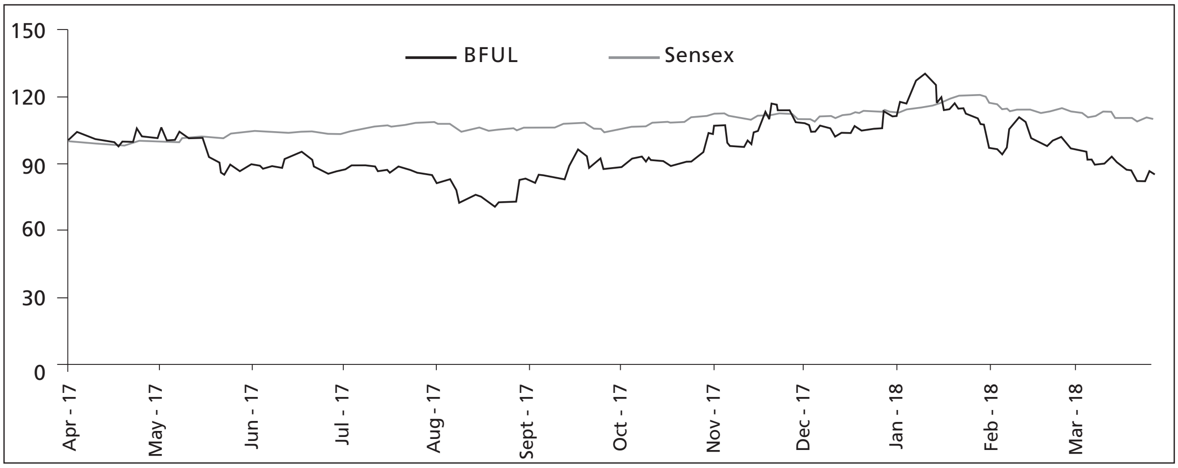
e. **Market Price Data**

Monthly high / low during April 1, 2017 to March 31, 2018 on the BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) are as under:

Stock Exchange	**BSE**			**NSE**		
Month	**High Rs.**	**Low Rs.**	**Traded Volume**	**High Rs.**	**Low Rs.**	**Traded Volume**
Apr-17	483.90	435.85	4007086	483.95	436.25	14875668
May-17	480.00	374.60	3163998	481.00	361.20	11366259
Jun-17	437.00	377.05	2460854	436.80	373.00	9627172
Jul-17	409.85	379.55	1648078	410.70	379.50	6700463
Aug-17	388.00	313.20	2029384	388.00	312.00	7566175
Sep-17	448.90	356.00	5720705	449.70	356.30	24439215
Oct-17	466.80	394.45	3081859	467.30	394.60	13867776
Nov-17	546.85	428.10	7530434	546.95	427.50	32625111
Dec-17	517.00	446.00	3627732	516.90	445.10	15480825
Jan-18	599.00	475.70	5840502	600.00	475.10	25081601
Feb-18	512.00	400.00	2816655	512.00	398.00	11384042
Mar-18	448.75	359.10	2415650	448.35	357.05	8268628

f. **Performance in comparison to broad-based indices - BSE Sensex**

Quotes on BSE Sensex Index



Note : Share price of BF Utilities Limited and BSE Sensex have been indexed to 100 as on first working day of financial year 2017-18 i.e. 1st April, 2017.

g. **Share Transfer System**

I. The applications for transfer of shares lodged at the Company's Registrar and Share Transfer Agents in physical form are processed within 15 days of receipt of valid and complete documents in all respects. After such processing, the Registrar and Share Transfer Agent will issue share certificate to the concerned shareholder within 15 days of receipt of certificate for transfer. Shares under objection are returned within a stipulated period of time. The transfer applications are approved periodically by the senior management of the Company.

II. A certificate on half yearly basis is issued by the Practicing Company Secretary for compliance with share transfer formalities by the Company.

III. **Registrar and Share Transfer Agent (R&T Agent)**

The entire work of the Company, relating to processing of transfer of shares has been given to an outside agency i.e., Link Intime India Private Limited being a SEBI Registered R & T Agent. The contact details are as follows -

Link Intime India Private Limited
Registrar & Transfer Agent
Block No.202, 2nd Floor, Akshay Complex,
Off Dhole Patil Road,
Pune 411 001.
Phone No.: 020-26161629 Fax No.020-26163503
Email : pune@linkintime.co.in

h. **SEBI Complaints redress System (SCORES)**

The investor complaints are processed in a centralized web-based complaints redressed system. The sailent features of this system include centralized database of all complaints, online upload of Action Taken Report (ATRs) by the concerned companies and online viewing by investors of action taken on the complaints and its current status.

i. **Site location**

The Company's Wind Farm is located at Village Padekarwadi, Ghatewadi, Pavangaon, Maloshi and Kadve Khurd, Taluka Patan, Dist- Satara, in the State of Maharashtra, India.

11. **Shareholder References**

(a) **Permanent Account Number (PAN)**

Shareholders holding shares in the physical form are informed that as per SEBI's Guidelines, it is mandatory to furnish copy of PAN Card in the following cases:

i. Transferees' PAN Cards for transfer of shares,

ii. Surviving joint holders' PAN Cards for deletion of name of deceased shareholder,

iii. Legal heirs' PAN Cards for transmission of shares,

iv. Joint holders' PAN Cards for transposition of shares.

(b) Email Address

In order to enable us to further extend our support towards paperless compliance as a part of Green Initiative in the Corporate Governance, which was introduced by the Ministry of Corporate Affairs (MCA) in the year 2011, the shareholders who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses.

In respect of shares held in physical form, shareholders are requested to register their e-mail addresses with the Company / R & T Agent (with Depository Participants in case of shares held in dematerialized form).

(c) Dematerialization of shares

Shareholders are requested to dematerialize their physical share holdings through any of the nearest Depository Participants (DPs) in order to avoid hassles involved with physical shares such as possibility of loss / mutilation of share certificate(s), and to ensure safe and speedy transaction in securities.

(d) Register Your National Electronic Clearing Services (NECS) Mandate

The Reserve Bank of India (RBI) has initiated NECS for credit of Dividend directly to the Bank Account of shareholders. Shareholders holding shares in electronic mode are requested to register their latest Bank Account details with their Depository Participant and in physical form with the Company's R & T Agent viz. Link Intime India Private Limited.

(e) Address for correspondence

Shareholders' correspondence should be addressed to Link Intime India Private Limited, Registrar and Share Transfer Agent, at the address mentioned above. Shareholders can also email their queries / grievances to the following email address: bfutilitiesltd@vsnl.net.

(f) Director, CEO / CFO Certification

The Director Certificate of Mr. B. B. Hattarki, CEO Certificate signed by Mr. B. S. Mitkari and CFO Certificate signed by Mr. S. S. Joshi, was placed before the meeting of the Board of Directors held on 3rd May, 2018.

(g) KYC details

Members holding their shares in certificate form are requested to furnish their KYC documents, duly self certified, with R & T Agent i.e. Link Intime India Pvt. LTd. This is mandated by Securities and Exchange Board of India (SEBI), vide circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018.

Documents to be submitted -

i) Copy of the PAN card

ii) original cancelled cheque leaf /attested bank passbook showing name of account holder

CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

For BF Utilities Limited

	B. B. Hattarki	A. B. Kalyani
Place: Pune	Director	Director
Date: 20th July, 2018	DIN: 00145710	DIN: 00089430

DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

To the members of BF Utilities Limited

Pursuant to Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that all the Board Members and Senior Management Personnel are aware of the provisions of the Code of Conduct laid down by the Board as made effective from 26th March, 2016.

All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

For BF Utilities Limited

Place: Pune	B. S. Mitkari	S. S. Joshi
Date: 20th July, 2018	Chief Executive Officer	Chief Financial Officer

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AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

INDEPENDENT AUDITOR'S COMPLIANCE CERTIFICATE

To the Members of ***BF Utilities Limited***

We have examined the compliance of conditions of Corporate Governance by BF Utilities Limited ("the company") for the year ended on 31 March 2018, as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management.

Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

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 the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable, ***except in case of placement of minutes of subsidiary companies before board meeting of the Company as required under Regulation 24 of the Listing Regulations and in case of filing of the Compliance Certificate for the half year ended on 30th September, 2017 as required under Regulation 7 (3)of the Listing Regulations.***

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR JOSHI APTE & CO.
ICAI Firm Registration No.: 104370W

C. K. Joshi
Partner
Membership No.: 030428

Place : Pune
Date: 30th May 2018

TO THE BOARD OF DIRECTORS OF BF UTILITIES LIMITED
CERTIFICATION BY CHIEF EXECUTIVE OFFICER/DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY

(under Regulation 17 read with Part B of Schedule II of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

a) we have reviewed the standalone financial statements and the cash flow statements of BF Utilities Ltd. for the year 2017-18 and that to the best of our knowledge and belief:

   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by BF Utilities Ltd. during the year 2017-18 which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting of BF Utilities Ltd. and that we have evaluated the effectiveness of the internal control systems of BF Utilities Ltd. pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee, with respect to BF Utilities Ltd.,:

   i) significant changes in internal control over financial reporting during the year;

   ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement; and

   iii) instances of significant fraud of which we are 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.

	B. B. HATTARKI	**B. S. MITKARI**	**S. S. JOSHI**
Pune	Director	Chief Executive Officer &	Chief Financial Officer
20th JUly, 2018	DIN: 00145710	Company Secretary	

FOR THE YEAR ENDED 31ST MARCH, 2018

To,

The Members,

Your Directors have pleasure in presenting their Eighteenth Annual Report on the business and operations of the Company together with Audited Statement of Accounts for the year ended 31st March, 2018.

1. FINANCIAL PERFORMANCE :

(Rs. in Million)

Particulars	Standalone	
	Financial Year 2017-18	Financial Year 2016-17
Total Income	**329.44**	253.74
Total Expenditure	**187.00**	171.21
Profit for the year before taxation	**142.44**	82.53
Provision for tax (including Deferred Tax)	**(12.67)**	9.25
Profit for the year before taxation	**155.11**	73.28
Adjustments / Excess / (short) for taxation and tax payments	**3.11**	(0.26)
Profit attributable to Equity holder	**158.22**	73.02
Items of other comprehensive income (net of Tax)	**1.19**	1.00
Total	**159.41**	74.02
Balance of profit / (Loss) from previous year	661.35	587.33
Balance available for appropriation	820.76	661.35
Appropriations	-	-
Surplus retained in statement of profit and loss	820.76	661.35

2. SHARE CAPITAL

The paid-up Equity Share Capital as on 31st March, 2018 stood at Rs.188.34 Million. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on 31st March, 2018, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

3. DIVIDEND

Your Directors do not recommend any dividend on the equity shares for the year ended 31st March, 2018.

4. MANAGEMENT DISCUSSION AND ANALYSIS

International Scenario :

The overall capacity of all wind turbines installed worldwide by the end of 2017 reached 539,291 Megawatt, according to preliminary statistics published by WWEA. 52,552 Megawatt were added in the year 2017, slightly more than in 2016 when 51,402 Megawatt went online. This is the third largest number ever installed within one year, after the record years 2015 and 2014. However, the annual growth rate of only 10.80% is the lowest growth ever since the industrial deployment of wind turbines started end of the 20th century.

All wind turbines installed by end of 2017 can cover more than 5% of the global electricity demand. For many countries, wind power has become a pillar in their strategies to phase out fossil and nuclear energy. In 2017, Denmark set a new world record with 43% of its power coming from wind. An increasing number of countries have reached a double-digit wind power share, including Germany, Ireland, Portugal, Spain, Sweden or Uruguay.

Domestic Scenario :

The government, in its latest budget announcement reduced the AD from 80% to 40%. Furthermore, the GBI could come to an end at the end of the financial year. These two factors contributed to a rush of installations at the end of the fiscal year. However, the first auctions for wind power were held in early 2018 successfully. We expect installations during 2018 to reach approximately 5,000 MW. A further 4-5 GW tender is expected during 2018, a positive step towards reaching the 2022 target of 60 GW.

Company's Performance :

The Company has taken necessary steps to partially restore wind farm operations.

During the year, sale of RECs generated by the projects has helped your company earn additional revenue.

5. COMPANY PERFORMANCE

During the Financial Year under review, your Company earned total income of Rs.32.94 Crores (previous years Rs.25.37 Crores). The net Profit after tax is Rs.15.51 Crores (previous year's profit of Rs.7.33 Crores).

6. OPERATIONS OF THE COMPANY

The operations at Wind Farm site were affected due to disputes with service provider. The management has operationalised part of the wind farm with the help of other service provider. Despite such problems, the Company was able to generate 12.46 Million (Net) Units of power.

7. HUMAN RESOURCES

As on 31st March, 2018, the Company has 9 employees. The relations with Company's employees are cordial.

8. CONCERNS AND THREATS

- The Company operates in a highly regulated environment. Any change in Government Policies will adversely affect the operations of the Company.
- The Company depends on the service provider for operations and maintenance of Wind Turbines. Certain litigations against the service providers are pending before the judicial / quasi judicial authorities. Unfavourable outcome of these litigations or disputes with service provider will adversely affect our operations.

9. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems to ensure operational efficiency and accuracy in financial reporting and compliance of various laws and regulations.

The internal control system is supported by the internal audit process. The internal audit is conducted by a Chartered Accountant in practice. The Audit Committee of the Board reviews the Internal Audit process and the adequacy and effectiveness of internal audit and controls periodically.

10. CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

11. SUBSIDIARY COMPANIES

The Company has four subsidiary companies as on 31st March, 2018.

The details are given in **Annexure 'I'**

12. PARTICULARS OF INFORMATION FORMING PART OF THE BOARD'S REPORT PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2013, RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The details are given in **Annexure 'II'**

13 EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Return in Form MGT - 9 is annexed herewith as **Annexure 'III'** to this Report.

14. NUMBER OF MEETINGS OF THE BOARD

During the year under review, five Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations 2015 hereinafter called "Regulations, 2015".

15. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, in respect of Directors' Responsibility Statement, your Directors' state that:

a) in the preparation of the Annual Financial Statements for the year ended 31st March 2018, the applicable accounting standards have been followed along with the proper explanation relating to material departures;

b) accounting policies as mentioned in Note - 1 to the Financial Statements have been selected and applied consistently. Further 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 as at 31st March, 2018 and of the profit of the Company for the year ended on that date;

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

d) the Annual Financial Statements have been prepared on a going concern basis;

e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and

f) proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

16. A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and 'Regulations 2015'.

17. COMPANY'S POLICY ON DIRECTORS' AND KMP'S APPOINTMENT AND REMUNERATION

Director's appointment and remuneration is done as per the policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel and their remuneration. The policy is appended as **Annexure 'IV'** to this Report.

18. ACCOUNTS AND AUDIT

a. Statutory Auditors

M/s. Joshi Apte & Co., Chartered Accountant, Pune (Firm Registration No.104370W), are the auditors of the Company and will continue the audit for Financial year 2018-19.

b. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014, the Company has appointed M/s. SVD & Associates, Company Secretaries, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as **Annexure 'V'** to this Report.

c. **CONSOLIDATED ACCOUNTS**

The Consolidated Accounts of the Company, with its subsidiaries for the year ended 31st March, 2018 are enclosed.

19. EXPLANATION ON COMMENTS ON STATUTORY AUDITORS' AND SECRETARIAL AUDITORS' REPORTS

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Joshi Apte & Co., Statutory Auditors, in their Audit Report on standalone accounts. M/s. SVD & Associates, Practicing Company Secretary, in their Secretarial Audit Report have made certain qualifications. The auditor's qualifications and Boards explanation thereto are summarized as under:

	Auditors Qualifications	Boards' explanation
A)	Secretarial Audit -	
1.	*The Audited Consolidated Financial Statements and Financial Results for the year ended on 31st March, 2017 were submitted to the Stock Exchanges beyond the time period prescribed under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*	Nandi Highway Developers Ltd. (NHDL), Nandi Infrastructure Corridor Enterprises Ltd. (NICE) and Nandi Economic Corridor Enterprises Ltd. (NECE), which are the subsidiaries of the Company, were in the process of finalising their accounts for the financial year ended 31st March, 2017 and hence, they had not submitted the said audited financials to the Company, within the stipulated time. However subsequently the Company has prepared consolidated financials, after the audited accounts of all the above mentioned subsidiaries were made available to the Company and filed with the Stock Exchanges.
2.	*Minutes of subsidiary companies were not placed before the Board Meeting of the Company as required under Regulation 24(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*	Will be placed before the Board in future.
3.	*The Compliance certificate for the half year ended on 30th September, 2017 as required under Regulation 7(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was filed beyond stipulated time.*	The delay was 1 day and was accidental in nature.
4.	*The Company has not expended any amount for Corporate Social Responsibility activities required under Section 135 of the Act for the year 2017-18.*	The Corporate Social Responsibility (CSR) Committee is examining various areas, especially on education for CSR spend. The amount will be spent as per CSR Committees recommendations.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

During the year, the Company has not made any investments, other than the Current Investments. The closing balances of investments which would be covered under Section 186 of the Companies Act, 2013, are disclosed in the Schedule of Non-Current Investments in the Financial Statements. The company has not granted any loans and issued corporate guarantees during the year.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013

Pursuant to the provisions of Section 134 of the Companies Act, 2013, read with Rule 8 (2) of the Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements entered into by the Company with Related Parties have been done at arm's length and are in the ordinary course of business. Particulars are being provided in Form AOC-2 in **Annexure 'VI'** Related Party Disclosures as per AS -18 have been provided in to Note No.26 to the Financial Statements.

22. STATE OF COMPANY'S AFFAIRS

Discussion on state of Company's affairs has been covered in the Management Discussion and Analysis.

23. AMOUNTS PROPOSED TO BE CARRIED TO RESERVES

Particulars of the amounts proposed to be carried to reserves have been covered as part of the financial performance of the Company.

24. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF REPORT

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report, except as disclosed elsewhere in this report.

25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation of Energy and Technology Absorption

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are annexed herewith as **Annexure 'VII'** to this report.

26. RISK MANAGEMENT POLICY

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

27. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. The details of the CSR Policy and initiatives taken by the Company towards CSR during the year are annexed as **Annexure 'VIII'** to this Report.

28. BOARD EVALUATION

Pursuant to provisions of the Companies Act, 2013, Rules thereunder and 'Regulations 2015', the Board has carried out evaluation of its own performance and that of its Committees and individual Directors.

29. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The details are given in **Annexure 'I'**

30. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business during the Financial Year under review.

31. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

Directors appointed during the year

Name of Director	Designation	Term of appointment
Mr. A. B. Kalyani	Director	Re-appointed with effect from 6th November, 2017, subject to retirement by rotation

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under sub section (6) of Section 149 of the Companies Act, 2013 and 'Regulations 2015'.

32. Employees designated as Key Managerial Personnel (KMP) during the year

NIL

33. Directors and KMP's resigned during the year

None of the Directors and KMPs resigned during the year ended 31st March, 2018.

34. Directors proposed to be appointed and re-appointed at the ensuing Annual General Meeting

1) Mr. B. N. Kalyani (DIN : 00089380) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

2) Mr. S. K. Adivarekar (DIN : 06928271) was appointed as Independent Director by the Board on 30th May, 2018, subject to the approval of members in the ensuing Annual General Meeting. A resolution to consider and approve his appointment is included in the Notice of 18th Annual General Meeting.

3) Mr. B. B. Hattarki (DIN : 00145710) has completed the age of 75 years. As per Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 members approval is sought for his reappointment by way special resolution in the 18th Annual General Meeting.

The brief resumes and other details relating to Directors who are proposed to be re-appointed, as required to be disclosed under 'Regulations 2015', form part of the Notes and Statement setting out material facts annexed to the Notice of the Annual General Meeting.

35. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

N.A.

36. DETAILS OF DEPOSITS WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER V OF THE COMPANIES ACT, 2013

None.

37. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Company has neither received nor is aware of any such order from Regulators, Courts or Tribunals during the year.

38. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has suitable internal control system comprising of proper checks and balances, policies and procedures. This includes code of conduct, whistle blower policy, MIS and internal audit mechanism.

The Audit Committee along with Management review the internal audit and internal controls on a regular basis.

39. COMPOSITION OF AUDIT COMMITTEE

The composition of the Audit Committee has been mentioned in the Corporate Governance Report annexed to this Report.

40. VIGIL MECHANISM

The Company has formulated and implemented the Whistle Blower Policy / Vigil Mechanism. This has provided a mechanism for directors and employees of the Company and other persons dealing with the Company to report to the Chairman of the Audit Committee; any instance of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The aforesaid policy has also been uploaded on the Company's website.

41. CASH FLOW

A Cash Flow Statement for the year ended 31st March 2018 is attached to the Balance Sheet.

42. CORPORATE GOVERNANCE

A report on the Corporate Governance, along with the certificate of compliance from the Auditors, forms part of the Annual Report.

43. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a Policy to prevent Sexual Harassment of Women at Workplace. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

44. ACKNOWLEDGMENTS

Your Directors wish to place on record, their appreciation for the contribution made and support provided to the Company by the shareholders, employees and bankers, during the year under the report.

For and on behalf of the Board of Directors
For BF Utilities Limited

	B.B. Hattarki	A.B. Kalyani
Pune	Director	Director
20th July, 2018	DIN:00145710	DIN:00089430

ANNEXURE I TO THE DIRECTORS' REPORT

SUBSIDIARY COMPANIES

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES FOR THE YEAR 1st APRIL, 2017 TO 31st MARCH, 2018 :

Name and Registered Office of the Subsidiary Company	% Holding	Particulars	Amount (Rs. in lakhs)
Nandi Infrastructure Corridor Enterprises Limited No 1, Midford House, Midford Gardens, Off M.G. Road, Bangalore Karnataka- 560001	74.52	Total Income Total Expenditure Profit / (Loss) before exceptional items and taxation Exceptional items Profit / (Loss) before taxation Provision for tax (including Deferred Tax) Net Profit / (Loss) Balance of Profit / (Loss) from previous year Less: Proposed Dividend Less : Dividend Distribution Tax Less : Transferred to General Reserve Balance carried to Balance Sheet	117.82 467.87 (350.05) - (350.05) (60.65) (289.40) (1354.65) - - - 1644.05
Nandi Economic Corridor Enterprises Limited No.1, Midford House, Midford Gardens, Off M.G. Road, Bangalore, Karnataka - 560001	40.41	Total Income Total Expenditure Profit / (Loss) before exceptional items & taxation Exceptional Items Profit (Loss) before taxation Provision for tax (including Deferred Tax) Net Profit / (Loss) Balance of Profit / (Loss) from previous year Less: Proposed Dividend Less: Dividend Distribution Tax Balance carried to Balance Sheet	32301.13 31939.92 361.21 - 361.21 - 361.21 (86761.14) - - (86399.93)
Nandi Highway Developers Limited No.1,Midford House, Midford Garden, Off M.G. Road Bangalore, Karnataka - 560001	69.53	Total Income Total Expenditure Profit / (Loss) before exceptional items & taxation Exceptional Items Profit / (Loss) before taxation Provision for tax (including Deferred Tax) Net Profit / (Loss) Balance of Profit / (Loss) from previous year Less: Transfer to General Reserve Less: Proposed Dividend Less: Dividend Distribution Tax Balance carried to Balance Sheet	7040.31 2989.62 4050.69 - 4050.69 716.05 3334.64 4540.68 - 2000.00 407.15 5468.17
Avichal Resources Private Limited Cyber City, Tower No.15, Level 6, Office No.602 Magarpatta City, Hadapsar Pune - 411013	100	Total Income Total Expenditure Profit / (Loss) before taxation Provision for tax (including Deferred Tax) Net Profit / (Loss) Balance of Profit / (Loss) from previous year Less: Proposed Dividend Less : Dividend Distribution Tax Less : Transferred to General Reserve Balance carried to Balance Sheet	6.20 2.32 3.88 (1.93) 5.81 18.49 - - - 24.30

For further details refer Annexure 1 to Consolidated Financial Statements.

ANNEXURE II TO THE DIRECTORS' REPORT

INFORMATION FORMING PART OF THE DIRECTORS' REPORT PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No.	Particulars	Name of Director	Ratio
I.	The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year	N.A. as no remuneration except sitting fee is paid to any Director	
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	**Name of Director / KMP**	**Percentage +/(-) in the remuneration**
		Mr. B.S. Mitkari - CEO & Company Secretary	+ 9.00%
		Mr. S.S. Joshi - CFO	+ 15.00%
III.	The percentage increase in the median remuneration of employees in the financial year	13.00%	
IV.	The number of permanent employees on the rolls of Company	9	
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	13.00% The increase in remuneration is as per the industry practice.	
VI.	Affirmation	The Board affirms that the remuneration is as per the Nomination and Remuneration policy of the Company.	
VII.	Statement showing the names of the top ten employees interms of remuneration drawn and the names of every employee who - (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One Crore Two Lakhs Rupees; (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight Lakhs Fifty Thousand Rupees per month; (iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.	No employee falls in this category.	

For and on behalf of the Board of Directors
For BF Utilities Limited

B.B. Hattarki
Director
DIN:00145710

A.B. Kalyani
Director
DIN:00089430

Pune
20th July, 2018

ANNEXURE III TO THE DIRECTORS' REPORT

Form No. MGT - 9

(as at Financial Year ended 31st March, 2018)

EXTRACT OF ANNUAL RETURN

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

I. REGISTRATION AND OTHER DETAILS

i	CIN	L40108PN2000PLC015323
ii	Registration Date	15th September 2000
iii	Name of the Company	BF Utilities Limited
iv	Category / Sub-Category of the Company	Company limited by shares
v	Address of the Registered Office and contact details	**Registered Office :** Mundhwa, Pune Cantonment, Pune 411 036, Maharashtra, India. **Administrative Office:** Cyber City, Tower 15, Level 6, Office 602, Magarpatta City, Hadapsar, Pune- 411 013 Phone : (020) 66292550 E-mail : bfutilitiesltd@vsnl.net Website : www.bfutilities.com
vi	Whether listed company	Yes
vii	Name, address and contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited "Akshay" Complex, Block No. 202, 2nd Floor, Near Ganesh Temple, Off. Dhole Patil Road, Pune 411 001 Tel: +91(20) 2616 1629 / 2616 0084 Fax: +91(20) 2616 3503 Email: pune@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company stated below:

Sr. No.	Name and description of main products / services	NIC code of the product / service	% to total turnover of the Company
1	Wind Power Generation	-	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1.	Nandi Infrastructure Corridor Enterprises Ltd. No.1, Midforsd House, Midford Gardens, Off. M. G. Road, Bangalore - 560 001	U85110KA1996PLC019619	Subsidiary	74.52	2(6)
2.	Nandi Economic Corridor Enterprises Ltd. No.1, Midforsd House, Midford Gardens, Off. M. G. Road, Bangalore - 560 001	U85110KA2000PLC026939	Subsidiary	40.41	2(6)
3.	Nandi Highway Developers Ltd. No.1, Midforsd House, Midford Gardens, Off. M. G. Road, Bangalore - 560 001	U85110KA1996PLC019621	Subsidiary	69.53	2(6)
4.	Avichal Resources Private Ltd. Cyber City, Tower No.15, Level 6, Office No.602 Magarpatta City, Hadapsar Pune - 411013	U70101MH1998PTC114605	Subsidiary	100	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No.of Shares held at the beginning of the year i.e. 31st March, 2017				No.of shares held at the end of the year i.e. 31st March, 2018				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a. Individual									
a) Individuals / Hindu Undivided Family	103025	8	103033	0.27	78755	8	78763	0.21	-0.06
b) Central Government / State government(s)	0	0	0	0.00	0	0	0	0.00	0
c) Bodies Corporate	20978182	0	20978182	55.69	21006452	0	21006452	55.77	0.07
d) Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0
e) Any Others (Specify)	0	0	0	0.00	0	0	0	0.00	0
Sub Total (A)(1)	**21081207**	**8**	**21081215**	**55.97**	**21085207**	**8**	**21085215**	**55.98**	**0.01**
(2) Foreign									
a) Individuals (Non-Residents Individuals/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0
b) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0
c) Institutions	0	0	0	0.00	0	0	0	0.00	0
d) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0
e) Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0
Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**21081207**	**8**	**21081215**	**55.97**	**21085207**	**8**	**21085215**	**55.98**	**0.01**
(B) Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	1539	170	1709	0.00	1539	170	1709	0.00	0.00
b) Venture Capital Funds	0	0	0	0	0	0	0	0	0
c) Alternate Investment Funds	0	0	0	0	0	0	0	0	0
d) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
e) Foreign Portfolio Investor	276583	0	276583	0.73	352999	0	352999	0.94	0.21
f) Financial Institutions / Banks	246902	1704	248606	0.66	113420	1704	115124	0.30	-0.36
g) Insurance Companies	31549	0	31549	0.08	31549	0	31549	0.08	0.00
h) Provident Fund / Pension Funds	0	0	0	0.00	0	0	0	0.00	0
i) Any other (Specify)	0	0	0	0.00	0	0	0	0.00	0
Sub-Total (B)(1)	**556573**	**1874**	**558447**	**1.48**	**499507**	**1874**	**501381**	**1.33**	**-0.15**
(2) Central Government/ state Government / President of India	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
(3) Non-Institutions									
a) Individuals									
I) Individuals -i. Individual shareholders holding nominal share capital up to Rs.2 lakh	7536234	722655	8258889	21.93	7522431	695712	8218143	21.82	-0.11

Category of Shareholders	No.of Shares held at the beginning of the year i.e. 31st March, 2017				No.of shares held at the end of the year i.e. 31st March, 2018				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
II) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	1112774	0	1112774	2.95	1511958	0	1511958	4.01	1.06
b) NBFCs registered with RBI	0	0	0	0	0	0	0	0	0
c) Employee Trusts	0	0	0	0	0	0	0	0	0
d) Overseas Depositories (holding DRs)(balancing figure)	0	0	0	0	0	0	0	0	0
e) Any Others (Specify)	0	0	0	0	0	0	0	0	0
- Trusts	5570	0	5570	0.01	1770	0	1770	0.01	0
- Foreign Nationals	190	0	190	0.00	165	0	165	0.00	0
- Hindu Undivided Family	658754	0	658754	1.75	675516	0	675516	1.79	0.04
- Non Resident Indian (Non Repat)	43377	3154	46531	0.12	55102	3154	58256	0.15	0.03
- Non Resident Indian (Repat)	122186	1841	124027	0.33	150825	1841	152666	0.41	0.08
- Overseas Bodies Corporates	350	0	350	0.00	350	0	350	0.00	0
- Clearing Members	1091257	0	1091257	2.90	513939	0	513939	1.36	-1.54
- Bodies Corporate	3149789	1579835	4729624	12.56	3368944	1579325	4948269	13.14	0.58
Sub-Total (B)(3)	13720481	2307485	16027966	42.55	13801000	2280032	16081032	42.69	0.14
(B) Total Public Shareholding (B)=(B)(1)+(B)(2) +(B)(3)	14277054	2309359	16586413	44.03	14300507	2281906	16582413	44.02	-0.01
Total (A)+(B)	35358261	2309367	37667628	100	35385714	2281914	37667628	100	0
(C) Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0	0	0	0	0
(1) Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
(2) Public	0	0	0	0	0	0	0	0	0
Sub-Total (C)	0	0	0	0	0	0	0	0	0
GRAND TOTAL (A)+(B)+(C)	35358261	2309367	37667628	100	35385714	2281914	37667628	100	0

(ii) Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (1/04/2017)			Shareholding at the end of the year (31/3/2018)			% 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	Babasaheb Neelkanth Kalyani - Promoter	7204	0.02	0.00	7204	0.02	0.00	0.00
2	Ajinkya Investment & Trading Company	6648886	17.65	0.00	6648886	17.65	0.00	0.00
3	Kalyani Investment Company Limited	6195046	16.45	0.00	6195046	16.45	0.00	0.00
4	KSL Holdings Pvt Limited	4353472	11.56	0.00	4353472	11.56	0.00	0.00
5	PIH Finvest Company Limited	1424885	3.78	0.00	1424885	3.78	0.00	0.00
6	BF Investment Limited	1187903	3.15	0.00	1187903	3.15	0.00	0.00
7	Jannhavi Investment Pvt Limited	458514	1.22	0.00	458514	1.22	0.00	0.00
8	Sundaram Trading & Investment Private Limited	211103	0.56	0.00	239373	0.64	0.00	0.08
9	Rajgad Trading Co Pvt Limited	151674	0.40	0.00	151674	0.40	0.00	0.00

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (1/04/2017)			Shareholding at the end of the year (31/3/2018)			% 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	
10	Kalyani Consultants Pvt Limited	149500	0.40	0.00	149500	0.40	0.00	0.00
11	Dandakaranya Investment & Trading Pvt Limited	93700	0.25	0.00	93700	0.25	0.00	0.00
12	Campanula Investment & Finance Pvt Limited	56189	0.15	0.00	56189	0.15	0.00	0.00
13	Cornflower Investment & Finance Pvt Limited	39600	0.11	0.00	39600	0.11	0.00	0.00
14	Hastinapur Investment & Trading Pvt Limited	4567	0.01	0.00	4567	0.01	0.00	0.00
15	Dronacharya Investment & Trading Pvt Limited	3143	0.01	0.00	3143	0.01	0.00	0.00
16	Gaurishankar Neelkanth Kalyani	63779	0.17	0.00	63779	0.17	0.00	0.00
17	Amit Babasaheb Kalyani	28270	0.08	0.00	0	0	0.00	-0.08
18	Sunita Babasaheb Kalyani	0	0.00	0.00	4000	0.01	0.00	0.01
18	Rohini Gaurishankar Kalyani	2000	0.01	0.00	2000	0.01	0.00	0.00
19	Dr Meera Kheny	700	0.00	0.00	700	0.00	0.00	0.00
20	Ashok Kumar Kheny	672	0.00	0.00	672	0.00	0.00	0.00
21	Sugandha Jai Hiremath	400	0.00	0.00	400	0.00	0.00	0.00
22	Sulochana Neelkanth Kalyani Jointly Mr.B. N. Kalyani	8	0.00	0.00	8	0.00	0.00	0.00
	TOTAL	21081215	55.97	0.00	21085215	55.98	0.00	0.01

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

Sr. No.	Particulars	Shareholding at the beginning of the year i.e.01/04/2017		Cumulative Shareholding during the year	
		No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
1	Inter-se-transfer amongst Promoters (28270 Shares transferred by Mr. A. B. Kalyani to Sudaram Trading & Investments Pvt. Ltd. on 02/11/2017)	21081215	55.97	21081215	55.97
2	Gift (4000 Shares received by Mrs.S. B. Kalyani as gift on 15/02/2018)	21081215	55.97	21085215	55.98

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDR and ADRs)

Sr. No.	For each of the Top 10 Shareholders Name, Date & Reason of Change	Shareholding at the beginning of the year i.e.01/04/2017		Cumulative Shareholding during the year	
		No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
1	Krutadnya Management And Trading Services LLP				
	As on 01-04-2017			1568600	4.16%
	As on 31-03-2018			1568600	4.16%
2	Nerul Impex Pvt Ltd				
	As on 01-04-2017			328673	0.87%
	As on 31-03-2018			328673	0.87%

Sr. No.	For each of the Top 10 Shareholders Name, Date & Reason of Change	Shareholding at the beginning of the year i.e.01/04/2017		Cumulative Shareholding during the year	
		No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
3	IL And FS Securities Services Limited				
	As on 01-04-2017			89960	0.24%
	07/04/2017 Market Purchase / (-) Sale	-14000	-0.04	75960	0.2017
	14/04/2017 Market Purchase / (-) Sale	77177	0.20	153137	0.4065
	21/04/2017 Market Purchase / (-) Sale	26003	0.07	179140	0.4756
	28/04/2017 Market Purchase / (-) Sale	-9000	-0.02	170140	0.4517
	05/05/2017 Market Purchase / (-) Sale	-2000	-0.01	168140	0.4464
	12/05/2017 Market Purchase / (-) Sale	25943	0.07	194083	0.5153
	26/05/2017 Market Purchase / (-) Sale	56060	0.15	250143	0.6641
	02/06/2017 Market Purchase / (-) Sale	34003	0.09	284146	0.7544
	16/06/2017 Market Purchase / (-) Sale	-15000	-0.04	269146	0.7145
	23/06/2017 Market Purchase / (-) Sale	-25000	-0.07	244146	0.6482
	30/06/2017 Market Purchase / (-) Sale	14717	0.04	258863	0.6872
	04/08/2017 Market Purchase / (-) Sale	40894	0.11	299757	0.7958
	11/08/2017 Market Purchase / (-) Sale	-13500	-0.04	286257	0.7600
	18/08/2017 Market Purchase / (-) Sale	-11500	-0.03	274757	0.7294
	25/08/2017 Market Purchase / (-) Sale	42184	0.11	316941	0.8414
	01/09/2017 Market Purchase / (-) Sale	-55000	-0.15	261941	0.6954
	08/09/2017 Market Purchase / (-) Sale	-3500	-0.01	258441	0.6861
	15/09/2017 Market Purchase / (-) Sale	-6000	-0.02	252441	0.6702
	22/09/2017 Market Purchase / (-) Sale	-26000	-0.07	226441	0.6012
	29/09/2017 Market Purchase / (-) Sale	-43000	-0.11	183441	0.4870
	20/10/2017 Market Purchase / (-) Sale	16771	0.04	200212	0.5315
	27/10/2017 Market Purchase / (-) Sale	13870	0.04	214082	0.5683
	03/11/2017 Market Purchase / (-) Sale	-16500	-0.04	197582	0.5245
	10/11/2017 Market Purchase / (-) Sale	-7000	-0.02	190582	0.5060
	17/11/2017 Market Purchase / (-) Sale	39558	0.11	230140	0.6110
	24/11/2017 Market Purchase / (-) Sale	-46400	-0.12	183740	0.4878
	01/12/2017 Market Purchase / (-) Sale	-10000	-0.03	173740	0.4612
	15/12/2017 Market Purchase / (-) Sale	-6000	-0.02	167740	0.4453
	22/12/2017 Market Purchase / (-) Sale	12740	0.03	180480	0.4791
	29/12/2017 Market Purchase / (-) Sale	65034	0.17	245514	0.6518
	05/01/2018 Market Purchase / (-) Sale	2760	0.01	248274	0.6591
	12/01/2018 Market Purchase / (-) Sale	162774	0.43	411048	1.0913
	19/01/2018 Market Purchase / (-) Sale	13266	0.04	424314	1.1265
	26/01/2018 Market Purchase / (-) Sale	-3788	-0.01	420526	1.1164
	02/02/2018 Market Purchase / (-) Sale	-27731	-0.07	392795	1.0428
	09/02/2018 Market Purchase / (-) Sale	-18748	-0.05	374047	0.9930
	16/02/2018 Market Purchase / (-) Sale	-22342	-0.06	351705	0.9337
	23/02/2018 Market Purchase / (-) Sale	-23989	-0.06	327716	0.8700
	02/03/2018 Market Purchase / (-) Sale	5456	0.01	333172	0.8845
	09/03/2018 Market Purchase / (-) Sale	10713	0.03	343885	0.9129
	16/03/2018 Market Purchase / (-) Sale	1565	0.00	345450	0.9171
	23/03/2018 Market Purchase / (-) Sale	-62939	-0.17	282511	0.7500
	31/03/2018 Market Purchase / (-) Sale	40267	0.11	322778	0.8569
	As on 31-3-2018			322778	0.8569
4	NIMESH ARVIND DOSHI				
	As on 01-04-2017			280000	0.7433
	19/05/2017 Market Purchase / (-) Sale	-175000	-0.46	105000	0.2788

Sr. No.	For each of the Top 10 Shareholders Name, Date & Reason of Change	Shareholding at the beginning of the year i.e.01/04/2017		Cumulative Shareholding during the year	
		No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
	31/03/2018 Market Purchase / (-) Sale	175000	0.46	280000	0.7433
	As on 31-3-2018			280000	0.7433
5	VINOD M SHAH				
	As on 01-04-2017			0	0.00
	12/01/2018 Market Purchase / (-) Sale	133925	0.36	133925	0.3555
	19/01/2018 Market Purchase / (-) Sale	18075	0.05	152000	0.4035
	02/02/2018 Market Purchase / (-) Sale	119000	0.32	271000	0.7195
	As on 31-3-2018			271000	0.7195
6	FINOLEX CABLES LTD.				
	As on 01-04-2017			168750	0.4480
	As on 31-3-2018			168750	0.4480
7	NEMISH S SHAH				
	As on 01-04-2017			150000	0.3982
	As on 31-3-2018			150000	0.3982
8	HITESH SATISHCHANDRA DOSHI				
	As on 01-04-2017			35096	0.0932
	26/05/2017 Market Purchase / (-) Sale	35096	0.09	70192	0.1863
	02/06/2017 Market Purchase / (-) Sale	-35096	-0.09	35096	0.0932
	25/08/2017 Market Purchase / (-) Sale	-30000	-0.08	5096	0.0135
	15/09/2017 Market Purchase / (-) Sale	5096	0.01	10192	0.0271
	22/09/2017 Market Purchase / (-) Sale	9246	0.02	19438	0.0516
	29/09/2017 Market Purchase / (-) Sale	340500	0.90	359938	0.9556
	30/09/2017 Market Purchase / (-) Sale	-179969	-0.48	179969	0.4778
	13/10/2017 Market Purchase / (-) Sale	22166	0.06	202135	0.5366
	20/10/2017 Market Purchase / (-) Sale	415	0.00	202550	0.5377
	29/12/2017 Market Purchase / (-) Sale	-70000	-0.19	132550	0.3519
	09/02/2018 Market Purchase / (-) Sale	24000	0.06	156550	0.4156
	23/02/2018 Market Purchase / (-) Sale	-10000	-0.03	146550	0.3891
	As on 31-3-2018			146550	0.3891
9	KALYANI EXPORTS & INVESTMENTS PVT.LTD.				
	As on 01-04-2017			145250	0.3856
	As on 31-3-2018			145250	0.3856
10	ABOLI INVESTMENT PVT LTD				
	As on 01-04-2017			136900	0.3634
	As on 31-3-2018			136900	0.3634

Note:

1. In case of joint holding, the names of first holder is considered.
2. The shareholding details given above are based on the legal ownership and not beneficial ownership and is derived on the folio number listing provided by the Registrar and share Transfer agent of the Company.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year i.e.01/04/2017		Cumulative Shareholding during the year	
		No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
	At the Beginning of the year	**35474**	**0.10**		
1	Mr. B. N. Kalyani	7204	0.02	-	-
2	Mr. A. B. Kalyani	28270	0.08	-	-
3	Mr. B. B. Hattarki	0	0.00	-	-
4	Mr. S. S. Vaidya	0	0.00	-	-
5	Ms. A. A. Sathe	0	0.00	-	-
6	Mr. B. S. Mitkari	0	0.00	-	-
7	Mr. S. S. Joshi	0	0.00	-	-
	At the end of the year				
1	Mr. B. N. Kalyani	-	-	7204	0.02
2	Mr. A. B. Kalyani	-	-	0	0.00
3	Mr. B. B. Hattarki	-	-	0	0.00
4	Mr. S. S. Vaidya	-	-	0	0.00
5	Ms. A. A. Sathe	-	-	0	0.00
6	Mr. B. S. Mitkari	-	-	0	0.00
7	Mr. S. S. Joshi	-	-	0	0.00
	At the end of the year			**7204**	**0.02**

V. INDEBTEDNESS

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

(Rs. in Million)

		Secured Loans excluding deposits	Unsecured Loans		Total Indebtedness
			Sales Tax Deferral	Others	
	Indebtedness as at 1st April, 2017				
i)	Principal Amount	-	388.75	298.30	687.05
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	21.40	21.40
	Total (i+ii+iii)	-	388.75	319.70	708.45
	Change in Indebtedness during the financial year				
	Addition	-	-	-	-
	(Reduction)	-	110.92	75.00	185.92
	Indebtedness as at 31st March, 2018				
i)	Principal Amount	-	277.83	223.30	501.13
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	10.82	10.82
	Total (i+ii+iii)	-	277.83	234.12	511.95

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

N.A.

B. Remuneration to other Directors:

Details of the remuneration paid to the Directors during Financial Year 2017-18:

Information on remuneration of Directors for the year ended 31st March, 2018

Name of the Director	Relationship with other Directors	Sitting Fees	Salary and Perquisites	Commission	Total
Mr. B. N. Kalyani	Father of Mr. A. B. Kalyani	15000	N.A.	N.A.	15000
Mr. A. B. Kalyani	Son of Mr. B. N. Kalyani	10000	N.A.	N.A.	10000
Mr. B. B. Hattarki	None	25000	N.A.	N.A.	25000
Mr. S. S. Vaidya	None	25000	N.A.	N.A.	25000
Ms. A. A. Sathe	None	25000	N.A.	N.A.	25000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGING DIRECTOR / MANAGER / WHOLE TIME DIRECTOR

Amount in Rupees

		Particulars of Remuneration	Mr. B.S. Mitkari CEO & Company Secretary	Mr. S. S. Joshi CFO	Total Amount
1.		Gross Salary			
	a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	9098153	1389315	10487468
	b)	Value of perquisites under Section 17(2) of the Income Tax Act, 1961	58487	-	58487
	c)	Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2.		Stock Option	-	-	-
3.		Sweat Equity	-	-	-
4.		Commission			
	-	As % profit	-	-	-
	-	Others, specify ...	-	-	-
5.		Others, please specify (Company's contribution towards Provident Fund and Superannuation)	249480	44556	294036
		Total	9406120	1433871	10839991

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

1. Company - The Company has filed a settlement term without denying or admitting guilt with Securities and Exchange Board of India (SEBI) against Show Cause Notice dated 8th July, 2016 for non compliance with composition of the Board in earlier years.
2. Directors - None
3. Other officers in Default - None

For and on behalf of the Board of Directors
For BF Utilities Limited

B.B. Hattarki
Director
DIN:00145710

A.B. Kalyani
Director
DIN:00089430

Pune
20th July, 2018

ANNEXURE IV TO THE DIRECTORS' REPORT

THE NOMINATION AND REMUNERATION POLICY

(As recommended by Nomination and Remuneration Committee and approved by Board)

The Board of Directors of BF Utilities Limited ("the Company") constituted the "Nomination and Remuneration Committee" ("Committee") at the Meeting held on November 28, 2014 with immediate effect, consisting of Three (3) Non-Executive Director of which majority are Independent Directors.

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013, as amended from time to time, read along with the applicable rules thereto and Clause 49 under the Listing Agreement. The Key Objectives of the Committee would be:

1.1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel (hereinafter referred to as "KMP") and Senior Management.

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

1.3. To recommend to the Board on Remuneration payable to the Directors, KMP and Senior Management.

1.4. To provide to KMP and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

1.5. To retain, motivate the promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

1.6. To devise a policy on Board diversity.

1.7. To develop a succession plan for the Board and to regularly review the plan;

2. DEFINITIONS

2.1. <u>Act</u> means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

2.2. <u>Board</u> means Board of Directors of the Company

2.3. <u>Directors</u> mean Directors of the Company.

2.4. <u>Key Managerial Personnel (KMP) means</u>

2.4.1. Any Director

2.4.2. CEO;

2.4.3. Chief Financial Officer; and

2.4.4. Company Secretary;

2.5. <u>Listing Agreement</u> means Agreement, as amended from time to time, executed with Stock Exchanges for Listing of Securities of the Company.

2.6. <u>Senior Management</u> means personnel of the Company who are members of its core management team being functional heads,

3. ROLE OF COMMITTEE

3.1. <u>Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee</u>.

The Committee Shall;

3.1.1. Formulate the criteria for determining qualifications, positive attributes and independence of the director.

3.1.2. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management position in accordance with the criteria laid down in this Policy.

3.1.3. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

3.1.4. * Formulate the criteria for evaluation of performance of Independent Directors and Board of Directors.

3.1.5. * Determine whether to extend or continue the term of appointment of Independent Directors, on the basis of the report of performance evaluation of Independent Directors.

* Added vide Board Resolution dated 13th February, 2016.

3.2. Policy for appointment and removal of Director, KMP and Senior Management

3.2.1. Appointment criteria and qualifications

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level 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) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indication the justification for extension of appointment beyond seventy years.

3.2.2. Term / Tenure

a) Managing Director / Whole-time Director :

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director 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 re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

3.2.3. Evaluation

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

3.2.4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.2.5. Retirement

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

3.3. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

3.3.1. General :

a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. 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 the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

c) Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employee 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. Provided that if such reason is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

e) In case any difficulty or doubt arises in the interpretation or implementation of this Policy, the decision of the Chairman of the Company shall be final. In exceptional circumstances, the Chairman shall be authorised to exercise functions vested in the committee in so far as these relate to Key Managerial Personnel covered under clauses 2.4.3, 2.4.4 and the Senior Management; provided however that such actions taken by the Chairman shall be placed before the Committee for ratification in the succeeding meeting.

3.3.2. <u>Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel :</u>

a) Fixed pay :

The Whole-time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approval by the Board on the recommendation of the Committee. The breakup 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 / the Person authorised by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration :

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, approval of the Central Government.

c) Provisions for excess remuneration :

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act 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. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

3.3.3. <u>Remuneration to Non-Executive / Independent Director;</u>

a) Remuneration / Commission :

The remuneration / Commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

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 Rs.1,00,000/- (Rupees One Lac only) per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) Commission :

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Act.

4. MEMBERSHIP

4.1. The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.

4.2. Minimum two (2) members shall constitute a quorum for the Committee Meeting.

4.3. Membership of the Committee shall be disclosed in the Annual Report.

4.4. Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

5.1. Chairperson of the Committee shall be an Independent Director.

5.2. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

5.3. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

5.4. Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

7.1. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

7.2. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

9. VOTING

9.1. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

9.2. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

10. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include :

10.1. Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

10.2. Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;

10.3. Identifying and recommending directors who are to be put forward for retirement by rotation.

10.4. Determining the appropriate size, diversity and composition of the Board;

10.5. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

10.6. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

10.7. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

10.8. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

10.9. Delegating any of its powers to one or more of its members or the Secretary of the Committee;

10.10. Recommend any necessary changes to the Board; and

10.11. Considering any other matters, as may be requested by the Board.

11. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include :

11.1. To consider and determine the Remuneration Policy, based on the Performance and also being in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

11.2. To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

11.3. To delegate any of its powers to one or more of its members or the Secretary of the Committee.

11.4. To consider any other matters as may be requested by the Board.

11.5. Professional indemnity and liability insurance for Directors and Senior Management.

12. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee Meeting.

For BF Utilities Limited

Date : February 13, 2016
Place : Pune

A.B. Kalyani
Director

ANNEXURE V TO THE DIRECTORS' REPORT

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018
[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
BF Utilities Limited,
Pune
CIN: L40108PN2000PLC015323

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BF Utilities Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2018** 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

(i) The Companies Act, 2013, the Companies Amendment Act, 2017 (the Act) and the rules made thereunder **(in so far as they are made applicable);**

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(not applicable to the company during the Audit Period);**

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

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

(b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(not applicable to the company during the Audit Period);**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(not applicable to the Company during the Audit Period);**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the company during the Audit Period)**;

(f) 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 to the extent of the securities issued; **(not applicable to the company during the Audit Period)**;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(not applicable to the company during the Audit Period)**; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(not applicable to the company during the Audit Period)**.

(vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry are:

(a) Electricity Act, 2003;

We have also examined compliance with the applicable clauses of the following:

(i) The Secretarial Standards issued by 'The Institute of Company Secretaries of India'; and

(ii) The Listing Agreement entered into by the Company with Stock Exchanges pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. *The Audit Consolidated Financial statements and Financial Results for the year ended on 31st March, 2017 were submitted to the Stock Exchanges beyond the time period prescribed under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

2. *Minutes of subsidiary companies were not placed before the Board Meeting of the Company as required under Regulation 24(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

3. *The Compliance certificate for the half year ended on 30th September, 2017 as required under Regulation 7 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was filed beyond stipulated time.*

4. *The Company has not expended any amount for Corporate Social Responsibility activities required under Section 135 of the Act for the year 2017-18.*

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period under review the adjudication proceedings were in progress with regard to the consent application filed by the Company for the Show cause notice received from SEBI for violating the provisions of Clause 49 of the Listing Agreement and Section 21 of SCRA and the Company further submitted application for settlement of the proceedings in terms of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014. The Company has proposed the settlement terms before the Internal Committee on March 22, 2018.

FOR SVD & ASSOCIATES
Company Secretaries

Sridhar G. Mudaliar
Partner
FCS No: 6156
C P No: 2664

Place: Pune
Date: 20th July, 2018

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.

'ANNEXURE A'

To,

The Members,
BF Utilities Limited
Pune
CIN: L40108PN2000PLC015323

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

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

5. 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 SVD & ASSOCIATES
Company Secretaries

Sridhar G. Mudaliar
Partner
FCS No: 6156
C P No: 2664

Place: Pune
Date: 20th July, 2018

ANNEXURE VI TO THE DIRECTORS' REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis**

a.	Name(s) of the related party and nature of relationship	NIL
b.	Nature of contracts/arrangements/transactions	NIL
c.	Duration of the contracts/arrangements/transactions	NIL
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
e.	Justification for entering into such contracts or arrangements or transactions	NIL
f.	Date(s) of approval by the Board	NIL
g.	Amount paid as advances, if any	NIL
h.	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL

2. **Details of material contracts or arrangement or transactions at arm's length basis**

a.	Name(s) of the related party and nature of relationship	Bharat Forge Limited
b.	Nature of contracts / arrangements / transactions	Sale of Wind Power
c.	Duration of the contracts / arrangements / transactions	On going basis from April 1, 2015
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	In tune with market parameters, Estimated annual value of Rs. 500 Million
e.	Date(s) of approval by the board, if any	N.A.
f.	Amount paid as advances, if any	NIL

For BF Utilities Limited

B.B. Hattarki
Director
DIN:00145710

A.B. Kalyani
Director
DIN:00089430

Pune
20th July, 2018

ANNEXURE VII TO THE DIRECTORS' REPORT

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 forming part of the Directors' Report for the year ended 31st March, 2018.

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

A. Conservation of Energy and Technology Absorption

i) Steps taken for Conservation of Energy :

The operations of the Company do not consume much energy

ii) Steps taken for utilizing alternate source of energy ;

The Company is in the business of generating wind energy.

iii) The Capital Investment on energy conservation equipment :

Nil during the year under reference.

B. Technology Absorption :

i) Efforts made towards technology absorption : N.A.

ii) The benefits derived like product improvement, cost reduction, product development, import substitution : N.A.

iii) In case imported technology (imported during the last 3 years reckoned from the beginning of the financial year) :

Details of Technology imported (product) the reasons thereof	Year of Import	Has technology been fully absorbed has not taken place	If not fully absorbed, areas where absorption and
NIL	NIL	NIL	NIL

iv) Expenditure on Research and Development : NIL.

C. Foreign Exchange Earning and Outgo :

(a) Activities relating to Exports, initiatives taken to increase exports, development of new export markets for products and services and export plans : N.A.

(b) Total foreign exchange earnings and outgo for the financial year is as follows:

i) Total Foreign Exchange earning : NIL

ii) Total Foreign Exchange outgo : NIL

ANNEXURE VIII TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

(Pursuant to Section 135 of the Companies Act, 2013 and Rule 8(1) of the Companies (CSR Policy) Rules, 2014)

1. **A brief outline of the Company's Corporate Social Responsibility (CSR) policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

   Corporate Social Responsibility (CSR) activities are based on the CSR Policy. The Company's main focus is on provision of educational facilities.

   CSR policy is available on the website of the Company http://www.bfutilities.com

2. **The Composition of the CSR Committee:**

   Mr. B. B. Hattarki - Chairman

   Mr. B. N. Kalyani - Committee Member

   Mr. A. B. Kalyani - Committee Member

3. **Average net profit of the company for last three financial years : Rs.38,927,678.**

4. **Prescribed CSR Expenditure (two percentage of the amount as in item 3 above) : Rs.778,554.**

5. **Details of CSR spent during the Financial Year:**

   (a) Total amount to be spent for the financial year : Rs. 778,554.

   (b) Amount unspent, if any : Rs. 778,554.

   (c) Manner in which the amount spent during the Financial Year is detailed below:

(Amount in Rs.)

1	2	3	4	5	6	7	8
Sr. No.	CSR Project or activity Identified	Sector in which the Project is covered	Projects or Programme (1) Local area of other (2) Specify the State and district where project or programme was undertaken	Amount outlay (budget) Project or program wise	Amount spent on the projects or programme sub heads L (1) Direct expenditure on projects or programmes (2) overheads	Cumulative expenditure upto the reporting period	Amount spent director or through implementing agency
N.A.							

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report : *Although the Company has not spent any funds on CSR activities during the year, the Company is examining the areas in the field of education for CSR spend.*

7. CSR Committee has hereby confirmed that the implementation and monitoring of CSR activities, is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board of Directors
For BF Utilities Limited

B.B. Hattarki
Chairman CSR Committee
DIN:00145710

A.B. Kalyani
Director
DIN:00089430

Pune
20th July, 2018

SECTION A : GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN)	:	L40108PN2000PLC015323
2.	Name of the Company	:	BF Utilities Limited
3.	Registered address	:	Mundhwa, Pune Cantonment, Pune - 411 036, Maharashtra, India
4.	Website	:	www.bfutilities.com
5.	E-mail id	:	bfutilitiesltd@vsnl.net
6.	Financial Year reported	:	2017 -18
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	:	BF Utilities Limited is in the business of Wind Power Generation and Infrastructure

*Industrial Group	Description
N.A.	Wind Power Generation

8. **List three key products/services that the Company manufactures/ provides (as in balance sheet)** :

Sr. No.	Name and Description of main products/services
1	Wind Power

9. **Total number of locations where business activity is undertaken by the Company:**

   (a) **Number of International Locations (Provide details of major 5)** : NIL

   (b) **Number of National Locations** : Padekarwadi, Ghatewadi, Pawangaon, Maloshi and Kadve Khurd Dist- Satara, Maharashtra State.

10. **Markets served by the Company - Local/State/National/International** : Local market in India.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital	:	Rs.18.83 Crores
2.	Total Turnover	:	Rs.32.94 Crores
3.	Total Profit after Taxes	:	Rs.15.51 Crores
4.	Total spending on Corporate Social Responsibility(CSR) as percentage of profit after tax (%)	:	Company is in the process of undertaking CSR Activities.
5.	List of activities in which expenditure in 4 above has been incurred	:	N.A.

SECTION C: OTHER DETAILS

1. **Subsidiary Company/Companies**

   Yes, the Company has 3 (Three) direct and 1 (One) indirect subsidiary companies as on March 31, 2018.

2. **Participation of Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s).**

   Given the current size and scale of operations, subsidiary companies, as of now, are not engaged in BR initiatives process of the Company.

3. **Participation of any other entity/entities (e.g. suppliers,distributors etc.) that the Company does business with;participate in the BR initiatives of the Company? If yes,then indicate the percentage of such entity/entities?[Less than 30%, 30-60%, More than 60%]**

   No, other entities with whom the Company does business with viz. suppliers, distributors etc. do not participate in the BR initiatives of the Company.

SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR**

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

   DIN : 00089430

   Name : Mr. A. B. Kalyani

   Designation : Director

   (b) **Details of the BR head**

Sr. No.	Particulars	Details
1	DIN	00089430
2	Name	Mr. A. B. Kalyani
3	Designation	Director
4	Telephone Number	+91 20 66292550
5	E-mail Id	bfutilitiesltd@vsnl.net

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

   The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are asunder:

   P1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

   P2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

   P3 - Businesses should promote the well-being of all employees.

   P4 - Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

   P5 - Businesses should respect and promote human rights.

   P6 - Businesses should respect, protect and make efforts to restore the environment.

   P7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

   P8 - Businesses should support inclusive growth and equitable development.

   P9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner.

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

Sr. No.	Questions	Business Ethics	Product Responsibility	Well-being of Employees	Stakeholders Engagement and CSR	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Y	NA	Y	N	N	N	N	Y	N
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	NA	N	NA	NA	N.A	NA	N	NA
3	Does the policy conform to any national/ international standards? If yes, specify?	The policies are in line with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board of Directors?	The mandatory Polices under Indian laws and regulations have been adopted by the Board and signed by the Director.								
5	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	The Company has a well-established internal governance structure to ensure implementation of various policies. We review the implementation of polices through our internal audit, risk management process, monitoring of KPI's in-line with established Policies.								

6	Indicate the link for the policy to be viewed online?	Mandatory Policies viz. CSR Policy, Insider Trading Policy, Code of Conduct are available on Company's website. All other policies are available at the Registered Office.
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. Polices are communicated to internal stakeholders and the same are available at the Registered Office. Wherever required, the Polices are also communicated to our external stakeholders and are made available on Company's website.
8	Does the Company have in-house structure to implement the policy/policies?	Yes. We have an in-house structure with clearly defined roles and responsibilities which periodically reviews implementation of various policies under the aegis of Internal Risk Management Framework, Internal Audits and review of KPI's at various levels of management.
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies?	Yes. Each of the Policies formulated by the Company have an in-built grievance and redressal mechanism.
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Policies are subject to internal and external audits as part of certification process and ongoing periodic assessments where ever required.

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

Sr. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	This clause is not applicable considering nature of business.				-	The Company is always responsive to its customer needs.

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR Performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year.

Annually.

(b) Does the Company publish a BR or a Sustainability Report? What is hyperlink for viewing this report? How frequently it is published?

No.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle1 : Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ Others?**

   Yes. It extends to outside Company to the extent applicable.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

During the year under review, the Company has not received any complaint under the investigation mechanism.

Principle 2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities**

   Considering nature of our business, these clauses are not applicable.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   (a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

   b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

4. **Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

5. **Does the Company have a mechanism to re-cycle products and waste? If yes, what is the percentage of re-cycling of products and waste (separately as <5%,5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   Considering nature of business, these clauses are not applicable

Principle 3 : Businesses should promote the well-being of all employees

1. Please indicate the total number of employees

   Total number of employees: 9

2. Please indicate the total number of employees hired on temporary/contractual/casual basis:

   Total number of employees hired on temporary/contractual/casual basis: NIL

3. Please indicate the number of permanent women employees:

   Number of permanent women employees: 2

4. Please indicate the number of permanent employees with disabilities:

   Number of permanent employees with disabilities: NIL

5. Do you have an employee association that is recognized by Management?

   No.

6. What percentage of your permanent employees is members of this recognised employee association?

   N.A.

7. Please indicate the number of complaints relating tochild labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as at the end of the financial year

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/forcedlabour/ Involuntary labour	Nil	Nil
2.	Sexual Harassment	Nil	Nil
3.	Discriminatory Employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?**

- Permanent Employees- NIL
- Permanent Women Employees- NIL
- Casual/Temporary/Contractual Employees- NIL
- Employees with Disabilities- NA

Principle 4 : Businesses should respect the interests of,and be responsive towards all stakeholders,especially those who are disadvantaged,vulnerable and marginalised.

1. **Has the Company mapped its internal and external stakeholders? Yes/No**

   Yes

2. **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

   NIL

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders ? If so, provide details thereof,in about 50 words or so.**

   NIL

Principle 5 : Businesses should respect and promote human rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

   The Company does not have a stated Human Rights Policy.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   Except to the extent specifically stated elsewhere in Annual Report, during the year under review, the Company has not received any complaint from any stakeholders.

Principle 6 : Businesses should respect, protect and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?**

   N.A.

2. **Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Yes/No If yes, please give hyperlink for webpage etc.**

   The Company generates Wind Energy and thereby addresses these issues.

3. **Does the Company identify and assess potential environmental risks? Y/N**

   No

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   The Company's projects are registered for CDM with UNFCCC.

5. **Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy,etc.? Y/N. If yes, please give hyperlink for web page etc.**

   No.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   N.A.

7. **Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved tosatisfaction) as at end of the Financial Year.**

   NIL

Principle 7 : **Businesses, when engaged in influencing public and regulatory policy, should do so in aresponsible manner**

1. **Is your Company is a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:**

   The Company is member of Indian Wind Power Association

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good?Yes/No; if yes, specify the broad areas (drop box:Governance and Administration, Economic Reforms,Inclusive Development Policies, Energy Security, Water,Food Security, Sustainable Business Principles, Others)**

   No.

Principle 8 : **Businesses should support inclusive growth andequitable development**

1. **Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

   The Company has CSR Policy

2. **Are the programmes/projects undertaken through inhouse team/own foundation/ external NGO/governmentstructures/any other organization?**

   The Company is in the process of undertaking such programmes.

3. **Have you done any impact assessment of your initiative?**

   No.

4. **What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?**

   The Company is evaluating various areas/projects.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.**

   N.A.

Principle 9 : **Businesses should engage with and provide value to their customers and consumers in aresponsible manner**

1. **What percentage of customer complaints/consumer cases are pending as on the end of Financial Year.**

   NIL

2. **Does the Company display product information on the product label, over and above what is mandated as perlocal laws? Yes/No/N.A./Remarks (additional information)**

   N.A.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during thelast five years and pending as at the end of Financial Year.If so, provide details thereof, in about 50 words or so.**

   No.

4. **Did your Company carry out any consumer survey/consumer satisfaction trends?**

   No.

Standalone Financial Statements

INDEPENDENT AUDITORS' REPORT

To
The Members
BF Utilities Limited,
Pune.

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **BF UTILITIES LIMITED** ("the Company") which comprise the Balance Sheet as at 31 March2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management' Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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.

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.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the 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 judgement, 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 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 obtained by us 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, of the state of affairs of the Company as at 31 March2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year then ended on that date.

Emphasis of Matters

Without qualifying our Audit Report we draw attention to the following matters in the Notes to the Ind AS financial statements:

(a) We draw attention to Note No.34 to the accompanying Ind AS financial statements. As mentioned therein there are certain litigations by and against the Company and the subsidiaries of the Company that are yet to be decided by various courts, and the matter is subjudice. No cognizance thereof is taken in the preparation of the Ind AS financial statements, pending the final outcome of these cases. During the year,due to dispute with the service provider, Company's windmills were partly non-operational there by adversely affecting power generation. The management has taken all possible steps to restore the operations.

Note 34-

Certain litigations by and against the Company and the subsidiaries of the Company are pending in various courts and the matter is subjudice. No cognizance thereof is taken in the preparation of the Ind AS financial statements, pending final outcome of the cases.

During the year, due to dispute with the service provider, Company's windmills were partly non-operational there by adversely affecting power generation. The management has taken all possible steps to restore the operations.

(b) As stated in Note No.35, to the accompanying financial statements, Consolidated Financial Statements have not been prepared.

Note 35-

Nandi Highway Developers Ltd. (NHDL), Nandi Infrastructure Corridor Enterprises Ltd. (NICE) and Nandi Economic Corridor Enterprises Ltd. (NECE), which are the subsidiaries of the Company, are in the process of finalising their accounts for the financial year ended 31st March, 2018 and hence, they have not yet submitted the said audited financials to the Company.

The Company will prepare consolidated financials, once the audited accounts of all the above mentioned subsidiaries are made available to the Company.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company and its joint operation so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section133 of the Act read with relevant rules issued thereunder.

   (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors and the report of the statutory auditor of its joint operation company incorporated in India, none of the directors is disqualified as on March 31,2018 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Companycontrols over financial reporting.

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.

      ii. The Company has made provision, 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 are that required to be transferred to the Investor Education and Protection Fund by the Company.

2. 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 B" a statement on the matters specified in paragraph 3 and 4 of the Order.

For Joshi Apte & Co.
Chartered Accountants
ICAI Firm Registration Number: 104370W

C. K. Joshi
Partner
Membership No.: 030428

Place: Pune
Date: 3 May, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **BF Utilities Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management' Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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") issued by Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Joshi Apte & Co.
Chartered Accountants
ICAI Firm Registration Number: 104370W

C. K. Joshi
Partner
Membership No.: 030428

Place: Pune
Date: 3 May, 2018

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Re: BF Utilities Limited ("the Company")

i. In respect of the Company's fixed assets:

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

  (b) There is a regular programme of verification which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

  (c) According to the information and explanations given to us and the records examined by us and based on the examination of registered documents provided to us, we report that, the title deeds comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.

As explained to us, inventories of Certified Emission Reduction (CER) and Renewable Energy Certificate (REC) were verified electronically during the year by the management at reasonable intervals, since the same is not physically verifiable and no material discrepancies were noticed.

iii. During the year, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public.

vi. The provisions of clause (3) (vi) of the Order are not applicable to the Company as the Company is not covered by the Companies (Cost Records and Audit) Rules, 2014.

vii. According to the information and explanations given to us, in respect of statutory dues:

  (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, income tax, sales tax, goods and service tax,service tax, value added tax, cess and any other statutory dues to the appropriate authorities and there are no arrears of outstanding statutory dues as at the last day of financial year concerned for a period of more than six months from the date they became payable, ***except in case of electricity duty payable for the period 1 April 2014 to 31 August 2016 total amounting Rs. 17,856,207***.

  (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of provident fund, income tax, sales tax, goods and service tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans from the government. The Company has not taken any loans or borrowings from banks and financial institution and has not issued debentures during the year.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us by the management, the company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with section 177 and 188 of Companies Act, 2013, where applicable, for all the transactions with the related parties and the details of related party transactions have been disclosed in the standalone Financial Statements etc., as required by the applicable accounting standards.

xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with any directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

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

For Joshi Apte & Co.
Chartered Accountants
ICAI Firm Registration Number: 104370W

C. K. Joshi
Partner
Membership No.: 030428

Place: Pune
Date: 3 May, 2018

Balance Sheet as at 31st March, 2018

Particulars	Note No.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
ASSETS				
I Non-current assets				
(a) Property, plant and equipment	2.1	177,608,608	216,182,539	254,751,406
(b) Intangible assets - under development	2.2	-	111,905,900	78,152,438
(c) Intangible Asstes		-	-	-
(d) Financial assets				
(i) Investments	3	1,102,459,808	1,102,459,808	1,120,770,190
(ii) Other financial assets	4	96,788,553	104,525,702	112,262,851
(e) Income tax assets (net)		15,321,914	-	-
(f) Other Non Current Assets	5	370,000,000	370,000,000	370,000,000
		1,762,178,883	1,905,073,949	1,935,936,885
II Current assets				
(a) Inventories	6	1,604,845	2,810,215	771,398
(b) Financial assets				
(i) Investments	3	9,057,198	21,805,755	21,600,544
(ii) Trade receivables	7	16,648,423	90,629,262	7,010,938
(iii) Cash and cash equivalents	8	26,053,948	88,419,714	22,879,924
(iv) Other bank balances	8	205,070,000	-	-
(v) Other current financial assets	4	39,243,315	17,261,094	184,291,989
(c) Other Current Assets	5	5,080,319	3,487,768	3,579,018
		302,758,048	224,413,808	240,133,811
Total assets		2,064,936,931	2,129,487,757	2,176,070,696
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	9	188,338,140	188,338,140	188,338,140
(b) Other Equity	10	820,766,073	661,349,705	587,332,745
Total equity		1,009,104,213	849,687,845	775,670,885
I Non-current liabilities				
(a) Financial liabilities				
Borrowings	11	137,986,159	214,108,745	292,822,608
other financial liabilities	12	96,788,553	104,525,702	112,262,851
(b) Deferred tax liabilities	13	15,318,224	32,578,101	43,708,836
(c) Other non-current liabilities	14	18,869,282	36,987,635	63,710,412
		268,962,218	388,200,183	512,504,707
II Current liabilities				
(a) Financial liabilities				
(i) Borrowings	11	326,145,364	409,224,349	430,183,324
(ii) Trade payables	15	65,582,768	52,457,156	57,074,127
(iii) Other financial liabilities	12	239,178,111	279,915,282	234,100,270
(b) Other current liabilities	14	50,036,495	29,411,466	32,584,329
(c) Provisions	16	105,927,762	104,696,718	116,678,689
(d) Current tax liabilities (net)		-	15,894,758	17,274,365
Total liabilities		786,870,500	891,599,729	887,895,104
Total equity and liabilities		2,064,936,931	2,129,487,757	2,176,070,696
Summary of significant accounting policies	1			

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

As per our report attached
For JOSHI APTE & CO.
Chartered Accountants
ICAI Firm Registration No. 104370W

On behalf of the Board of Directors of BF UTILITIES LIMITED
CIN : L40108PN2000PLC015323

C. K. JOSHI
Partner
Membership No. 030428

B. B. HATTARKI
Director
DIN : 00145710

S. S. VAIDYA
Director
DIN : 00024245

S. S. JOSHI
CFO

B.S. MITKARI
CEO & Company Secretary

Pune, May 3, 2018

Pune, May 3, 2018

Statement of Profit and loss for the year ended 31st March 2018

	Particulars	Note No.	Year ended 31st March, 2018 Rs.	Year ended 31st March, 2017 Rs.
	Income			
I.	Revenue from operations	17	**148,533,737**	212,481,566
II.	Other income	18	**180,907,974**	41,263,259
III.	**Total revenue (I + II)**		**329,441,711**	253,744,825
IV.	**Expenses**			
	Changes in inventories	19	**1,205,370**	(2,038,817)
	Employee benefit expenses	20	**14,904,574**	13,861,656
	Finance costs	21	**35,718,743**	58,535,527
	Depreciation and amortization expense	2.1	**38,591,290**	38,662,098
	Other expenses	22	**96,580,019**	62,190,736
	Total expenses		**186,999,996**	171,211,200
V.	**Profit / (Loss) before tax and exceptional items (III-IV)**		**142,441,715**	82,533,625
VI.	Exceptional items		-	-
VII.	**Profit / (Loss) before tax (V + VI)**		**142,441,715**	82,533,625
VIII.	Tax expense :			
	(a) Current tax			
	- pertaining to profit for the year		**16,100,000**	20,943,382
	- MAT Credit utilised in relation to earlier years		**(12,100,000)**	-
	Tax for the year		**4,000,000**	20,943,382
	(b) Deferred tax		**(16,674,376)**	(11,688,434)
			(12,674,376)	9,254,948
IX.	**Profit / (Loss) for the year after taxation (VII-VIII)**		**155,116,091**	73,278,677
X.	Adjustments relating to earlier years :			
	Excess / (Short) provision for taxation and tax payments		**3,110,194**	(266,310)
XI.	**Profit / (Loss) for the year after taxation and adjustments relating to earlier years (IX+X)**		**158,226,285**	73,012,367
XII.	Other Comprehensive Income for the period (net of tax)			
	(a) Items that will not be reclassified to Profit or Loss :			
	Remeasurement of the defined benefit plans (net off tax)		**297,453**	65,413
	Remeasurement of financial instruments (net off tax)		**892,630**	939,180
	(b) Items that will be reclassified to Profit or Loss		-	-
			1,190,083	1,004,593
XIII.	**Total Comprehensive income for the period Net of tax (XI + XII)**		**159,416,368**	74,016,960
XIV.	**Earnings per share:**			
	Basic & Diluted	23	**4.20**	1.94
	Summary of significant accounting policies	1		

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

As per our report attached
For JOSHI APTE & CO.
Chartered Accountants
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On behalf of the Board of Directors of BF UTILITIES LIMITED
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B.S. MITKARI
CEO & Company Secretary

Pune, May 3, 2018

Pune, May 3, 2018

Cash Flow Statement For The Year Ended 31st March, 2018

Particulars		For Year ended 31st March, 2018	For Year ended 31th March, 2017
		Rs.	Rs.
Cash Flow from Operating Activities			
Profit before tax		142,441,715	82,533,625
Adjustment for:			
Depreciation		38,591,290	38,662,098
Interest Expense		8,995,966	26,325,040
Ind AS adjustments not related to cash flow		34,459,926	39,950,520
Interest income		(6,557,485)	(779,910)
Dividend		(139,106,336)	(65,380)
Profit on sale of Intangible Assets under development		(443,415)	-
Ind AS adjustments not related to cash flow		(34,459,926)	(39,947,636)
Remeasurement of Net Defined Benefit Plan		(297,453)	(65,413)
Operating Profit before working capital changes		43,624,282	146,612,944
Movements in Working Capital:			
(Increase) / Decrease in Inventories		1,205,370	(2,038,817)
(Increase) / Decrease in Trade Receivable		73,980,839	(83,618,324)
(Increase) / Decrease in Other Financial Asset		(20,782,221)	167,028,011
(Increase) / Decrease in Other Current Asset		(1,592,551)	91,250
Increase / (Decrease) in Trade Payable		13,125,612	(4,616,971)
Increase / (Decrease) in Other Financial Liability		(165,354)	30,651,079
Increase / (Decrease) in Other Liability		29,229,454	2,314,847
Increase / (Decrease) in Short Term Provisions		1,231,044	(11,916,558)
Operating Profit after working capital changes		139,856,475	244,507,461
Direct taxes paid (Net of Refunds)		(32,106,478)	(22,745,917)
Net Cash generated from Operating Activities	(A)	107,749,997	221,761,544
Cash Flow from Investing Activities			
Payment towards Capital Expenditure		(17,359)	(93,231)
Net Proceeds from sale of Intangible Asset under development		6,149,315	(33,753,462)
Investment made as Fixed Deposits		(205,070,000)	-
Proceeds from sale of Investments		-	18,310,382
Current Financial Investment (including SOCIE)		13,650,592	1,513,699
Interest Income		6,557,485	779,910
Dividend Received		139,106,336	65,380
Net Cash generated from Investing Activities	(B)	(39,623,631)	(13,177,322)
Cash Flow from Financing Activities			
Borrowings repaid		(110,924,349)	(131,883,325)
Interest paid		(19,567,783)	(11,161,107)
Net Cash generated from Financing Activities	(C)	(130,492,132)	(143,044,432)
Net Increase/ (Decrease) in cash and cash equivalents	(A+B+C)	(62,365,766)	65,539,790
Cash and cash equivalents at the beginning of the year		88,419,714	22,879,924
Cash and cash equivalents at the end of the year		26,053,948	88,419,714

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

As per our report attached
For JOSHI APTE & CO.
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On behalf of the Board of Directors of BF UTILITIES LIMITED
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CEO & Company Secretary

Pune, May 3, 2018

Pune, May 3, 2018

Statement of Changes in Equity (SOCIE) for the period ended 31st March, 2018

Particulars	Share Capital	Other Equity				Total Equity
		Reserves and Surplus		Other Comprehensive Income		
		Share Premium	Retained Earnings	Equity Instruments FVTOCI	Actuarial Gains / (losses) on defined benefit Plans	
Balance as at 01/04/2016	188,338,140	-	585,705,180	1,627,565	-	775,670,885
Impact of changes in Accounting Policy	-	-	-	-	-	-
Restated Balance as on 01/04/2016	**188,338,140**	-	**585,705,180**	**1,627,565**	-	**775,670,885**
Issue of Share Capital	-	-	-		-	-
Total comprehensive income for the Year						
Profit / (Loss)	-	-	73,012,367	-	-	73,012,367
Remeasurement of Net Defined Benefit Liability / Asset, net of tax effect	-	-	65,413	-	-	65,413
Equity Instruments through Other Comprehensive Income, net of tax effect	-	-	-	939,180	-	939,180
Total comprehensive income for the Year	-	-	**73,077,780**	**939,180**	-	**74,016,960**
Transactions with the owners of the Company recognised, directly in Equity						
Transfer on Disposal of Equity Instruments through Other Comprehensive Income	-	-	596,441	(596,441)	-	-
Total contributions by and contributions to owners of the Company	-	-	**596,441**	**(596,441)**	-	-
Balance as on 31/03/2017	**188,338,140**	-	**659,379,401**	**1,970,304**	-	**849,687,845**
Balance as at 01/04/2017	188,338,140	-	659,379,401	1,970,304	-	849,687,845
Impact of changes in Accounting Policy	-	-	-	-	-	-
Restated Balance as on 01/04/2017	**188,338,140**	-	**659,379,401**	**1,970,304**	-	**849,687,845**
Issue of Share Capital	-	-	-	-	-	-
Total comprehensive income for the Year						
Profit / (Loss)	-	-	158,226,285	-	-	158,226,285
Remeasurement of Net Defined Benefit Liability / Asset, net of tax effect	-	-	297,453	-	-	297,453
Equity Instruments through Other Comprehensive Income, net of tax effect	-	-	-	892,630	-	892,630
Transfer within Equity	-	-	1,098,297	(1,098,297)	-	-
Total comprehensive income for the Year	-	-	**159,622,035**	**(205,667)**	-	**159,416,368**
Transactions with the owners of the Company recognised, directly in Equity	-	-	-	-	-	-
Total contributions by and contributions to owners of the Company	-	-	-	-	-	-
Balance as on 31/03/2018	**188,338,140**	-	**819,001,436**	**1,764,637**	-	**1,009,104,213**

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

As per our report attached
For JOSHI APTE & CO.
Chartered Accountants
ICAI Firm Registration No. 104370W

On behalf of the Board of Directors of BF UTILITIES LIMITED
CIN : L40108PN2000PLC015323

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B.S. MITKARI
CEO & Company Secretary

Pune, May 3, 2018

Pune, May 3, 2018

Notes to the Standalone Financial Statements for the Year ended 31st March, 2018 :

Corporate Information:

BF Utilities Ltd. ("the Company" or "BFUL") is a public company domiciled in India and incorporated on 15th September, 2000 under the provisions of the Companies Act,1956 ("the Act"). Its shares are listed on National stock exchange and Bombay stock exchange in India. The Company is engaged in the generation of electricity through wind mills. The Company's CIN is L40108PN2000PLC015323. The registered office of the Company is located at BF Utilities Limited Mundhwa, Pune Cantonment, Pune 411 036, Maharashtra, India.

The financial statements were authorized for issue in accordance with a resolution of the directors on 3rd May, 2018.

1. **Significant accounting policies :**

   a. **Basis of Preparation**

   The financial statements have been prepared on an accrual basis and under historical cost convention, except Defined benefit Plan - Plan assets and certain financial Assets & Liabilities which are measured at fair value (refer accounting policy regarding financial instruments). The accounting policies are consistently applied by the Company during the year and are consistent with those used in previous year except for the changes in accounting policies required to be made on adoption of Indian Accounting Standards notified under the Companies Act, 2013.

   Statement of compliance

   In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. These are the Company's 1st Ind AS financial statements. The date of transition is April 1, 2016. Previous year's numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules,2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2017 and April 1, 2016 and of the comprehensive net income for the year ended March 31, 2017. Refer to note 30 for information on how the Company adoptedInd-AS.

   b. **Significant accounting judgements, estimates and assumptions**

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

   This note provides an overview of the areas that involved a higher degree of judgement or complexity and of items which are likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

   Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

   c. **Critical Estimates and Judgements**

   Impairment of non-financial assets

   The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its 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 a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriat evaluation model is used.

   Impairment of financial assets

   The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates.The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Provisions

Provisions are determined based on the best estimate required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Estimate of current and deferred tax

The Company's tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows.

The complexity of the Company's structure makes the degree of estimation and judgement more challenging. The resolution of issues is not always within the control of the Company and it is often dependent on the efficiency of the legal processes in the relevant taxing jurisdictions in which the Company operates. Issues can, and often do, take many years to resolve. Payments in respect of tax liabilities for an accounting period result from payments on account and on the final resolution of open items. As a result, there can be substantial differences between the tax charge in the statement of profit and loss and tax payments.

d. **Property, Plant and Equipment**

Recognition and Measurement

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). Internally manufactured property, plant and equipment are capitalised at cost, including non-cenvatable excise duty (blocked ITC credit under GST), wherever applicable. All significant costs relating to the acquisition and installation of property, plant and equipment are capitalised. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

Depreciation

The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components, other than Furniture & Fixtures and Vehicles is computed on straight line method, and for Furniture & Fixtures and Vehicleson written down value method based on useful lives, determined based on internal technical evaluation as follows:

Assets	Useful lives
Building	60 Years
Plant & Machinery (Windmills)	22 Years
Electrical Installation	10 Years
Testing Meters	5 Years
Furniture & Fixtures	10 Years
Tools and equipments	10 Years
Office Equipments	5 Years
Vehicles	8 Years

Useful lives of the above assets are as per prescribed under Part C of Schedule II of the Companies Act, 2013.

De-reocgnition / Disposal

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e. Intangible assets

Recognition and Measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

Amortisation

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset, as provided by another Ind-AS.

The summary of amortization policy applied to the Company's intangible assets is as below:

Type of asset	Life (years)
Computer software	3

De-reocgnition / Disposal

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the net carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Research and development costs

Research costs are expensed as incurred.

Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Such capitalized expenditure is reflected as intangible under development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

f. **Investment in subsidiaries and joint ventures**

The Company has accounted for its investment in subsidiaries and joint ventures at cost less accumulated impairment.

g. **Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

h. **Financial Instruments**

In accordance with Ind AS 101 provisions related to first time adoption, the Company has elected to apply following exceptions/exemptions prospectively from April 1, 2016.

- Classification and measurement of financial assets have been done based on facts and circumstances existed on transition date.
- Elected to continue carrying value of equity instruments in subsidiaries, associates and jointly controlled entities as deemed cost on transition date.
- De-recognition of financial assets and financial liabilities have been applied prospectively.
- Applied the requirements of relating to accounting for difference between fair value of financial asset or financial liability from its transaction price of Ind-AS 109 prospectively.

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met :

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments not held for trading, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS11 and Ind-AS 18

d) Loan commitments which are not measured as at FVTPL

e) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

- The balance sheet presentation for various financial instruments is described below:

  Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:

  ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- Debt instruments measured at FVTOCI:

  Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

Offsetting of financial instruments

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

i. **Fair value measurement**

The Company measures financial instruments at fair value on initial recognition. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes. Please refer to Note No 27

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortised cost)

j. **Taxes**

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

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

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

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

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

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

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

Minimum alternate tax (MAT)

MAT paid in a year is charged to the statement of profit and loss as current tax. MAT credit available is recognized as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as ''MAT Credit Entitlement.'' The Company reviews the ''MAT credit entitlement'' asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

k. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings.Borrowing costs directly attributable to the acquisition, construction or development 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 year they occur.

l. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2016, the Company has determined whether the arrangements contain a lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the same is in line with inflation.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the same is in line with inflation. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

m. Inventories

Cost of inventories have been computed to include all cost of purchases, cost of conversion and other cost incurred in bringing the inventories of their present location and condition.

Stores and spares and loose tools are valued at lower of cost or net realisable value. However, materials and other items held for operation and maintenance of fixed assets are not written down below cost.

Costs are determined on unsold Certified Emmision Reduction (CER) and Renewable Energy Certificate (REC) are considered as Inventory and valued on the basis of costs which are directly allocated to it. The cost is assigned to inventories on First in First Out (FIFO) basis. This CERs and RECs are valued at lower of cost or net realisable value.

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.

n. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cashflow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Intangible assets under development are tested for impairment annually. Impairment losses including impairment on inventories, are recognised in the statement of profit and loss.

For the assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

o. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Company's cash management.

p. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant or subsidy 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. Where the grant relates to an asset, it is recognized as deferred income and is allocated to statement of profit and loss over the periods and in the proportions in which depreciation on those assets is charged.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

q. Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value (unless the effect of time value of money is material) and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities and contingent assets, if any, are disclosed in the notes to accounts.

r. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from sales of electricity is recognized when all the significant risks and rewards of ownership have been passed to the buyer, usually on the basis of electricity wheeled into MSEB grid and jointly certified.

Income from Certified Emission Reduction (CERs) units and Renewable Energy Certificates (RECs) is recognised in the period of its actual sales.

Claims / Insurance Claim etc. are accounted for when no significant uncertainties are attached to their eventual receipt.

Interest income

For all financial assets measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Interest income is included in other income in the statement of profit and loss.

Dividend income

Dividend income from investments is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend. Dividend income is included in other income in the statement of profit and loss.

s. Foreign currencies

The Company's financial statements are presented in INR, which is also its functional currency.

Transactions and Translations

Foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

t. Post employment and other employee benefits

Post-employment benefits are employee benefits (other than termination benefits and short term employee benefits) that are payable after the completion of employment.

Provident fund

Provident fund is a defined contribution plan covering eligible employees. The Company and the eligible employees make a monthly contribution to the provident fund maintained by the Regional Provident Fund Commissioner equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

Gratuity

Payment for present liability of future payment of gratuity is being made to approved gratuity fund, which fully cover the same under cash accumulation policy of the Life Insurance Corporation of India. The employee's gratuity is a defined benefit funded plan.

The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the Projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet as asset/liability with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising of current service costs, past-service costs, gains and losses on curtailments and nonroutine settlements; and
- Net interest expense or income

Superannuation

Superannuation is a defined contribution plan covering eligible employees. The contribution to the superannuation fund managed by the insurer is equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contribution to this scheme is charged to the statement of profit and loss on an accrual basis. There are no other contributions payable other than contribution payable to the respective fund.

Privilege Leave Benefits

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date.

Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave encashment liability as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the same is presented as non-current liability.

u. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

v. Dividend to equity holders of the Company

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

w. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

x. Earnings per share

The Company reports basic and diluted earnings per share (EPS) in accordance with Indian Accounting Standard 33 ''Earnings per Share''.Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

y. **Recent Accounting Pronouncements**

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration

On March 28, 2018, Ministry of Corporate Affairs (''MCA'') has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018.

Ind AS 115- Revenue from Contract with Customers

On March 28, 2018, Ministry of Corporate Affairs (''MCA'') has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

2.1 Property, Plant and Equipment

Amounts in Rupees

Cost	Land	Building	Plant & Machinery	Electrical Installation	Tools & Equipments	Furniture & Fixtures	Computers	Office Equipments	Vehicles	Total
as at 1 April 2016	15,199,252	13,108,730	1,144,688,812	3,641,168	-	201,853	979,141	173,546	1,934,032	1,179,926,534
Additions	-	-	-	-	93,231	-	-	-	-	93,231
Deductions	-	-	-	-	-	-	-	-	-	-
as at 31 March 2017	15,199,252	13,108,730	1,144,688,812	3,641,168	93,231	201,853	979,141	173,546	1,934,032	1,180,019,765
Additions	-	-	-	-	-	3,600	13,759	-	-	17,359
Deductions	-	-	-	-	-	-		-	-	-
as at 31 March 2018	15,199,252	13,108,730	1,144,688,812	3,641,168	93,231	205,453	992,900	173,546	1,934,032	1,180,037,124
Depreciation										
as at 1 April 2016	-	11,942,585	909,292,470	782,881	-	168,572	965,336	139,261	1,884,023	925,175,128
Charge for the year		27,624	37,886,799	639,837	11,303	22,659	4,987	24,440	44,449	38,662,098
Disposals	-	-	-	-	-	-		-	-	-
as at 31 March 2017	-	11,970,209	947,179,269	1,422,718	11,303	191,231	970,323	163,701	1,928,472	963,837,226
Charge for the year		27,624	37,886,800	639,838	8,286	10,783	8,480	4,540	4,939	38,591,290
Disposals										-
as at 31 March 2018	-	11,997,833	985,066,069	2,062,556	19,589	202,014	978,803	168,241	1,933,411	1,002,428,516
Net Block										
as at 1 April 2016	15,199,252	1,166,145	235,396,342	2,858,287	-	33,281	13,805	34,285	50,009	254,751,406
as at 31 March 2017	15,199,252	1,138,521	197,509,543	2,218,450	81,928	10,622	8,818	9,845	5,560	216,182,539
as at 31 March 2018	15,199,252	1,110,897	159,622,743	1,578,612	73,642	3,439	14,097	5,305	621	177,608,608

2.2 Intangible Assets

Intangible Assets Under development :

Cost	Technical know How
as at 1 April 2016	**78,152,438**
Additions	33,753,462
Deductions	-
as at 31 March 2017	**111,905,900**
Additions	5,650,685
Deductions (Refer Note No. 38)	117,556,585
as at 31 March 2018	-
Amortisation and impairment	
as at 1 April 2016	-
Additions	-
Deductions	-
as at 31 March 2017	-
Additions	-
Deductions	
as at 31 March 2018	-
Net Block	
as at 1 April 2016	78,152,438
as at 31 March 2017	111,905,900
as at 31 March 2018	-

3 **Investments**

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Non Current Investment			
Equity instruments (unquoted)			
Investment in Subsidiaries			
Investment in wholly owned subsidiaries			
10,200(31 March 2017 : 10,200; 1April,2016 : 10,200) Equity shares of Rs. 10 each fully paid up in Avichal Resources Pvt. Ltd.	**65,172,500**	65,172,500	65,172,500
Total	**65,172,500**	65,172,500	65,172,500
Investment in other subsidiaries where Company holds 51% or more of the equity share capital			
77,569,111(31 March, 2017 : 77,569,111 ; 1 April, 2016 : 77,569,111) Equity shares of Rs. 10/- each fully paid up in Nandi Infrastructure Corridor Enterprises Ltd.	**775,691,110**	775,691,110	775,691,110
26,071,902(31 March, 2017 : 26,071,902 ; 1 April, 2016 : 26,071,902) Equity shares of Rs. 10/- each fully paid up in Nandi Highway Developers Ltd.	**260,719,010**	260,719,010	260,719,010
Total	**1,036,410,120**	1,036,410,120	1,036,410,120
Total Investment in Subsidiaries	**1,101,582,620**	1,101,582,620	1,101,582,620
Investment in others			
Nil (31 March, 2017 : Nil ; 1 April, 2016 : 608,824) Equity shares of Rs. 10/- each fully paid up in Moksha-yug Access India Pvt. Ltd.	-	-	18,310,382
25,000(31 March, 2017 : 25,000 ; 1April, 2016 : 25,000) Equity shares of Rs. 10/- each fully paid up in SKH Metals Ltd.	**877,188**	877,188	877,188
Total Investment in others	**877,188**	877,188	19,187,570
Total Non Current Investments	**1,102,459,808**	1,102,459,808	1,120,770,190
Current Investment			
Investments in Bonds			
1 (31 March, 2017 : 1 ; 1April, 2016 : Nil) 10.70% Tata Motors Finance Ltd., Bonds 2020	**515,250**	515,250	-
1 (31 March, 2017 : 1 ; 1April, 2016 : Nil) 11.30% IDBI Bank Bonds	**1,044,000**	1,044,000	-
2 (31 March, 2017 : 2 ; 1April, 2016 : Nil) 11% Power Finance Corporation Bonds	**2,085,000**	2,085,000	-
2 (31 March, 2017 : 2 ; 1April, 2016 : Nil) 10.40% Vijaya Bank Perpetual Bonds	**2,045,000**	2,045,000	-
	5,689,250	5,689,250	-

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Investments in Mutual funds			
Nil (31 March, 2017 : Nil ; 1April, 2016 : 5,633) Units of Rs. 100/- each of Kotak Low Duration fund Standard Growth Regular Plan	-	-	10,260,136
Nil (31 March, 2017 : 301,454 ; 1 April, 2016 : 424,194) Units of Rs. 10/- each of Franklin India Ultra Short Bond Fund, Super Institutional Plan Growth.	-	6,710,388	8,622,584
Nil (31 March, 2017 : 24,601 ; 1 April, 2016 : Nil) Units of Rs. 100/- each of ICICI prudential Saving Fund. Growth.	-	6,016,304	-
	-	12,726,692	18,882,720
Investment in Equity			
Equity Instruments (Quoted)			
300 (31 March, 2017 : 300 ; 1April, 2016 : 300) equity shares of Rs. 10/-each fully paid up in Metalyst Forging Ltd.	7,335	16,846	16,246
400 (31 March, 2017 : 400 ; 1April, 2016 : 400) equity shares of Rs. 10/-each fully paid up in MM Forging Ltd.	415,400	216,102	184,060
100 (31 March, 2017 : 100 ; 1April, 2016 : 100) equity shares of Rs. 10/-each fully paid up in EL Forge Ltd.	-	-	-
84 (31 March, 2017 : 84 ; 1April, 2016 : 84) equity shares of Rs. 10/-each fully paid up in Finolex Industries Ltd.	54,709	48,721	30,744
140 (31 March, 2017 : 140 ; 1April, 2016 : 140) equity shares of Rs. 10/-each fully paid up in Hindalco Industries Ltd.	29,988	27,238	12,089
112 (31 March, 2017 : 112 ; 1April, 2016 : 112) equity shares of Rs. 10/-each fully paid up in NIIT Ltd.	96,796	48,805	55,485
10,800 (31 March, 2017 : 10,800 ; 1April, 2016 : 7,200) equity shares of Re. 1/-each fully paid up in ITC Ltd.	2,763,720	3,032,101	2,419,200
	3,367,948	3,389,813	2,717,824
Total current investments	9,057,198	21,805,755	21,600,544
Total Investments	1,111,517,006	1,124,265,563	1,142,370,734

Details of quoted/ unquoted instrumnets :

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
(a)Aggregate amount of quoted investments and market value thereof;			
Book Value	3,367,948	3,389,813	2,717,824
Market Value	3,367,948	3,389,813	2,717,824
(b)Aggregate amount of unquoted investments			
Book Value	1,108,149,058	1,120,875,750	1,139,652,910

4 Other financial assets

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Non-current			
Financial Guarantee Contract Receivable	**96,788,553**	104,525,702	112,262,851
Total non current financial assets	**96,788,553**	104,525,702	112,262,851
Current			
Energy credit receivable	**4,700,105**	2,076,374	171,381,329
Interest receivable	**4,353,761**	558,760	181,727
Financial Guarantee Contract Receivable	**7,737,149**	7,737,149	7,737,149
Other receivable	**22,452,300**	6,888,811	4,991,784
Total current financial assets	**39,243,315**	17,261,094	184,291,989
Total	**136,031,868**	121,786,796	296,554,840

5 Other Assets

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Non-current			
Advances for purchase of land	**370,000,000**	370,000,000	370,000,000
Total other non current assets	**370,000,000**	370,000,000	370,000,000
Current			
Prepaid expenses	**2,941,977**	1,242,292	1,596,172
Other advances	**2,138,342**	2,245,476	1,982,846
Total other current assets	**5,080,319**	3,487,768	3,579,018
Total	**375,080,319**	373,487,768	373,579,018

6 Inventories

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Stock of renewable energy certificates (RECs) (Refer note below)	-	312,747	771,398
Stock of consumables, stores and spares	**1,604,845**	2,497,468	-
Total	**1,604,845**	2,810,215	771,398

Note: Quantitative details of Stock

Sr. no.	Description	Units	Units	Units
1	No. of RECs held as inventory	-	35,127	41,783
2	No. of consumables, stores and spares	**646**	1,654	-

7 **Trade receivables**

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good*	-	-	-
Others			
Unsecured, considered good*	16,648,423	90,629,262	7,010,938
Unsecured, considered doubtful	-	-	-
	16,648,423	90,629,262	7,010,938
Less : Provision	-	-	-
	16,648,423	90,629,262	7,010,938
Total	16,648,423	90,629,262	7,010,938

*Includes dues from related parties (Refer Note No. 26)

8 **Cash & bank balances :**

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
i) Cash & cash equivalents			
Cash on hand	36,436	49,363	48,323
Balances with banks - in current accounts	24,017,512	8,370,351	11,250,575
Fixed Deposits (original maturity less than three months)	2,000,000	80,000,000	11,581,026
	26,053,948	88,419,714	22,879,924
ii) Other Bank Balances			
Balance with banks			
Fixed Deposits (original maturity more than three months but less - twelve months)	205,070,000	-	-
Total	231,123,948	88,419,714	22,879,924

9 **Share capital :**

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Authorised			
60,000,000 (31 March, 2017 : 60,000,000 ; 1 April, 2016 : 60,000,000) Equity shares of Rs. 5/- each	300,000,000	300,000,000	300,000,000
Issued, subscribed & fully paid up			
37,667,628 (31 March, 2017 : 37,667,628 ; 1 April, 2016 : 37,667,628) Equity shares of Rs. 5/- each	188,338,140	188,338,140	188,338,140
Total	188,338,140	188,338,140	188,338,140

9(a) Reconciliation of shares outstanding at the beginning and at the end of the year

	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	No. of shares	Rs.	No. of shares	Rs.	No. of shares	Rs.
At the beginning of the year	**37,667,628**	**188,338,140**	37,667,628	188,338,140	37,667,628	188,338,140
Issued /(reduction) if any during the year	-	-	-	-	-	-
Outstanding at the end of the year	**37,667,628**	**188,338,140**	37,667,628	188,338,140	37,667,628	188,338,140

9(b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend, as and when proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

9(c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

The Company being ultimate holding company there are no shares held by any other holding, ultimate holding company and their subsidiaries/associates

9(d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

There are no bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding reporting date.

9(e) Details of shareholder holding more than 5% shares in the Company

Name of the shareholder*	Equity shares					
	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
Ajinkya Investment & Trading Company	**6,648,886**	**17.65**	6,648,886	17.65	10,292,103	27.32
Kalyani Investment Company Ltd.	**6,195,046**	**16.45**	6,195,046	16.45	6,195,046	16.45
KSL Holdings Pvt. Ltd.	**4,353,472**	**11.56**	4,353,472	11.56	4,353,472	11.56

* The shareholding information is based on legal ownership of shares and has been extracted from the records of the Company including register of shareholders / members.

10 Other equity

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Other Comprehensive Reserve	**1,970,304**	1,627,565	-
Transferred to retained Earnings	**(1,098,297)**	(596,441)	-
OCI Income	**892,630**	939,180	1,627,565
	1,764,637	1,970,304	1,627,565
Surplus in statement of profit & loss :			
As per last financial statement	**659,379,401**	585,705,180	585,705,180
Transfer from OCI	**1,098,297**	596,441	-
Add / (less): Other comprehensive income	**297,453**	65,413	-
Add / (less): Net profit / (net loss) for the year	**158,226,285**	73,012,367	-
	819,001,436	659,379,401	585,705,180
Total	**820,766,073**	661,349,705	587,332,745

11 Borrowings

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Non-current borrowings			
Deferred payment liabilities (unsecured)			
Sales tax deferral obligation collected under Government of Maharashtra package scheme of incentive by a beneficiary under an arrangement	**137,986,159**	214,108,745	292,822,608
Total	**137,986,159**	214,108,745	292,822,608
Current borrowings			
Current maturities of long term borrowings (unsecured)	**102,845,364**	110,924,349	113,483,324
Loan from others (unsecured)	**223,300,000**	298,300,000	316,700,000
Total	**326,145,364**	409,224,349	430,183,324
Total Borrowings	**464,131,523**	623,333,094	723,005,932

11(a) Sales tax deferral - Repayment schedule

Year	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
2016-17	-	-	113,483,324
2017-18	-	110,924,349	110,924,349
2018-19	**102,845,364**	102,845,364	102,845,364
2019-20	**77,566,386**	77,566,386	77,566,386
2020-21	**52,287,407**	52,287,407	52,287,407
2021-22	**31,920,000**	31,920,000	31,920,000
2022-23	**13,200,000**	13,200,000	13,200,000

12 Other financial liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Other Non current financial liabilities			
Fair Value Financial guarantee contract	96,788,553	104,525,702	112,262,851
Total other non current financial liabilities	96,788,553	104,525,702	112,262,851
Other Current financial liabilities			
Capital creditors	10,101,246	10,101,246	10,101,246
Interest free security deposit received from related party (Refer note no. 26)	210,000,000	240,000,000	210,000,000
Interest accrued on borrowings	10,824,991	21,396,808	6,232,875
Fair Value Financial guarantee contract	7,737,149	7,737,149	7,737,149
Other payables	514,725	680,079	29,000
Total other current financial liabilities	239,178,111	279,915,282	234,100,270
Total other financial liabilities	335,966,664	384,440,984	346,363,121

13 Deferred tax liabilities (Net)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
I Deferred tax liabilities :			
On account of timing difference			
a) Depreciation	43,677,329	67,426,468	75,469,820
b) Financial Assets	753,877	1,339,378	781,679
Total	44,431,206	68,765,846	76,251,499
II Deferred tax assets :			
On account of timing difference			
a) Disallowance u/s 43B of Income Tax Act, 1961	29,112,982	36,187,745	32,542,663
Total	29,112,982	36,187,745	32,542,663
Deferred tax liability (Net) (I - II)	15,318,224	32,578,101	43,708,836

14 Other liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Other Non current liabilities			
Sales tax deferral revenue - Government grants	18,869,282	36,987,635	63,710,412
Total - other non current liabilities	18,869,282	36,987,635	63,710,412
Other current liabilities			
Sales tax deferral revenue - Government grants	18,118,352	26,722,777	32,210,487
Statutory dues payable including tax deducted at source	31,918,143	2,688,689	373,842
Total - other current liabilities	50,036,495	29,411,466	32,584,329
Total Other liabilities	68,905,777	66,399,101	96,294,741

Refer Schedule 11(a) for repayment schedule and terms for sales tax deferreal

15 Trade payables

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Total outstanding dues other than micro & small enterprises	**65,582,768**	52,457,156	57,074,127
Total Trade payable	**65,582,768**	52,457,156	57,074,127

Note :

On the basis of information available with the Company, regarding the status of suppliers as defined under the ''Micro, Small and Medium Enterprises Development Act, 2006'', there are no suppliers covered under above mentioned Act.

16 Provisions

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Provision for employee benefits :			
Leave encashment	**737,651**	785,185	730,396
Gratuity (Refer note no. 28)	**247,939**	288,501	1,014,390
Provident fund :- BFUL Staff Provident Fund Trust	-	-	91,841
Other provisions :			
Electricity duty	**103,662,081**	103,490,997	98,464,945
Wheeling & transmission charges	**1,280,091**	132,035	16,377,117
Total	**105,927,762**	104,696,718	116,678,689

17 Revenue from operations

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
Wind power generated (Refer note no. 26)	72,449,747	185,231,980
Renewable energy certificate units (REC)	76,083,990	26,789,966
Sale of Traded Goods	-	459,620
Total	148,533,737	212,481,566

18 Other income

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
Dividend received	139,106,336	65,380
Interest on bank fixed deposits and bonds	6,557,485	779,910
Profit on sale of intangible asset under development	443,416	-
Provision no longer required	-	410,483
Government Grants Sales Tax Deferral Income	26,722,777	32,210,487
Financial Guarantee Contract Income	7,737,149	7,737,149
Miscellaneous income	340,811	59,850
Total	180,907,974	41,263,259

19 Changes in inventories

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
(Increase) / decrease in inventory:		
Closing stock of renewable energy certificates (RECs), stores and spares	1,604,845	2,810,215
Opening sock of renewable energy certificates (RECs), stores and spares	2,810,215	771,398
Total	1,205,370	(2,038,817)

20 Employee benefit expense

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
Salaries, allowances etc.	13,830,785	12,949,709
Contribution to provident & other funds	599,537	443,161
Gratuity Expenses	262,390	238,827
Staff welfare expenses	211,862	229,959
Total	14,904,574	13,861,656

21 Finance costs

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
Interest on loans (Refer note no. 26)	-	14,547,059
Interest on electricity duty	8,315,213	10,268,381
Interest on Sales Tax deferral Liabilities (unwinding)	26,722,777	32,210,487
Interest on shortfall of advance tax	670,033	1,500,200
Bank charges	10,720	9,400
Total	35,718,743	58,535,527

22 Other expenses

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
Operating expenses		
Purchase of Traded Goods	-	459,620
Operations, maintenance & CDM expenses- wind mills	16,562,689	3,344,690
Lease rent - land	600,000	600,000
Insurance	1,119,574	1,071,072
Electricity duty	8,464,976	8,950,142
Cross Subsidy	20,251,125	8,312,904
Open Access - Wheeling charges	1,238,065	7,608,124
Open Access - Transmission charges	4,137,886	6,562,375
Open Access - Other charges	14,856,646	-
Other operating expenses	2,800,255	4,210,438
(A)	70,031,216	41,119,365
Administrative expenses		
Insurance - others	149,895	98,096
Rent	138,000	552,000
Rates & taxes	949,435	1,685,450
Repairs & maintenance (Machinery)	1,315,695	17,200
Repairs & maintenance (others)	21,138	25,119
Director's sitting fees	95,000	90,000
Payment to auditors :		
Audit fee	1,413,200	1,275,816
Tax audit fee	129,800	115,000
Reimbursement of expenses	27,412	7,544
	1,570,412	1,398,360
Diminution in value of investments	-	2,884
Commission on Financial Guarantee unrecoverable	7,737,149	7,737,149
Asset written off	1,266,679	-
Printing and stationery	877,394	788,217
Listing and Custodial charges	3,491,033	947,374
Miscellaneous expenses including postage, travelling, telephone etc.	3,871,593	3,672,567
Professional & consultancy expenses	5,065,380	4,056,955
(B)	26,548,803	21,071,371
Total (A)+ (B)	96,580,019	62,190,736

23 **Earnings per share (EPS)**

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Numerator for basic and diluted EPS		
Net profit attributable to shareholders	158,226,285	73,012,367
Weighted average number of equity shares	37,667,628	37,667,628
Basic earnings per share of face value of Rs. 5/- each	4.20	1.94
Diluted earnings per share of face value of Rs. 5/- each	4.20	1.94

24. Contingent Liability and Commitments

Particulars of Contingent liabilities		As at 31st March, 2018	As at 31st March, 2017
		Amount	Amount
I	Estimated amount of Contracts remaining to be executed on capital accounts and not provided for.	- Rs. 128,092	EUR 468,000 Rs. 32,407,877
II	Contingent Liabilities not provided for in respect of		
	a) Claims against the Company not acknowledged as debt.	Rs. 184,658,522	Rs.184,658,522
	b) Guarantee given by the Company on behalf of other Company	-	Rs.300,000,000
	c) Others	Rs. 98,499	Rs. 98,499

Commitments

In case of Nandi Economic Corridor Enterprises Ltd. (NECE), the Company along with Nandi Infrastructure Corridor Enterprises Ltd. (NICE) as a joint sponsor, has given an Undertaking to IDFC Limited, acting as a Lenders' Agent, in connection with the consortium loan total amounting to Rs. 400 Crores (out of total exposure of Rs 1,650 Crores) advanced to NECE, whereby the Company, along with NICE, has undertaken to ensure continuance of the Project undertaken by NECE, maintenance of shareholding and management control over NECE and provision of requisite technical, financial and managerial expertise, etc. until the final settlement date of the consortium loan.The company has recognised it as Financial Guarantee contract to the extent of Letter of Comfort issued by it.

Further the Company has agreed to grant to NECE, Operation & Maintenance Cost Overrun Support, Yield Equalisation Support, interest differential support under certain Facilities and Major Maintenance Reserve Support, on need basis.

The Company had given security to Axis Bank Limited to the extent of Rs. 30 Crores for securing the term loan facility granted by it to Nandi Highway Developers Limited (NHDL),a subsidiary of the Company, by way of hypothecation of movable assets and equitable mortgage of fixed assets pertaining to Wind Mill project of the Company located in village Boposhi and Maloshi, Dist Satara. The said term loan has been repaid during the year by NHDL and charge satisfied.

The Company had given security to Kotak Mahindra Investments Limited to the extent of Rs.30 Crores securing the term loan facility granted by it to Nandi Highway Developers Limited (NHDL), a subsidiary of the Company, by way of pledge of NIL (previous period- 12,301,127) equity shares of Rs. 10 each of NHDL held by the Company. The said term loan has been repaid during the year by NHDL and pledge is released.

25. Un hedged Foreign Currency Exposure

Un-hedged Receivables and Payables	As at 31st March, 2018	As at 31st March, 2017
	Amount Rs.	Amount Rs.
Trade Payables	1,463,492	-

26. Related Party disclosures

Name of the related parties and related party relationship

Subsidiaries	Nandi Infrastructure Corridor Enterprises Ltd. (NICE) Nandi Highway Developers Ltd. (NHDL) Avichal Resources Pvt. Ltd.
Companies under same management controls	Nandi Economic Corridor Enterprises Ltd. (NECE)

Related parties with whom transactions have taken place during the period

Enterprises under common control	Bharat Forge Ltd. BF Investment Limited
Key management personnel	Mr. B S Mitkari (CEO & CS) Mr. S S Joshi (CFO)

Related party transactions

Sr No	Nature of transaction	Name of the Related Party	Year ended March 31, 2018 Amount Rs.	Year ended March 31, 2017 Amount Rs.
I	Income			
a	Sales	Bharat Forge Ltd.	68,228,335	138,006,818
b	Sale of Intangible Asset under development	Bharat Forge Ltd.	118,000,000	-
c	Compensation Received	Bharat Forge Ltd.	(3,228,377)	6,362,167
d	Dividend Received	NHDL	139,050,116	-
e	Employee Deputation cost (including taxes)	BF Investment Ltd.	3,745,480	3,333,486
f	Other receipt	Bharat Forge Ltd.	143,119	-
g	Financial Guarantee Contract	NECE	77,37,149	77,37,149
II	Expenses			
a	Purchases of Raw Material	Bharat Forge Ltd.	1,857,910	-
b	Reimbursement of expenses	Bharat Forge Ltd.	46,251,692	22,630,914
c	Interest on ICD / Loan	Bharat Forge Ltd. BF Investment Ltd.	5,650,685 -	7,500,000 14,547,059
d	Rent	Avichal Resources Pvt. Ltd.	600,000	600,000
e.	Remuneration paid to KMP		10,487,468	9,776,560
f.	Financial Guarantee Contract (amount written off)	NECE	77,37,149	77,37,149
III	Others			
a	Loan / ICD Taken / (Repaid)	Bharat Forge Ltd.	(75,000,000)	-
b	Advance Given	Bharat Forge Ltd. Avichal resources Pvt. Ltd.	- (100,000)	200,000 100,000
c	Security deposit Taken / (Repaid)	Bharat Forge Ltd.	(30,000,000)	30,000,000
d	Purchase of Bonds	BF Utilities Ltd. Staff Provident Fund	-	5,500,000

Balance outstanding as at the year end

Sr No	Nature of transaction	Name of the Related Party	March 31, 2018 Receivable / (Payable) Amount Rs.	March 31, 2017 Receivable / (Payable) Amount Rs.	April 1, 2016 Receivable / (Payable) Amount Rs.
01	Trade Receivable	Bharat Forge Ltd BF Investment Ltd.	11,439,583 -	99,255,396 461,426	7,010,938 436,877
02	Other Receivable	Bharat Forge Ltd	22,440,000	-	-
03	Trade payable	Bharat Forge Ltd.	(1,857,910)	-	-
04	Loan / Inter Corporate Deposits	Bharat Forge Ltd. BF Investment Ltd.	- (211,000,000)	(75,000,000) (211,000,000)	(75,000,000) (211,000,000)
05	Interest Payable	Bharat Forge Ltd. BF Investment Ltd.	(5,085,617) (5,739,374)	(6,750,000) (14,646,808)	(1,682,877) (4,549,998)
06	Security deposit	Bharat Forge Ltd.	(210,000,000)	(240,000,000)	(210,000,000)
07	Advance Given	NECE Bharat Forge Ltd. Avichal resources Pvt. Ltd.	370,000,000 200,000 -	370,000,000 200,000 100,000	370,000,000 - -
08	Investment balance	NICE NHDL Avichal Resources Pvt. Ltd.	775,691,110 260,719,010 65,172,500	775,691,110 260,719,010 65,172,500	775,691,110 260,719,010 65,172,500
09	RemunerationPayable to KMP		(133,534)	(231,472)	-

27. Financial Instruments

Capital Management:

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may issue new shares or sell assets to reduce debt. The capital structure of the Company consists of debt and total equity of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The Company is not subject to any externally imposed capital requirements.

Total debt includes all long and short term debts as disclosed in note 11 to the financial statements.

The gearing ratio at the end of the reporting period was as follows

Particulars	March 31, 2018 Amount Rs.	March 31, 2017 Amount Rs.
Loans and Borrowings	**464,131,523**	623,333,094
Less - Cash and Cash Equivalents	**26,053,948**	88,419,714
Net Debt	**438,077,575**	534,913,380
Equity	**1,009,104,213**	849,687,845
Capital and Net Debt	**1,447,181,788**	1,384,601,225
Debt to Equity Ratio	**0.30**	0.39

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments as of March 31, 2018, other than those with carrying amounts that are reasonable approximates of fair values:

(Amounts Rs.)

Particulars	Carrying value			Fair Value		
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
Investments	**1,111,517,006**	1124,265,563	1,142,370,734	**1,111,517,006**	1,124,265,563	1,142,370,734
Trade receivables	**16,648,423**	90,629,262	7,010,938	**16,648,423**	90,629,262	7,010,938
Cash and cash equivalents - Bank balance	**231,123,948**	88,419,714	22,879,924	**231,123,948**	88,419,714	22,879,924
other current financial assets	**136,031,868**	121,786,796	296,554,840	**136,031,868**	121,786,796	2,965,54,840
Total Financial Assets	**1,495,321,245**	1425,101,335	1,468,816,436	**1,495,321,245**	1,425,101,335	1,468,816,436
Borrowings	**464,131,523**	623,333,094	723,005,932	**464,131,523**	623,333,094	723,005,932
Trade payables	**65,582,768**	52,457,156	57,074,127	**65,582,768**	52,457,156	57,074,127
Other Financial Liabilities	**335,966,664**	384,440,984	346,363,121	**335,966,664**	384,440,984	346,363,121
Total Financial Liabilities	**865,680,955**	1,060,231,234	1126,443,180	**865,680,955**	1,060,231,234	1,126,443,180

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

Further the management assessed that the fair value of security deposits and other non current receivables approximate their carrying amounts largely due to discounting at rates which are an approximation of current lending rates.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

1. The fair values of quoted instruments are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks as well as other non-current financial liabilities is estimated by

discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

2. The company has not performed a fair valuation of its investment in unquoted ordinary shares which are classified as FVTOCI, as the company believes that the impact of change on account of fair value is insignificant.

Financial Risk management framework:

The Company is exposed primarily to market risk, credit risk and liquidity risk which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the interest rates and other market changes.

Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Outstanding customer receivables are regularly monitored. The Company maintains its cash and cash equivalents and deposits with banks having good reputation and high quality credit ratings.

The company has only one customer i.e. Bharat Forge Ltd. To mitigate the credit risk, the company has taken security deposit of Rs. 20 crores (Rs 20 crores as on March 31, 2017) which covers the sales made by company to it over next year(s).

Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, liquid cash and bank balanceby continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.The table below provides details regarding the contractual maturities of significant financial liabilities:

(Amount Rs)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Less than 1 Year	More than 1 Year	Less than 1 Year	More than 1 Year
Borrowings	**326,145,364**	**137,986,159**	409,224,349	214,108,745
Trade payables	**65,582,768**	-	52,457,156	-
Other financial liabilities	**239,178,111**	**96,788,553**	279,915,282	104,525,702

Fair Value Measurement

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Ind AS 113 - Fair Value Measurement. An explanation of each level is 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 or indirectly.

Level 3 - Unobservable inputs for the asset or liability.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

(Amount Rs)

Quantitative disclosure fair value measurement hierarchy for assets	Fair value measurement using		
	Quoted prices in active markets (Level 1)	Significant observable Inputs (Level 2)	Significant un-observable Inputs (Level 3)
Financial assets at FVTOCI			
Equity Instruments (Quoted)			
March 31, 2018	3,367,948	-	-
March 31, 2017	16,116,505	-	-
April 1, 2016	21,600,544	-	-
Equity Instruments (Un-Quoted)			
March 31, 2018	-	-	877,188
March 31, 2017	-	-	877,188
April 1, 2016	-	-	19,187,570
Financial assets at Amortised Cost			
Investments in Bonds			
March 31, 2018	5,689,250	-	-
March 31, 2017	5,689,250	-	-
April 1, 2016	-	-	-

28. Gratuity and other post-employment benefit plans

Gratuity plan

Funded scheme

The Company has a defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972 and the Scheme framed by the Company. Under the Act, every employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. Every employee who has completed five years but not more than fifteen years of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per the provisions of the Payment of Gratuity Act, 1972. Every employee who has completed fifteen years of service gets a gratuity on departure at one months salary (last drawn) for each completed year of service, subject to maximum for 20 months salary as per the Scheme of the Company. The scheme is funded with insurance companies in the form of a qualifying insurance policy.

Risk exposure and asset-liability matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companiestake on uncertain long term obligations to make future benefit payments.

1) **Liability risks**

a) **Asset-liability mismatch risk**

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements.

b) **Discount rate risk**

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

c) **Future salary escalation and inflation risk**

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

2) **Asset risks**

All plan assets are maintained in a trust fund managed by a public sector insurer viz. LIC of India and other insurance companies. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

The following table summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

The principal assumptions used in determining gratuity for the Company's plan is shown below:

Particulars	As at March 31, 2018	As at March 31, 2017
Mortality table	IALM(2006-08) ult	IALM(2006-08) ult
Discount rate	7.40%	6.80%
Rate of increase in compensation levels	7.50%	7.50%
Expected rate of return on plan assets	6.80%	8.25%
Expected average remaining working lives (in years)		
Withdrawal rate (based on grade and age of employees)	4.14	4.47
Age upto 30 years	10%	10%
Age 31 - 44 years	10%	10%
Age 45 - 50 years	10%	10%
Age above 50 years	10%	10%

Changes in the present value of the defined benefit obligation recognised in balance sheet are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
	Amount Rs.	Amount Rs.
Present value of obligation as at the beginning of the period	4,254,361	3,745,022
Interest expense	289,297	288,367
Current service cost	242,958	257,013
Benefits (paid)	-	-
Remeasurements on obligation [Actuarial (Gain) / Loss]	(249,829)	(36,041)
Closing defined benefit obligation	4,536,787	4,254,361

Changes in the fair value of plan assets recognised in the balance sheet are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
	Amount Rs.	Amount Rs.
Opening fair value of plan assets	3,965,860	2,730,632
Interest Income	269,865	247,168
Contributions	5,499	958,688
Benefits paid	-	-
Remeasurements	-	-
Return on plan assets, excluding amount recognized in		
Interest Income - Gain / (Loss)	47,624	29,372
Closing fair value of plan assets	4,288,848	3,965,860
Actual return on plan assets	317,489	276,540

Net Interest (Income/Expense)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
	Amount Rs.	Amount Rs.
Interest (Income) / Expense - Obligation	289,297	288,367
Interest (Income) / Expense - Plan assets	(269,865)	(247,168)
Net Interest (Income) / Expense for the period	19,432	41,199

Remeasurement for the period [Actuarial (Gain)/loss]

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
	Amount Rs.	Amount Rs.
Experience (Gain) / Loss on plan liabilities	(182,540)	(237,785)
Demographic (Gain) / Loss on plan liabilities	-	-
Financial (Gain) / Loss on plan liabilities	(67,289)	201,744
Experience (Gain) / Loss on plan assets	(105,169)	(22,952)
Financial (Gain) / Loss on plan assets	57,545	(6,420)

Amount recognised in Statement of Other Comprehensive Income (OCI)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
	Amount Rs.	Amount Rs.
Remeasurement for the year-Obligation (Gain)/Loss	(249,829)	(36,041)
Remeasurement for the year-Plan assets (Gain)/Loss	(47,624)	(29,372)
Total Remeasurement cost/(credit) for the period recognised in OCI	(297,453)	(65,413)

The amounts to be recognised in the Balance Sheet

Particulars	As at March 31, 2018	As at March 31, 2017
	Amount Rs.	Amount Rs.
Present value of obligation as at the end of the period	4,536,787	4,254,361
Fair value of plan assets as at the end of the period	4,288,848	3,965,860
Surplus/ (Deficit)	(247,939)	(288,501)
Current Liability	247,939	288,501
Non-Current Liability	4,288,848	3,965,860
Net asset / (liability) to be recognised in balance sheet	(247,939)	(288,501)

Expense recognised in the statement of profit and loss

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
	Amount Rs.	Amount Rs.
Current service cost	242,958	257,013
Net Interest (Income) / Expense	19,432	41,199
Net periodic benefit cost recognised in the statement of profit and loss	262,390	298,212

Reconciliation of net asset/(liability) recognised:

Particulars	As at March 31, 2018	As at March 31, 2017
	Amount Rs.	Amount Rs.
Net asset / (liability) recognised at the beginning of the period	(288,501)	(1,014,390)
Company contributions	5,499	958,688
Expense recognised at the end of period	(262,390)	(298,212)
Amount recognised outside profit & loss for the period	297,453	65,413
Net asset / (liability) recognised at the end of the period	(247939)	(288,501)

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
Funds managed by insurer	100 %	100 %

Sensitivity analysis

A) Impact of change in discount rate when base assumption is decreased/increased present value of obligation

Discount Rate	As at March 31, 2018	As at March 31, 2017
	Amount Rs.	Amount Rs.
Decrease by 1%	4,672,679	4,403,346
Increase by 1%	4,409,459	4,115,729

B) Impact of change in salary increase rate when base assumption is decreased/increased present value of obligation

Salary Increment Rate	As at March 31, 2018	As at March 31, 2017
	Amount Rs.	Amount Rs.
Decrease by 1%	4,440,004	4,144,391
Increase by 1%	4,637,815	4,369,795

C) Impact of change in withdrawal rate when base assumption is decreased/increased present value of obligation

Withdrawal Rate	As at March 31, 2018	As at March 31, 2017
	Amount Rs.	Amount Rs.
Decrease by 1%	4,524,839	4,262,737
Increase by 1%	4,553,468	4,246,411

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following are the expected benefit payments to the defined benefit plan in future years:

Particulars	As at March 31, 2018	As at March 31, 2017
	Amount Rs.	Amount Rs.
Within one year	1,887,000	1,348,000
After one year but not more than five years	2,638,000	2,669,000
After five years but not more than ten years	1,022,000	929,000

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal and interest rate) is 3.92 years

Provident Fund

In accordance with the law, all employees of the Company are entitled to receive benefits under the provident fund. Till the Financial Year 2016-17,the Company operated defined benefit plan. Under the defined benefit plan, the Company contributes to the '' BFUL Employees Provident Fund Trust. ''. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

From the Financial Year 2017-18 onwards the Company operated defined contribution plan. Under the defined contribution plan, provident fund is contributed to the government administered provident fund. The Company has no obligation, other than the contribution payable to the provident fund.

29. Income Taxes

A reconciliation of the Income tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is summarised below.

	Year ended March 31, 2018	Year ended March 31, 2017
	Amount Rs.	Amount Rs.
Accounting profit before tax from operations	142,441,715	82,533,625
Enacted tax rate in India	27.5525%	34.6080%
Computed tax expense at enacted tax rate	39,246,254	28,563,237
Effect of Exempt Income	(38,327,275)	(22,627)
Effect of non-deductible expenses	15,890,203	1,949,997
Effect of deductible expenses	(13,097)	(283,000)
Effect of change in Tax Rates	(17,760,626)	6,475,888
Effect of MAT Credit availed	(12,012,439)	(27,645,599)
Others	302,604	217,052
Tax expense reported in statement of profit and loss	(12,674,376)	9,254,948

30. First Time Adoption

These financial statements for the year ended March 31, 2018 have been prepared in accordance with Ind-AS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with statutory reporting requirements in India immediately before adopting Ind AS ('previous GAAP').

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for the year ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 1,2016 and the financial statements as at and for the year ended March 31, 2017.

First time adoption of Ind AS - Mandatory exceptions and optional exemptions:

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets and liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognized assets and liabilities.

However, this principle is subject to certain exceptions and certain optional exemptions availed by the company as detailed below:

Exceptions applied

The Company has applied all the mandatory exceptions in accordance with Ind AS 101. Following are the exceptions with significant impact:

1. **Estimates**

The estimates at April 1, 2015 and at March 31, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- FVTOCI - unquoted and quoted equity instruments
- Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 1, 2016, the date of transition to Ind AS and as of March 31, 2017.

2. **Classification and measurement of financial assets**

The Company has classified financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

3. **De-recognition of financial assets and financial liabilities**

The Company has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

4. **Impairment of financial assets**

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there has been significant increase in credit risk since the initial recognition, as permitted by Ind AS 101.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

1. **Deemed cost for property, plant and equipment and intangible assets**

The Company has elected to continue with the carrying value of all its plant and equipment and intangible assets recognized as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2. **Past Business Combinations**

The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of 1st April 2016. Consequently, the Company has kept the same classification for the past business combinations as in its previous GAAP financial statements. The Company has not recognised assets and liabilities that were not recognised in accordance with previous GAAP in the balance sheet of the acquirer and would also not qualify for recognition in accordance with Ind AS in the separate balance sheet of the acquire. The Company has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS.

3. **Investment in subsidiary**

The Company has elected to continue with the carrying value of investment in subsidiary recognized as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as at the transition date.

Explanation of transition to Ind AS

The below mentioned reconciliations provide a quantification of the effect of significant differences arising from the transition from Indian GAAP to Ind AS in accordance with Ind AS 101 for the following:

- Equity as at April 1, 2015
- Equity as at March 31, 2016
- Profit for the year ended March 31, 2016

There are no material adjustments to the cash flow statements.

In the reconciliations mentioned above, certain reclassifications are made to Indian GAAP financial information to alignwith the Ind AS presentation.

(Amount Rs)

Particulars	As at April, 1 2016			As at March, 31 2017			Note
	IGAAP	IndAS Transition Effect	Ind AS	IGAAP	IndAS Transition Effect	Ind AS	
Non current Assets							
Property, plant and equipment	254,751,406	-	254,751,406	216,182,539	-	216,182,539	
Intangible assets - under development	78,152,438	-	78,152,438	111,905,900	-	111,905,900	
Financial Assets							
Investments	1,120,770,190	-	1,120,770,190	1,102,459,808	-	1,102,459,808	
Other financial Assets	-	112,262,851	112,262,851	-	104,525,702	104,525,702	3
Other Non Current Assets	370,000,000	-	370,000,000	370,000,000	-	370,000,000	
Current Assets							
Inventories	771,398	-	771,398	28,10,215	-	2,810,215	
Financial Assets							
Investments	19,191,299	2,409,245	21,600,544	18,305,845	3,499,910	21,805,755	1
Trade receivables	7,010,938	-	7,010,938	90,629,262	-	90,629,262	
Cash and cash equivalents	22,879,924	-	22,879,924	88,419,714	-	88,419,714	
Other financial assets	176,554,840	7,737,149	184,291,989	9,523,945	7,737,149	17,261,094	3
Other Current Assets	3,579,018	-	3,579,018	3,487,768	-	3,487,768	
Total Amount	2,053,661,451	122,409,245	2,176,070,696	2,013,724,996	115,762,761	2,129,487,757	
EQUITY							
Equity Share capital	188,338,140	-	188,338,140	188,338,140	-	188,338,140	
Other Equity	585,705,180	1,627,565	587,332,745	659,189,172	2,160,533	661,349,705	
Non current Liabilities							
Borrowings	388,743,506	(95,920,898)	292,822,608	277,819,157	(63,710,412)	214,108,745	2
Other financial liabilities	-	112,262,851	112,262,851	-	104,525,702	104,525,702	3
Deferred tax liabilities	42,927,157	781,679	43,708,836	31,238,723	1,339,378	32,578,101	5
Other non-current liabilities	-	63,710,412	63,710,412	-	36,987,635	36,987,635	2
Current Liabilities							
Financial Liabilities							
Borrowings	430,183,324	-	430,183,324	409,224,349	-	409,224,349	
Trade payables	57,074,127	-	57,074,127	52,457,156	-	52,457,156	
Other financial liabilities	226,363,121	7,737,149	234,100,270	272,178,134	7,737,148	279,915,282	3
Other current liabilities	373,842	32,210,487	32,584,329	2,688,689	26,722,777	29,411,466	2
Provisions	116,678,689	-	116,678,689	104,696,718	-	104,696,718	
Current tax liabilities (net)	17,274,365	-	17,274,365	15,894,758	-	15,894,758	
Total Amount	2,053,661,451	122,409,245	2,176,070,696	2,013,724,996	115,762,761	2,129,487,757	

(Amount Rs)

Particulars	For year ending March, 31 2017			Note
	IGAAP	Ind AS Transition Effect	Ind AS	
Revenue from operations	212,481,566	-	212,481,566	
Other income	1,952,265	39,310,994	41,263,259	2,3,
Total revenue	**214,433,831**		**253,744,825**	
Expenses				
Changes in inventories	(2,038,817)	-	(2,038,817)	
Employee benefit expenses	13,796,243	(65,413)	13,861,656	
Finance costs	26,325,040	(32,210,487)	58,535,527	2
Depreciation and amortization expense	38,662,098	-	38,662,098	
Other expenses	54,527,399	(7,663,337)	62,190,736	1,3
Total expenses	**131,271,963**	**(39,939,237)**	**171,211,200**	
Profit / (Loss) before tax and exceptional items	83,161,868	628,243	82,533,625	
Exceptional items	-	-	-	
Profit / (Loss) before tax	83,161,868	628,243	82,533,625	1
Tax expense :				
Current tax				
- pertaining to profit for the year	21,100,000	156,618	20,943,382	5
Deferred tax	(116,88,434)	-	(11,688,434)	
Profit / (Loss) for the year after taxation	73,750,302	471,625	73,278,677	1
Excess / (Short) provision for taxation and tax payments	(266,310)	-	(266,310)	
Profit / (Loss) for the year after taxation and adjustments relating to earlier years	73,483,992	471,625	73,012,367	
Other Comprehensive Income for the period (net of tax)				
Items that will not be reclassified to Profit or Loss :				
Re-measurement of the defined benefit plans (net off tax)		(65,413)	65,413	4
Re-measurement of financial instruments (net off tax)		(939,180)	939,180	1
Items that will be reclassified to Profit or Loss			-	
Total Comprehensive income for the period Net of tax	73,483,992	(532,968)	74,016,960	

Foot Notes

1. Investments in Equity Instruments and Mutual Funds

Under previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value.

Under Ind AS, the Company has designated such investments as FVTOCI investments. Ind AS requires FVTOCI investments to be measured at fair value. At the date of transition to Ind AS, difference between the instruments at fair value and Indian GAAP carrying amount has been recognised as a separate component of equity, in the FVTOCI reserve, net of related deferred taxes.

Under previous GAAP, investments in Bonds were carried at lower of cost and fair value. Under Ind AS, these investments are measured initially at fair value and subsequently at amortized cost.

Fair value increase on Investments is respectively Rs. 24,09,245 and Rs. 34,99,910 as on April 1, 2016 and March 31, 2017 as compared to corresponding year ended figures reported under Indian GAAP. Income recognised for the year ending March 31, 2017 net of deferred tax is Rs. 939,180 (FVTOCI) and effect of amortised cost interest is Rs. 9470. Profit on sale of Financial Instruments recognised under Indian GAAP already captured through Fair Value changes as above (net of tax effect) is Rs. 471,625.

2. Government Grant

Under previous GAAP, government assistance in the form of a below market rate of interest government loan (such as sales tax deferral scheme) was not recorded.

Under Ind AS, the benefit of a government loan at a below-market rate of interest is treated as a government grant. The loan shall be recognised and measured in accordance with Ind AS 109, Financial Instruments. The benefit of the below market rate of interest shall be measured as the difference between the initial carrying value of the loan determined in accordance with Ind AS 109, and the proceeds received. Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

As at 1st April 2016, Government Loan of Rs. 292,822,608 and Deferred Government Grant of Rs. 959,20,898 has been recognized (Non current portion Rs 63,710,412 and current portion Rs. 32,210,487). During the year 2016-17, Interest unwinding on Loan - Finance cost and Government Grant Income of Rs. 322,10,487 has been recognized in profit or loss. As at 31st March 2017, Government Loan of Rs. 325,033,094 (Non current portion Rs. 214,108,745 and current portion Rs. 110,924,249) and Deferred Government Grant of Rs. 637,10,412 (Non current portion Rs. 36,987,634 and current portion Rs. 26,722,777) is presented in the balance sheet.

3. **Financial Guarantee Contract**

Under Indian GAAP, financial guarantee (Letter of Support) given by parent on behalf of its subsidiary is recognised as ''Contingent Liability''. Under Ind AS, corporate / financial guarantee is treated as financial liability and is measured at Fair Value on initial and subsequent recognition. As such, Fair Value of such guarantee contract (liability) and corresponding amount recoverable from subsidiary (as asset) has been recognised at Rs. 112,262,851 (Non current portion) and Rs. 7,737,149 (current portion) as on April 1, 2016 and for Rs. 104,525,702 (Non current portion) and Rs. 7,737,149 (current portion) as on March 31, 2017. The fair value of guarantee for the year ending March 31, 2017 since not recoverable from subsidiary is written off as expenditure (under other expenses).

4. **Re-measurements of defined benefit obligations**

Under previous GAAP, actuarial gains and losses were recognised in profit and loss. Under Ind AS, the actuarial gains and losses forming part of re-measurement of the net defined benefit plan obligation, are recognised in the Other Comprehensive Income instead of profit or loss. The actuarial gain for the year ended March 31, 2017 under Previous GAAP was Rs. 65,413.

5. **Deferred Tax Impact**

Deferred tax impacts for the above adjustments, as at April 1, 2016 is of Rs.781,679. Additional deferred tax liability has been created as at April 1, 2016. During the year ending March 31, 2017, increase in liability for Deferred Tax is Rs. 557,699.

31. **Disclosure pursuant to IND AS 17 ''Leases''**

The company as a lessee:

Operating Lease

The company has taken land on lease under non cancellable period of 35 years, the future minimum lease payments in respect of which are as follows:

Sr no	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
		Amount Rs.	Amount Rs.	Amount Rs.
1	Payable not later than 1 year	**600,000**	600,000	600,000
2	Payable later than 1 year and not later than 5 years	**2,772,000**	2,646,000	2,520,000
3	Payable later than 5 years	**9,751,066**	10,477,066	11,203,066
	Total	**13,123,066**	13,723,066	14,323,066

32. Corporate Social Responsibility (CSR)

The company has formed Corporate Social Responsibility (CSR) Committee and has also adopted a CSR Policy in accordance with the provisions of section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company recognises CSR spends as and when incurred. Relevant details for the financial year/ period covered by these statements are as under.

(Amount Rs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017	Year ended 31st March, 2016
	Rs.	Rs.	Rs.
Gross amount required to be spent by the Company during the year/ period	3,200,303	2,421,749	2,048,814
Amount spent during the year/ period	NIL	NIL	NIL

33. Segment information as required by IND AS 108 ''Operating Segments'' as prescribed by Rules, as amended is set out in a separate statement annexed thereto.

34. Certain litigations by and against the Company and subsidiaries of the Company are pending in various Courts, and the matter is subjudice. No cognizance thereof is taken in the above results, pending final outcome of the cases.

During the year due to disputes with the service provider the Company's windmills were partly non-operational thereby adversely affecting power generation. The management has taken all possible steps to restore the operations.

35. Nandi Highway Developers Ltd. (NHDL), Nandi Infrastructure Corridor Enterprises Ltd. (NICE) and Nandi Economic Corridor Enterprises Ltd. (NECE), which are the subsidiaries of the Company, are in the process of finalising their accounts for the financial year ended 31st March, 2018 and hence, they have not yet submitted the said audited financials to the Company.

The Company will prepare consolidated financials statements, once the audited accounts of all the above mentioned subsidiaries are made available to the Company.

36. The Company has advanced amounts aggregating to Rs. 370,000,000 to Nandi Economic Corridor Enterprises Limited (NECE), Subsidiary Company, for purchase of developed parcels of land, which remain outstanding at the balance sheet date. These have been considered as good and recoverable in these financial statements by the Management of the Company based on the balance confirmation received from NECE.

37. Disclosures required as per Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 have been set out in a separate statement annexed hereto.

38. During the year the Company assigned an intangible asset under development and surplus on the assignment is included under the head Other Income.

39. Previous year's figures have been regrouped wherever necessary.

As per our report attached
For JOSHI APTE & CO.
Chartered Accountants
ICAI Firm Registration No. 104370W

C. K. JOSHI
Partner
Membership No. 030428

Pune, May 3, 2018

On behalf of the Board of Directors of BF UTILITIES LIMITED
CIN : L40108PN2000PLC015323

B. B. HATTARKI
Director
DIN : 00145710

S. S. VAIDYA
Director
DIN : 00024245

S. S. JOSHI
CFO

B.S. MITKARI
CEO & Company Secretary

Pune, May 3, 2018

Annexure referred to in Note No. 33 of the Financial Statements of BF Utilities Ltd.

Segment Reporting as required by ''Ind AS 108 : Operating Segments'' for the year ended 31st March, 2018

Amount in Rs.

Sr. No.	Particulars	31st March, 2018 Rs.	31st March, 2017 Rs.
1	Segment Revenue		
	a. Wind Energy	**148,731,329**	212,906,099
	b. Infrastructure	**139,050,116**	-
	Total	**287,781,445**	212,906,099
	Less : Inter segment revenue	**-**	-
	Net Revenue	**287,781,445**	212,906,099
2	Segment results		
	Profit / (Loss) (before tax and interest from each segment)		
	a. Wind Energy	**12,888,468**	112,852,097
	b. Infrastructure	**134,280,964**	(3,393,278)
	Total	**147,169,432**	109,458,819
	Less: i) Finance cost	**35,718,743**	58,535,527
	ii) Other unallocable expenditure net off unallocable income	**(30,991,026)**	(31,610,333)
	Total Profit /(Loss) before tax and exceptional items	**142,441,715**	82,533,625
	Exceptional Items	**-**	-
	Total Profit /(Loss) before tax and exceptional items	**142,441,715**	82,533,625
3	Total Carrying amount of Segment Assets		
	a. Wind Energy	**506,304,808**	476,225,943
	b. Infrastructure	**1,510,935,822**	1,518,672,971
	c. Other - Unallocables	**47,696,300**	134,588,843
	Total	**2,064,936,930**	2,129,487,757
4	Total Carrying amount of Segment Liabilities		
	a. Wind Energy	**429,784,018**	395,270,697
	b. Infrastructure	**104,525,702**	112,262,851
	c. Other - Unallocables	**5,085,617**	52,644,758
	Total	**539,395,337**	560,178,306
5	Capital Employed (Segment Assets - Segment Liabilities)		
	a. Wind Energy	**76,520,790**	80,955,246
	b. Infrastructure	**1,406,410,120**	1,406,410,120
	c. Other - Unallocables	**42,610,683**	81,944,085
	Total	**1,525,541,593**	1,569,309,451
6	Total Cost incurred during the year to acquire segment assets that are expected to be used during more than one period.		
	a. Wind Energy	**17,359**	93,231
	b. Infrastructure	**-**	-
	c. Other - Unallocables	**-**	-
		17,359	93,231
7	Depreciation and Amortisation		
	a. Wind Energy	**38,591,290**	38,591,290
	b. Infrastructure	**-**	-
	Total	**38,591,290**	38,591,290

Annexure referred to Note No. 36 Of Notes forming part of the Financial Statements

Disclosures required as per Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Name of the Company	Year	Loans and Advances Given		Investments	Loan and advance given
		Amount Outstanding as at 31 March, 2018	Maximum Balance outstanding during the year/period	Amount Outstanding as at 31 March, 2018	Investments by the loanee in the shares of parent company and subsidiary company as at 31 March, 2018
		Rs.	Rs.	Rs.	Rs.
Subsidiaries :					
Nandi Infrastructure Corridor Enterprise Ltd.	**2017-18**	-	-	**775,691,110**	-
	2016-17	-	-	775,691,110	-
Nandi Highway Developers Ltd.	**2017-18**	-	-	**260,719,010**	-
	2016-17	-	-	260,719,010	-
Avichal Resources Pvt. Ltd.	**2017-18**	-	**100,000**	**65,172,500**	-
	2016-17	-	-	65,172,500	-
Nandi Economic Corridor Enterprises Ltd.	**2017-18**	**370,000,000**	**370,000,000**	-	-
	2016-17	370,000,000	370,000,000	-	-

Note : There are no loans and advances in the nature of loans to firms / companies in which Directors are interested.

Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BF UTILITIES LIMITED

To,
The Members
BF Utilities Limited, Pune

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **BF UTILITIES LIMITED** (hereinafter referred to as "the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "The Group"), comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement, 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' Responsibility for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "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 statement of changes in equity of the Group 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 the Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit 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 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 auditors' 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 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 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid consolidated financial statement gives the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, and its consolidated total comprehensive income, consolidated statement of change in equity and its consolidated cash flows for the year ended on that date.

Emphasis of Matters

Without qualifying our Audit Report, we draw attention to the following matters in the Notes to the Ind AS financial statements:

(a) We draw attention to Note No.36 to the accompanying Ind AS financial statements. As mentioned therein there are certain litigations by and against the Company that are yet to be decided by various courts and the matter is subjudice. No cognizance thereof is taken in the preparation of the financial statements, pending the final outcome of these cases. During the year, due to dispute with the service provider, Company's windmills were partially non-operational thereby adversely affecting power generation. The management has taken all possible steps to restore the operations.

Note 36

Certain litigations by and against the Company are pending in various Courts, and the matter is subjudice. No cognizance thereof is taken in the preparation of Ind AS financial statements, pending final outcome of the cases. During the year due to disputes with the service provider the Company's windmills were partly non-operational thereby adversely affecting power generation. The management has taken all possible steps to restore the operations.

Our opinion is not qualified in respect of above matter.

(b) We draw attention to Note No. 39 to the accompanying consolidated financial statements regarding the reported constitution of a House Committee consisting of members of the Karnataka Legislative Assembly, and its findings on the alleged violations in implementation of the Framework Agreement ('FWA') in the construction of Peripheral Road, development of Townships and Utilities undertaken by NECE as part of the Bangalore Mysore Infrastructure Corridor Project ('BMIC Project'). As explained in the said Note, based on the legal opinion obtained by NECE in this regard, the Management of NECE has evaluated the above development and, in their assessment, since every aspect of the implementation of the BMIC Project has been judicially scrutinized in earlier instances by the Hon'ble High Court of Karnataka and Hon'ble Supreme Court of India and the Hon'ble Courts have pronounced detailed favorable judgments regarding the same, including upholding the process adopted by NECE in implementing the BMIC Project as per FWA, they are of the view that NECE has followed the FWA in letter and spirit and that all concerned laws have been adhered to in implementing the BMIC Project. Accordingly, NECE intends to legally contest any matter that may arise consequent to the reported findings of the Assembly Panel.

Note no 39

In respect of Nandi Economic Corridor Enterprises Limited (NECE), *It had been reported in print media that in September 2014, the Karnataka Legislative Assembly has constituted a House Committee Assembly Panel (House of Committee) consisting of members of Legislative Assembly, to study the alleged violations in implementation of the Framework Agreement in the construction of Peripheral Road, development of townships and utilities undertaken by NECE. Further, it had also been reported in the print media that the House Committee tabled its report during November 2016 in the Karnataka Legislative Assembly, wherein NECE had various departments of GoK have been accused of violations of several terms of FWA and recommendations have been made to initiate appropriate actions which include recovery of excess land given for the project, recovery of illegal toll collected by NECE and further probe by national agencies such as the Central Bureau of Investigation (CBI), Enforcement of Directorate, central vigilance commission or investigative agencies of equal standing. While NECE has still not been provided with any notice of the formation of the committee or its reports, the Management of NECE has assessed the findings of the said Committee reported in the print media and is of the opinion that the allegations made therein are baseless, politically motivated and hence lack legal withstanding. Further, NECE had faced similar situations in the past, where NECE has received favorable orders from the Hon'ble High Court and the Supreme Court. NECE has also obtained a legal opinion in this regard and as per the said opinion, the constitution of the House Committee itself is unconstitutional, illegal, and invalid and any findings/report, given by the aforesaid House Committee would also be illegal and untenable in law.*

Based on the aforesaid legal opinion, the Management of NECE has evaluated the above developments and in its assessment, since every aspect of the implementation of the BMIC Project has been judicially scrutinized in earlier instances by the Hon'ble High Court of Karnataka and Hon'ble Supreme Court of India and as the Hon'ble Courts have pronounced detailed favorable judgements regarding the same, including upholding the process adopted by NICE/ NECE in implementing the BMIC project as per FWA, the Management of NECE is of the view that NECE has followed the FWA in letter and spirit and that all concerned laws have been adhered to in implementing the BMIC project. As such, NECE intends to legally contest any matters that may arise in this regard to safeguard of its interests.

NECE's township development activities carried out as part of the BMIC project are dependent upon receiving necessary approvals from the Bangalore Mysore Infrastructure Corridor Area Planning authority.

The Management of NECE is of the opinion that the requisite regulatory approvals would be received by NECE in the normal course of business for the township development activities; various litigations would be decided in the favor of NECE and, hence, there would be no adverse effect on the operations of NECE including its ability to continue operations in foreseeable future

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

(c) We draw attention to Note No. 28 (i) of the Statement. As mentioned therein, As at the Balance sheet date, there are various cases pending against the NECE challenging the execution of the BMICP (the 'Project') which can be categorized under the following broad heads: a) Land acquisition and allotment related b) Litigation against layout approvals c) Enhanced compensation. NECE has been legally advised that none of these pending litigations or threatened litigation is likely to affect the execution of the Project. The Management of NECE believes that aforesaid litigations will not have any material impact upon the financial statements.

Note No.28 (i)-

As at the Balance sheet date, there are various cases pending against the NECE challenging the execution of the BMICP (the 'Project') which can be categorized under the following broad heads: a) Land acquisition and allotment related b) Litigation against layout approvals c) Enhanced compensation. NECE has been legally advised that none of these pending litigations or threatened litigation is likely to affect the execution of the Project. The Management of NECE believes that aforesaid litigations will not have any material impact upon the financial statements.

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

Other Matter

We did not audit the financial statements financial information of three subsidiaries and step-down subsidiary, whose financial statements reflect total revenue, total assets and cash flows to the extent they are included in the consolidated financial statements of the Group are as given below:

(Amount in Rs)

Name	Extent of share in		
	Revenue	Assets	Cashflows
Avichal Resources Private Limited (Avichal)	620,233	1,777,480	(193,791)
Nandi Highway Developers Limited (NHDL)	704,030,608	1,211,936,758	28,685,247
Nandi Economic Corridor Enterprises Limited (NECE)	3,230,113,232	16,354,477,689	30,177,179
Nandi Infrastructure Corridor Enterprises Limited (NICE)	11,782,281	103,010,073	280,214

These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to subsidiaries, is based solely on the report of other auditors.

Our opinion on the consolidated financial statements is unmodified; and our report on Other Legal and Regulatory Requirements below, is not modified 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

1. As required by Section 143(3) of the Companies Act, 2013,based on our audit, we report, to the extent applicable that:

   (a) We/ the other auditors whose reports we have relied upon have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated 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 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 Indian Accounting Standards prescribed under section133 of the Act read with relevant rules issued thereunder.

   (e) The matters in number b & c of Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of NECE.

   (f) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies, is disqualified as on March 31, 2018 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 and the operating effectiveness of such controls; refer to our Report in "Annexure A", which is based on the auditors' reports of the Company and its subsidiary companies incorporated in India.

(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, as amended, 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 the consolidated financial position of the Group. Refer Note no 28 of the consolidated Ind AS financial statement.

ii. 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For Joshi Apte & Co.
Chartered Accountants
ICAI Firm Registration Number: 104370W

C. K. Joshi
Partner
Membership Number: 030428

Place : une
Date : 30 May, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In Conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March, 2018, we have audited the internal financial controls over financial reporting of BF Utilities Limited (hereinafter referred to as "the Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management' Responsibility for Internal Financial Controls

The respective Board of Directors of the Company, its subsidiaries, which are companies incorporated in India, 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 ("the 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 the 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") issued by Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by Group 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.

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 of the Holding Company, in so far as it relates to these 3 subsidiary companies, one step down subsidiary company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For Joshi Apte & Co.
Chartered Accountants
ICAI Firm Registration Number: 104370W

C. K. Joshi
Partner
Membership Number: 030428

Place : une
Date : 30 May, 2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
ASSETS				
I Non-current assets				
(a) Property, plant and equipment	2.1	351,958,227	408,049,882	470,533,625
(b) Capital Work in Progress		353,519,887	354,009,715	1,430,590,608
(c) Investment Property	2.2	1,039,499	1,039,499	1,039,499
(d) Goodwill	2.3	63,509,091	63,509,091	63,509,091
(e) Other Intangible Assets	2.3	11,137,424,971	11,697,226,057	11,139,336,738
(f) Intangible assets - under development	2.4	109,223,586	196,905,900	163,152,438
(g) Financial assets				
(i) Investments	3	1,901,101	1,901,101	20,201,776
(ii) Loans	4	28,253,486	60,616,168	107,286,068
(iii) Other financial assets	5	-	-	-
(h) Income tax assets (net)		70,700,331	8,527,889	62,333,252
(i) Deferred Tax Asset	6	1,087,448	-	-
(j) Other Non Current Assets	7	2,928,361,697	2,964,922,916	2,989,421,418
Total Non current Assets		15,046,979,324	15,756,708,218	16,447,404,513
II Current assets				
(a) Inventories	8	1,715,012,777	1,716,218,147	1,721,207,309
(b) Financial assets				
(i) Investments	3	86,631,123	231,892,894	268,605,689
(ii) Trade receivables	9	21,278,987	95,073,652	9,691,534
(iii) Cash and cash equivalents	10	240,895,836	320,547,560	247,885,726
(iv) Other bank balances	10	445,173,811	-	-
(v) Loans	4	124,384,827	140,606,934	153,045,826
(vi) Other financial assets	5	31,506,166	9,540,579	176,554,840
(c) Other Current Assets	7	456,939,786	469,900,062	446,152,603
Total current Assets		3,121,823,313	2,983,779,828	3,023,143,527
Total assets		18,168,802,637	18,740,488,046	19,470,548,040
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	11	188,338,140	188,338,140	188,338,140
(b) Other Equity	12	(3,111,782,389)	(3,343,071,576)	(4,525,294,412)
Equity attributable to equity holders of the parent		(2,923,444,249)	(3,154,733,436)	(4,336,956,272)
(c) Non Controlling Interest		1,936,311,901	1,897,900,497	198,535,553
Total equity		(987,132,350)	(1,256,832,939)	(4,138,420,719)
I Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	13	15,802,915,107	16,773,955,064	20,452,326,813
(ii) Other financial liabilities	14	856,653,350	684,361,908	589,079,910
(b) Provisions	18	28,164,986	5,769,239	4,335,174
(c) Deferred tax liabilities	15	-	22,509,903	30,795,712
(d) Other non-current liabilities	16	892,116,433	914,994,268	941,663,223
Total Non-Current liabilities		17,579,849,876	18,401,590,382	22,018,200,832
II Current liabilities				
(a) Financial liabilities				
(i) Borrowings	13	625,545,364	459,124,349	430,183,324
(ii) Trade payables	17	256,126,549	202,006,103	196,461,379
(iii) Other financial liabilities	14	422,833,357	596,595,448	354,618,641
(b) Other current liabilities	16	71,001,671	50,408,787	54,196,223
(c) Provisions	18	200,578,169	287,595,916	555,308,360
Total Current liabilities		1,576,085,110	1,595,730,603	1,590,767,927
Total Liabilities		19,155,934,986	19,997,320,985	23,608,968,759
Total equity and liabilities		18,168,802,637	18,740,488,046	19,470,548,040
Summary of significant accounting policies	1			

The accompanying notes form an integral part of the Consolidated financial statement.

As per our report attached
For JOSHI APTE & CO.
Chartered Accountants
ICAI Firm Registration No. 104370W

On behalf of the Board of Directors of BF UTILITIES LIMITED
CIN : L40108PN2000PLC015323

C. K. JOSHI
Partner
Membership No. 030428

B. B. HATTARKI
Director
DIN : 00145710

A. B. KALYANI
Director
DIN : 00089430

S. S. JOSHI
CFO

B.S. MITKARI
CEO & Company Secretary

Pune, May 30, 2018

Pune, May 30, 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars		Note No.	Year ended 31st March, 2018 Rs.	Year ended 31st March, 2017 Rs.
	Income			
I.	Revenue from operations	19	4,009,797,269	3,362,728,123
II.	Other income	20	107,031,670	80,940,715
III.	**Total revenue (I + II)**		4,116,828,939	3,443,668,838
IV.	**Expenses**			
	Changes in inventories	21	1,205,370	(2,038,817)
	Operational Expense	22	41,933,188	47,900,952
	Cost of sale of land and land development	23	-	7,027,979
	Employee benefit expenses	24	471,876,953	411,725,596
	Finance costs	25	2,084,370,501	2,224,630,808
	Depreciation and amortization expense	2.1 & 2.3	625,986,959	597,691,099
	Other expenses	26	481,487,491	390,399,692
	Total expenses		3,706,860,462	3,677,337,309
V.	**Profit / (Loss) before tax and exceptional items (III-IV)**		409,968,477	(233,668,471)
VI.	Exceptional items		-	-
VII.	**Profit / (Loss) before tax (V + VI)**		409,968,477	(233,668,471)
VIII.	Tax expense :			
	(a) Current tax			
	- pertaining to profit for the year		103,114,629	75,283,506
	- MAT Credit utilised in relation to earlier years		(12,180,000)	-
	Tax for the year		90,934,629	75,283,506
	(b) Deferred tax		(38,069,253)	(16,091,654)
			52,865,376	59,191,852
IX.	**Profit / (Loss) for the year after taxation (VII-VIII)**		357,103,101	(292,860,323)
X.	Adjustments relating to earlier years :			
	Excess / (Short) provision for taxation and tax payments		3,302,994	(266,310)
XI.	**Profit / (Loss) for the year after taxation and adjustments relating to earlier years (IX+X)**		360,406,095	(293,126,633)
Xii.	Other Comprehensive Income for the period (net of tax)			
	(a) Items that will not be reclassified to Profit or Loss :			
	Remeasurement of the defined benefit plans (net off tax)		(21,375,469)	(14,804,316)
	Remeasurement of financial instruments (net off tax)		892,630	939,180
	(b) Items that will be reclassified to Profit or Loss		-	-
			(20,482,839)	(13,865,136)
XIII.	**Total Comprehensive income for the period Net of tax (XI + XII)**		339,923,256	(306,991,769)
	Profit for the year			
	Attributable to:			
	Equity Holders of the parent		240,433,339	33,246,508
	Non-controlling interests		119,972,755	(326,373,140)
			360,406,094	(293,126,632)
	Total comprehensive Income for the year			
	Attributable to:			
	Equity Holders of the parent		234,843,591	25,640,618
	Non-controlling interests		105,079,664	(332,632,386)
			339,923,255	(306,991,768)
XIV.	**Earnings per share:**			
	Basic & Diluted	27	9.57	(7.78)
Summary of significant accounting policies		1		

The accompanying notes form an integral part of the Consolidated financial statement.

As per our report attached
For JOSHI APTE & CO.
Chartered Accountants
ICAI Firm Registration No. 104370W

C. K. JOSHI
Partner
Membership No. 030428

Pune, May 30, 2018

On behalf of the Board of Directors of BF UTILITIES LIMITED
CIN : L40108PN2000PLC015323

B. B. HATTARKI
Director
DIN : 00145710

A. B. KALYANI
Director
DIN : 00089430

S. S. JOSHI
CFO

B.S. MITKARI
CEO & Company Secretary

Pune, May 30, 2018

Consolidated Cash Flow Statement For The Year Ended 31st March, 2018

Particulars		For Year ended 31st March, 2018 Rs.	For Year ended 31th March, 2017 Rs.
Cash Flow from Operating Activities			
Profit Before Tax		409,968,476	(233,668,470)
Adjustment for:			
Depreciation		625,986,959	597,691,099
Interest Expense		2,057,647,724	2,192,420,321
Government Grants Sales Tax Deferral expense (being non cash)		26,722,777	32,210,487
Interest income		(24,459,803)	(17,428,899)
Dividend		(56,220)	(65,380)
Loss on sale of Assets		1,691,578	1,484,385
Gain on Sale of Assets		(443,416)	-
Gain on Sale of Investments		(39,125,370)	(21,186,578)
Dimunition in the value of Investment			2,884
Net fair value gain on current investments at FVTPL		(4,595,501)	(87,139)
Government Grants Sales Tax Deferral Income (being non cash)		(26,722,777)	(32,210,487)
Operating Profit before working capital changes		3,026,614,428	2,519,162,223
Movements in Working Capital:			
(Increase) / Decrease in Inventories		1,205,370	4,989,162
(Increase) / Decrease in Trade Receivable		73,794,665	(85,382,118)
(Increase) / Decrease in Other Financial Asset		(18,187,220)	167,407,928
(Increase) / Decrease in Other Current Asset		12,960,276	(23,747,459)
(Increase) / Decrease in Short term loans & advances		16,222,107	12,438,892
Increase / (Decrease) in Trade Payable		54,120,446	5,544,724
Increase / (Decrease) in Other Financial Liability		(137,369,678)	232,801,780
Increase / (Decrease) in Other Liability		20,592,884	(3,787,436)
Increase / (Decrease) in Short Term Provisions		(87,017,747)	(267,712,444)
Operating Profit after working capital changes		2,962,935,531	2,561,715,251
Direct taxes paid (Net of Refunds)		(150,028,681)	(23,479,489)
Net Cash generated from Operating Activities	(A)	2,812,906,850	2,538,235,762
Cash Flow from Investing Activities			
Payment towards Capital Expenditure		(41,819,101)	(1,129,022,424)
Proceeds from Sale of Intangible Assets		20,719,035	687,902
Payment towards Capital WIP		489,828	1,076,580,893
Payment towards Capital advances		(11,907,544)	11,907,544
Proceeds from Sale of Investments		188,982,642	76,284,303
Current Financial Investment (including SOCIE)		24,986,148	69,755,094
Interest Income		20,681,436	17,035,232
Dividend Income		56,220	65,380
Fixed Deposits placed with the banks		(445,173,811)	-
Net Cash generated from Investing Activities	(B)	(242,985,148)	123,293,924
Cash Flow from Financing Activities			
Repayment of Borrowings		(729,618,942)	(536,430,724)
Long term loans & advances		32,362,682	46,669,900
Other Non current assets		48,468,763	12,590,958
Provisions		22,395,747	1,434,065
Proposed Dividend		(101,665,178)	-
Other non-current liabilities		(22,877,835)	(26,668,955)
Interest paid		(1,898,638,662)	(2,086,463,096)
Net Cash generated from Financing Activities	(C)	(2,649,573,426)	(2,588,867,852)
Net Increase/ (Decrease) in cash and cash equivalents (A+B+C)		(79,651,724)	72,661,834
Cash and cash equivalents at the beginning of the year		320,547,560	247,885,726
Cash and cash equivalents at the end of the year		240,895,836	320,547,560

The accompanying notes form an integral part of the Consolidated financial statement.

As per our report attached
For JOSHI APTE & CO.
Chartered Accountants
ICAI Firm Registration No. 104370W

On behalf of the Board of Directors of BF UTILITIES LIMITED
CIN : L40108PN2000PLC015323

C. K. JOSHI
Partner
Membership No. 030428

B. B. HATTARKI
Director
DIN : 00145710

A. B. KALYANI
Director
DIN : 00089430

S. S. JOSHI
CFO

B.S. MITKARI
CEO & Company Secretary

Pune, May 30, 2018

Pune, May 30, 2018

Consolidated Statement of Changes in Equity (SOCIE) for the year ended 31st March, 2018

Particulars	Share Capital	Other Equity									Total Before Non Controlling Interest (NCI)	Non Controlling Interest (NCI)	Total Equity
		Reserves and Surplus							Items of Other Comprehensive Income				
		Share Premium	Reserve Fund U/s 45 IC(1) of the RBI Act, 1934	Special reserve account under section 80-IA (6) of IncomeTax Act, 1961	Measurement of below market rate financial liability at fair value	Foreign currency monetary items translation difference account	General Reserve	Retained Earnings	Equity Instruments FVTOCI	Actuarial Gains / (losses) on defined benefit Plans			
Balance as at 01/04/2016	188,338,140	744,604,646	4,059,000	43,800,000	1,466,457,226	(144,174,551)	67,000	(6,636,325,885)	1,627,565	(5,409,413)	(4,525,294,412)	198,535,553	(4,138,420,719)
Impact of changes in Accounting Policy													
Restated Balance as on 01/04/2016	188,338,140	744,604,646	4,059,000	43,800,000	1,466,457,226	(144,174,551)	67,000	(6,636,325,885)	1,627,565	(5,409,413)	(4,525,294,412)	198,535,553	(4,138,420,719)
Change / Transfers During the Year		1,120,238,934		(43,800,000)	12,681,436	23,661,848		44,396,441	(596,441)		1,156,582,218	2,031,997,330	3,188,579,548
Profit for the year								33,246,508			33,246,508	(326,373,140)	(293,126,632)
Other comprehensive income for the Year									939,180	(8,545,070)	(7,605,890)	(6,259,246)	(13,865,136)
Total	-	1,120,238,934	-	(43,800,000)	12,681,436	23,661,848	-	77,642,949	342,739	(8,545,070)	1,182,222,836	1,699,364,944	2,881,587,780
Transactions with the owners of the Company recognised, directly in Equity													
Refund of Share Application Money													
Dividends													
Total	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on 31/03/2017	188,338,140	1,864,843,580	4,059,000	-	1,479,138,662	(120,512,703)	67,000	(6,558,682,936)	1,970,304	(13,954,483)	(3,343,071,576)	1,897,900,497	(1,256,832,939)
Balance as at 01/04/2017	188,338,140	1,864,843,580	4,059,000	-	1,479,138,662	(120,512,703)	67,000	(6,558,682,936)	1,970,304	(13,954,483)	(3,343,071,576)	1,897,900,497	(1,256,832,939)
Impact of changes in Accounting Policy													
Restated Balance as on 01/04/2017	188,338,140	1,864,843,580	4,059,000	-	1,479,138,662	(120,512,703)	67,000	(6,558,682,936)	1,970,304	(13,954,483)	(3,343,071,576)	1,897,900,497	(1,256,832,939)
Change / Transfers During the Year					26,344,597	(1,579,773)		1,098,297	(1,098,297)		24,764,824	6,677,689	31,442,513
Profit for the year								240,433,339			240,433,339	119,972,755	360,406,094
Other comprehensive income for the Year								-	892,630	(6,482,378)	(5,589,748)	(14,893,091)	(20,482,839)
Total	-	-	-	-	26,344,597	(1,579,773)	-	241,531,636	(205,667)	(6,482,378)	259,608,414	111,757,353	371,365,768
Transactions with the owners of the Company recognised, directly in Equity													
Dividends								(28,319,228)			(28,319,228)	(73,345,950)	(101,665,178)
Total	-	-	-	-	-	-	-	(28,319,228)	-	-	(28,319,228)	(73,345,950)	(101,665,178)
Balance as on 31/03/2018	188,338,140	1,864,843,580	4,059,000	-	1,505,483,258	(122,092,476)	67,000	(6,345,470,528)	1,764,637	(20,436,861)	(3,111,782,390)	1,936,311,901	(987,132,349)

The accompanying notes form an integral part of the Consolidated financial statement.

As per our report attached
For JOSHI APTE & CO.
Chartered Accountants
ICAI Firm Registration No. 104370W

C. K. JOSHI
Partner
Membership No. 030428

Pune, May 30, 2018

On behalf of the Board of Directors of BF UTILITIES LIMITED
CIN : L40108PN2000PLC015323

B. B. HATTARKI
Director
DIN : 00145710

A. B. KALYANI
Director
DIN : 00089430

S. S. JOSHI
CFO

B.S. MITKARI
CEO & Company Secretary

Pune, May 30, 2018

Corporate Information:

The consolidated financial statements comprise of BF Utilities Ltd. ("the Company" or "BFUL") and its subsidiaries (collectively, the Group) for the year ending 31st March, 2018.BF Utilities Ltd is a public company domiciled in India and incorporated on 15 September,2000 under the provisions of the Companies Act,1956 ("the Act"). Its shares are listed on National stock exchange and Bombay stock exchange in India. The Group is engaged in the generation of electricity through wind mills and Infrastructure activities. The Company's CIN is L40108PN2000PLC015323. The registered office of the Company is located at BF Utilities Limited Mundhwa, Pune Cantonment, Pune - 411036, Maharashtra, India.

The financial statements were authorized for issue in accordance with a resolution of the directors on 30thMay, 2018.

1. **Significant accounting policies:**

   a. **Basis of Preparation**

   These consolidated financial statements have been prepared on an accrual basis and under historical cost convention, except Defined benefit Plan - Plan assets and certain financial Assets & Liabilities which are measured at fair value (refer accounting policy regarding financial instruments). The accounting policies are consistently applied by the Company during the year and are consistent with those used in previous year except for the changes in accounting policies required to be made on adoption of Indian Accounting Standards notified under the Companies Act, 2013.

   Statement of compliance

   In accordance with the notification issued by the Ministry of Corporate Affairs, the group has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. These are the group's 1st Ind AS financial statements. The date of transition is April 1, 2016. Previous year's numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the group has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules,2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2017 and April 1, 2016 and of the comprehensive net income for the year ended March 31, 2017.Refer to note 34 for information on how the group adopted Ind-AS.

   b. **Basis of Consolidation**

   The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

   - Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
   - Exposure, or rights, to variable returns from its involvement with the investee, and
   - The ability to use its power over the investee to affect its returns

   Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

   - The contractual arrangement with the other vote holders of the investee
   - Rights arising from other contractual arrangements
   - The Group's voting rights and potential voting rights
   - The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

   The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

   Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of subsidiarieshave been drawn for the year ended March 31, 2018.

Consolidation procedure:

The consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended March 31, 2018 are prepared in accordance with generally accepted accounting principles applicable in India, and the Indian Accounting Standard 110 (Ind AS 110) on 'Consolidated Financial Statements', notified by Companies (Accounting Standards) Rules, 2015, ("Indian Accounting Standards") by and to the extent possible in the same format as that adopted by the Company for its separate financial statements.

The Company consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the company, its subsidiaries as disclosed below.

Control exists when the parent -

- has power over the entity,
- is exposed or has rights to variable returns from its involvement with the entity and
- has the ability to affect those returns by using its power over the entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Company and its subsidiary companies have been combined by adding together the like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiariesafter eliminating intra group balances and intra group transactions except where cost cannot be recovered. The unrealized profits or losses resulting from the intra group transactions and balances have been eliminated.

The excess of the cost to the Company of its investment in a subsidiary and the Company's portion of equity of subsidiary on the date at which investment in the subsidiary is made, is described as goodwill and recognized separately as an asset in the consolidated financial statements.

The excess of the Company's portion of equity of the subsidiary over the cost of investment in the subsidiary is treated as capital reserve in the consolidated financial statements.

Goodwill arising on consolidation is not amortized. It is tested for impairment on a periodic basis and written off if found impaired.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations, if any, are made in the consolidated financial statements.

The consolidated financial statements are presented in the same manner as the Company's separate financial statements.

The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as of the Company.

The subsidiary companies considered in consolidated financial statements are as follows:

Name of the subsidiary and Country of Incorporation	Ownership Percentage as at	
	March 31, 2018	March 31, 2017
Nandi Infrastructure CorridorEnterprises Ltd. (NICE) - India	74.52 %	74.52 %
Nandi Highway Developers Ltd.(NHDL) - India	69.53 %	69.53 %
Nandi Economic CorridorEnterprises Ltd. * (NECE) - India	40.41 %	40.41 %
Avichal Resources Private Ltd. # - India	100.00 %	100.00 %

* held through subsidiary

with effect from 16 March, 2016

Statutory Group Information:

Name of the entity in the group	Net assets (Total assets - total liabilities)		Share in profit and loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount Rs	As a % of consolidated profit or loss	Amount Rs	As a % of consolidated other Comprehensive income	Amount Rs	As a % of consolidated total Comprehensive income	Amount Rs
Parent								
BF Utilities Ltd								
Balance as at March 31, 2018	34.52%	10091,04,213	43.90%	1582,26,285	-5.81%	11,90,083	46.90%	1594,16,368
Balance as at March 31, 2017	26.93%	8496,87,845	-24.91%	730,12,367	-7.25%	10,04,593	-24.11%	740,16,960
Subsidiaries (Indian)								
Nandi Infrastructure Corridor Enterprises Ltd. (NICE) - India								
Balance as at March 31, 2018	35.91%	10497,85,698	-8.03%	-289,39,693	0.00%	-	-8.51%	-289,39,693
Balance as at March 31, 2017	33.07%	10433,73,007	10.05%	-294,71,594	0.00%	-	9.60%	-294,71,594
Nandi Highway Developers Ltd.(NHDL) - India								
Balance as at March 31, 2018	31.62%	9245,04,897	92.34%	3328,09,810	6.60%	-13,50,900	97.51%	3314,58,910
Balance as at March 31, 2017	26.43%	8337,61,280	-65.80%	1928,77,284	76.68%	-106,32,318	-59.36%	1822,44,966
Nandi Economic Corridor Enterprises Ltd. * (NECE) - India								
Balance as at March 31, 2018	-58.23%	-17023,14,538	10.02%	361,21,426	99.21%	-203,22,022	4.65%	157,99,404
Balance as at March 31, 2017	-54.34%	-17142,04,071	180.79%	-5299,37,533	30.56%	-42,37,411	174.00%	-5341,74,944
Avichal Resources Private Ltd. # - India								
Balance as at March 31, 2018	-0.09%	25,99,385	0.16%	5,81,133	0.00%	-	0.17%	5,81,133
Balance as at March 31, 2017	-0.06%	20,18,252	-0.13%	3,90,058	0.00%	-	-0.13%	3,90,058
Non-Controlling Interest in all Subsidiaries								
Balance as at March 31, 2018	-66.23%	19363,11,901	33.29%	1199,72,755	72.71%	-148,93,091	30.91%	1050,79,664
Balance as at March 31, 2017	-60.16%	18979,00,497	111.34%	-3263,73,140	45.14%	-62,59,246	108.35%	-3326,32,386
Adjustments arising out of consolidation								
March 31, 2018	-77.68%	22708,12,004	5.11%	184,20,112	-72.71%	148,93,091	9.80%	333,13,203
March 31, 2017	-72.00%	22714,69,252	-111.34%	3263,70,353	-45.14%	62,59,246	-108.35%	3326,29,599
Total after elimination on account of consolidation-2018	100%	-29234,44,249	100%	3604,06,094	100%	-204,82,839	100%	3399,23,255
Total after elimination on account of consolidation-2017	100%	-31547,33,436	100%	-2931,26,632	100%	-138,65,136	100%	-3069,91,768

c. **Significant accounting judgements, estimates and assumptions**

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

This note provides an overview of the areas that involved a higher degree of judgement or complexity and of items which are likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

d. **Critical Estimates and Judgements**

Useful lives of depreciable/amortizable assets

Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software and other assets.

Impairment of non-financial assets

The group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its 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 a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate evaluation model is used.

Recoverability of advances/receivables - At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Evaluation of indicators for impairment of assets - The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Service concession arrangements (SCA)

The evaluation of applicability of SCA requires the Management to assess whether the group has right to operate the asset/infrastructure or has ownership of the asset. The Management among other factors considers who regulates the prices and controls residual interest in the asset for determining application of guidance relating to SCA.

Defined Benefit Obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Provisions

Provisions are determined based on the best estimate required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Estimate of current and deferred tax

The group's tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the group's total tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows.

The complexity of the group's structure makes the degree of estimation and judgement more challenging. The resolution of issues is not always within the control of the group and it is often dependent on the efficiency of the legal processes in the relevant taxing jurisdictions in which the group operates. Issues can, and often do, take many years to resolve. Payments in respect of tax liabilities for an accounting period result from payments on account and on the final resolution of open items. As a result, there can be substantial differences between the tax charge in the statement of profit and loss and tax payments.

e. Property, Plant and Equipment

Recognition and Measurement

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). Internally manufactured property, plant and equipment are capitalised at cost, including non-cenvatable excise duty (blocked ITC credit under GST), wherever applicable. All significant costs relating to the acquisition and installation of property, plant and equipment are capitalised. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when 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. The carrying amount of the replaced part is derecognised.

Depreciation

The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components, other than Furniture & Fixtures and Vehicles is computed on straight line method, and for Furniture& Fixtures and Vehicles on written down value method based on useful lives, determined based on internal technical evaluation as follows:

Assets	Useful lives
Building	24 to 60 Years
Plant & Machinery	10 to 22 Years
Electrical Installation	10 Years
Computers	3 to 6 Years
Testing Meters	5 Years
Furniture & Fixtures	10 Years
Tools and equipments	10 Years
Office Equipments	5 Years
Vehicles	8 to 10 Years

Useful lives of the above assets are as per prescribed under Part C of Schedule II of the Companies Act, 2013.

De-recognition / Disposal

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

f. Intangible assets

Recognition and Measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

Toll road assets, created under Build, Own, Operate and Transfer ("BOOT") model is considered as intangible asset since the asset will be transferred to GoK at the end of the concession period. The cost of such intangible asset comprises of land acquisition cost, direct and indirect expense incurred on procurement / construction of roads, bridges, culverts, including toll plazas, other equipment and utilities used in or in connection with operation of toll road including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), borrowing cost if capitalization criteria are met and any directly attributable expenditure for making the asset ready for its intended use and net of any trade discounts and rebates.

Amortisation

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset, as provided by another Ind-AS.

The summary of amortization policy applied to the group's intangible assets is as below:

Type of asset	Life (years)
● Computer software	3

- Solely for purposes of amortisation of the toll road assets, the group has considered a period of 26 to 40 years from the initial financial closure.
- The amortisation is provided on the systematic basis over the above-mentioned period.

De-recognition / Disposal

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the net carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Research and development costs

Research costs are expensed as incurred.

Development expenditures on an individual project are recognised as an intangible asset when the group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Such capitalized expenditure is reflected as intangible under development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

g. Investment in subsidiaries and joint ventures

The group has accounted for its investment in subsidiaries and joint ventures at cost less accumulated impairment.

h. Current versus non-current classification

The group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months (5 years for Township Development from the date of registration of land in the name of the Company and after getting the required regulatory approval for commencing the development activities) as its operating cycle.

i. Financial Instruments

In accordance with Ind AS 101 provisions related to first time adoption, the group has elected to apply following exceptions/exemptions prospectively from April 1, 2016.

- Classification and measurement of financial assets have been done based on facts and circumstances existed on transition date.
- Elected to continue carrying value of equity instruments in subsidiaries, associates and jointly controlled entities as deemed cost on transition date.
- De-recognition of financial assets and financial liabilities have been applied prospectively.
- Applied the requirements of relating to accounting for difference between fair value of financial asset or financial liability from its transaction price of Ind-AS 109 prospectively.

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met :

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments not held for trading, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the group's balance sheet) when:

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

When the group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of the group's continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the group has retained.

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

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS11 and Ind-AS 18

d) Loan commitments which are not measured as at FVTPL

e) Financial guarantee contracts which are not measured as at FVTPL

The group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

- The balance sheet presentation for various financial instruments is described below:

  Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:

  ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.

- Debt instruments measured at FVTOCI:

Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Loans and borrowings

This is the category most relevant to the group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

Offsetting of financial instruments

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

j. **Fair value measurement**

The group measures financial instruments at fair value on initial recognition. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the group's external valuers, which valuation techniques and inputs to use for each case.

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes. Please refer to Note No 31

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortised cost)

k. **Taxes**

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the group operates and generates taxable income. Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

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

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

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

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

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

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

Minimum alternate tax (MAT)

MAT paid in a year is charged to the statement of profit and loss as current tax. MAT credit available is recognized as an asset only to the extent that there is convincing evidence that the group will pay normal income tax during the period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the group recognizes MAT credit as an asset for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the group does not have convincing evidence that it will pay normal tax during the specified period.

l. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or development 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 year they occur.

m. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2016, the group has determined whether the arrangements contain a lease on the basis of facts and circumstances existing on the date of transition.

Finance leases

Assets acquired on lease which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the assets, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized.

Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term except where scheduled increase in rent compensates the company with expected inflationary costs.

Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the group's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the same is in line with inflation.

Group as a lessor

Leases in which the group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the same is in line with inflation. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

n. Inventories

Stock of land and related developments are valued at lower of cost and net realizable value. Cost is the aggregate of land cost and development cost which includes materials, contract works, direct expenses and apportioned borrowing costs.Cost of inventories have been computed to include all cost of purchases, cost of conversion and other cost incurred in bringing the inventories of their present location and condition.

Stores and spares and loose tools are valued at lower of cost or net realisable value. However, materials and other items held for operation and maintenance of fixed assets are not written down below cost.

Costs are determined on unsold Certified Emission Reduction (CER) and Renewable Energy Certificate (REC) are considered as Inventory and valued on the basis of costs which are directly allocated to it. The cost is assigned to inventories on First in First Out (FIFO) basis. This CERs and RECs are valued at lower of cost or net realisable value.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.

o. Impairment of non-financial assets

The group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the group extrapolates cashflow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Intangible assets under development are tested for impairment annually. Impairment losses including impairment on inventories, are recognised in the statement of profit and loss.

For the assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

p. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the group's cash management.

q. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant or subsidy 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. Where the grant relates to an asset, it is recognized as deferred income and is allocated to statement of profit and loss over the periods and in the proportions in which depreciation on those assets is charged.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

r. **Provisions**

A provision is recognized when the group has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value (unless the effect of time value of money is material) and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities and contingent assets, if any, are disclosed in the notes to accounts.

s. **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sale of land - Revenue from sale of land is recognised when all significant risks and rewards of ownership of land is transferred to the buyer and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Toll collections - Income from toll collections is recognised on the basis of actual collection.

Construction revenue and construction expenses - Construction revenue from contracts covered under service concession agreements are recognised in line with the Appendix A to Ind AS 11 - Service Concession Arrangements. Under Appendix A to Ind AS 11 - Service Concession Arrangements, these arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the operator receives a right (i.e. a concessionaire) to charge users of the public service.

Revenue from sales of electricity is recognized when all the significant risks and rewards of ownership have been passed to the buyer, usually on the basis of electricity wheeled into MSEB grid and jointly certified.

Income from Certified Emission Reduction (CERs) units and Renewable Energy Certificates (RECs) is recognised in the period of its actual sales.

Claims / Insurance Claim etc. are accounted for when no significant uncertainties are attached to their eventual receipt.

Interest income

For all financial assets measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Interest income is included in other income in the statement of profit and loss.

Dividend income

Dividend income from investments is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend. Dividend income is included in other income in the statement of profit and loss.

t. **Foreign currencies**

The group's financial statements are presented in INR, which is also its functional currency.

Transactions and Translations

Foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the group's monetary items at the closing rate are recognized as income or expenses in the period in which they arise.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

u. Post-employment and other employee benefits

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

Provident fund

Provident fund is a defined contribution plan covering eligible employees. The group and the eligible employees make a monthly contribution to the provident fund maintained by the Regional Provident Fund Commissioner/ BFUL Employees PF Trust equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The group has no obligation, other than the contribution payable to the provident fund.

Gratuity

Payment for present liability of future payment of gratuity is being made to approved gratuity fund, which fully cover the same under cash accumulation policy of the Life Insurance Corporation of India. The employee's gratuity is a defined benefit funded plan.

The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the Projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet as asset/liability with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising of current service costs, past-service costs, gains and losses on curtailments and nonroutine settlements; and
- Net interest expense or income

Superannuation

Superannuation is a defined contribution plan covering eligible employees. The contribution to the superannuation fund managed by the insurer is equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contribution to this scheme is charged to the statement of profit and loss on an accrual basis. There are no other contributions payable other than contribution payable to the respective fund.

Privilege Leave Benefits

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The group presents the entire leave encashment liability as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where the group has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the same is presented as non-current liability.

v. **Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The group does not recognize a contingent liability but discloses its existence in the financial statements.

w. **Dividend to equity holders of the group**

The group recognises a liability to make cash or non-cash distributions to equity holders of the group when the distribution is authorised and the distribution is no longer at the discretion of the group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

x. **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

y. **Earnings per share**

The group reports basic and diluted earnings per share (EPS) in accordance with Indian Accounting Standard 33 "Earnings per Share". Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

z. **Recent Accounting Pronouncements**

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018.

Ind AS 115- Revenue from Contract with Customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

2.1 Property, Plant and Equipment

Amounts in Rupees

Cost	Land	Building	Plant & Machinery	Electrical Installation	Tools & Equipments	Furniture & Fixtures	Office Equipments & Computers	Vehicles	Total
as at 1 April 2016	32,932,614	101,084,413	1,230,355,601	40,913,069	2,641,476	19,849,693	22,499,224	45,048,290	1,495,324,380
Additions	-	-	8,900	-	191,415	-	789,673	6,729,355	7,719,343
Deductions	-	-	2,478,022	68,503	-	1,404,764	6,011,129	2,722,615	12,685,033
as at 31 March 2017	32,932,614	101,084,413	1,227,886,479	40,844,566	2,832,891	18,444,929	17,277,768	49,055,030	1,490,358,690
Additions	-	-	433,845	62,884	-	561,513	3,791,226	7,062,322	11,911,790
Deductions	-	-	-	211,377	69,915	1,282,832	869,244	2,177,291	4,610,659
as at 31 March 2018	32,932,614	101,084,413	1,228,320,324	40,696,073	2,762,976	17,723,610	20,199,750	53,940,061	1,497,659,821
Accumulated Depreciation									
as at 1 April 2016	-	19,023,811	984,432,668	782,881	-	7,033,262	7,588,224	5,929,909	1,024,790,755
Charge for the year	-	3,882,357	39,677,468	5,519,651	898,927	2,445,128	4,349,741	11,257,527	68,030,799
Disposals	-	-	1,297,850	31,196	-	1,227,433	5,685,572	2,270,695	10,512,746
as at 31 March 2017	-	22,906,168	1,022,812,286	6,271,336	898,927	8,250,957	6,252,392	14,916,741	1,082,308,808
Charge for the year	-	3,882,401	39,119,312	5,317,636	368,690	3,185,053	3,649,904	10,629,837	66,152,833
Disposals	-	-	-	-	-	638,067	65,403	2,056,577	2,760,047
as at 31 March 2018	-	26,788,569	1,061,931,598	11,588,972	1,267,617	10,797,943	9,836,894	23,490,001	1,145,701,595
Net Block									
as at 31 March 2018	32,932,614	74,295,844	166,388,726	29,107,101	1,495,359	6,925,666	10,362,856	30,450,060	351,958,227
as at 31 March 2017	32,932,614	78,178,246	205,074,193	34,573,230	1,933,964	10,193,971	11,025,376	34,138,289	408,049,882
as at 1 April 2016	32,932,614	82,060,603	245,922,933	40,130,188	2,641,476	12,816,431	14,911,001	39,118,381	470,533,625

Details of Property, Plant and Equipment pledged are given in note no 13 - Borrowings

2.2 Investment Property

Particulars	Amount Rs.
Gross Carrying amount	
At 01 April 2016 (Deemed cost)	1,039,499
Additions	-
Disposals	-
Gross carrying amount at 31 March 2017	**1,039,499**
Additions	-
Disposals	-
Gross carrying amount at 31 March 2018	**1,039,499**
Accumulated depreciation	
At 01 April 2016	-
Depreciation charge during the year	-
Depreciation on disposal	-
Accumulated depreciation at 31 March 2017	**-**
Depreciation charge during the year	-
Depreciation on disposal	-
Accumulated depreciation at 31 March 2018	**-**
Net carrying amount	
At 31 March 2018	**1,039,499**
At 31 March 2017	**1,039,499**
At 1 April 2016	**1,039,499**

2.3 Other Intangible Assets

(Amount in Rs.)

Particulars	Goodwill	Rights to Operate Toll Roads	Software	Total
Cost or valuation				
At 1 April 2016	63,509,091	11,616,129,504	157,010	11,616,286,514
Additions	-	1,087,549,619	-	1,087,549,619
At 31 March 2017 (Total)	63,509,091	12,703,679,123	157,010	12,703,836,133
Additions	-	-	33,040	33,040
At 31 March 2018 (Total)	63,509,091	12,703,679,123	190,050	12,703,869,173
Amortisation and impairment				
At 1 April 2016	-	476,794,950	154,827	476,949,777
Amortisation	-	529,660,300	-	529,660,300
At 31 March 2017 (Total)	-	1,006,455,250	154,827	1,006,610,077
Amortisation	-	559,830,013	4,113	559,834,126
At 31 March 2018 (Total)	-	1,566,285,263	158,940	1,566,444,203
Net book value				
At 31 March 2018	63,509,091	11,137,393,861	31,110	11,137,424,971
At 31 March 2017	63,509,091	11,697,223,874	2,183	11,697,226,057
At 1 April 2016	63,509,091	11,139,334,555	2,183	11,139,336,738

(excluding Goodwill)

2.4 Intangible Assets under Development

Intangible Assets Under development :	(Amount in Rs.)
Cost	
as at 1 April 2016	**163,152,438**
Additions	33,753,462
Deductions	-
as at 31 March 2017	**196,905,900**
Additions	29,874,271
Deductions (Refer Note No. 38)	117,556,585
as at 31 March 2018	**109,223,586**
Amortisation and impairment	-
as at 1 April 2016	-
Additions	-
Deductions	-
as at 31 March 2017	-
Additions	-
Deductions	-
as at 31 March 2018	-
Net Block	-
as at 31 March 2018	109,223,586
as at 31 March 2017	196,905,900
as at 1 April 2016	163,152,438

3 **Investments**

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Non Current Investment			
Unquoted Investments			
Investment in Government Security/ Trust : Indira Vikas Patra	961,403	961,403	951,696
6,251 (31 March, 2017 : 6,251 ; 1 April, 2016 : 6,251) Equity shares of Rs. 10/- each fully paid up in Nandi Engineering Limited	62,510	62,510	62,510
Nil (31 March, 2017 : Nil ; 1 April, 2016 : 608,824) Equity shares of Rs. 10/- each fully paid up in Moksha-yug Access India Pvt. Ltd.	-	-	18,310,382
25,000(31 March, 2017 : 25,000 ; 1April, 2016 : 25,000) Equity shares of Rs. 10/- each fully paid up in SKH Metals Ltd.	877,188	877,188	877,188
Total Non Current Investments	1,901,101	1,901,101	20,201,776
Current Investment			
Investments in Bonds (Quoted)			
1 (31 March, 2017 : 1 ; 1April, 2016 : Nil) 10.70% Tata Motors Finance Ltd., Bonds 2020	515,250	515,250	-
1 (31 March, 2017 : 1 ; 1April, 2016 : Nil) 11.30% IDBI Bank Bonds	1,044,000	1,044,000	-
2 (31 March, 2017 : 2 ; 1April, 2016 : Nil) 11% Power Finance Corporation Bonds	2,085,000	2,085,000	-
2 (31 March, 2017 : 2 ; 1April, 2016 : Nil) 10.40% Vijaya Bank Perpetual Bonds	2,045,000	2,045,000	-
	5,689,250	5,689,250	-
Investments in Mutual funds (Quoted)			
IDFC cash fund-growth (Direct Plan) [30,376 units (31 March 2017 - 30,376, 01 April 2016 - 60,051)]	64,100,374	60,015,237	110,602,870
Bank of India - AXA liquid fund growth [Nil units (31 March 2017 - 76,039 01 April 2016 - 78,165)]	-	150,071,902	136,402,275
BOI AXA Liquid fund growth [(6,726 units (31 March 2017 - Nil, 1 April 2016 - Nil)]	13,473,551	-	-
Nil (31 March, 2017 : Nil ; 1April, 2016 : 5,633) Units of Rs. 100/- each of Kotak Low Duration fund Standard Growth Regular Plan	-	-	10,260,136
Nil (31 March, 2017 : 301,454 ; 1 April, 2016 : 424,194) Units of Rs. 10/- each of Franklin India Ultra Short Bond Fund, Super Institutional Plan Growth.	-	6,710,388	8,622,584
Nil (31 March, 2017 : 24,601 ; 1 April, 2016 : Nil) Units of Rs. 100/- each of ICICI prudential Saving Fund Growth.	-	6,016,304	-
	77,573,925	222,813,831	265,887,865

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Investment in Equity Shares (Quoted)			
300 (31 March, 2017 : 300 ; 1April, 2016 : 300) equity shares of Rs. 10/-each fully paid up in Metalyst Forging Ltd.	**7,335**	16,846	16,246
400 (31 March, 2017 : 400 ; 1April, 2016 : 400) equity shares of Rs. 10/-each fully paid up in MM Forging Ltd.	**415,400**	216,102	184,060
100 (31 March, 2017 : 100 ; 1April, 2016 : 100) equity shares of Rs. 10/-each fully paid up in EL Forge Ltd.	-	-	-
84 (31 March, 2017 : 84 ; 1April, 2016 : 84) equity shares of Rs. 10/-each fully paid up in Finolex Industries Ltd.	**54,709**	48,721	30,744
140 (31 March, 2017 : 140 ; 1April, 2016 : 140) equity shares of Rs. 10/-each fully paid up in Hindalco Industries Ltd.	**29,988**	27,238	12,089
112 (31 March, 2017 : 112 ; 1April, 2016 : 112) equity shares of Rs. 10/-each fully paid up in NIIT Ltd.	**96,796**	48,805	55,485
10,800 (31 March, 2017 : 10,800 ; 1April, 2016 : 7,200) equity shares of Re. 1/-each fully paid up in ITC Ltd.	**2,763,720**	3,032,101	2,419,200
	3,367,948	3,389,813	2,717,824
Total current investments	**86,631,123**	231,892,894	268,605,689

Details of quoted/ unquoted instrumnets :

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
(a)Aggregate amount of quoted investments and market value thereof;			
Book Value	**86,631,123**	231,892,894	268,605,689
Market Value	**86,631,123**	231,892,894	268,605,689
(b)Aggregate amount of unquoted investments			
Book Value	**1,901,101**	1,901,101	20,201,776

4 Loans - Non-Current

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Security Deposits	**8,861,732**	9,100,704	8,863,774
Inter-corporate deposits	**18,813,574**	51,075,832	86,743,546
Interest accrued on inter-corporate deposits	-	-	11,678,748
Advances to related parties	-	-	-
- considered good	**578,180**	439,632	-
- considered doubtful	**694,624,859**	694,624,859	694,624,859
Less: Provision for doubtful advances	**(694,624,859)**	(694,624,859)	(694,624,859)
Total loans- non current	**28,253,486**	60,616,168	107,286,068

Loans - Current

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Unsecured, considered good			
Loans and advances to Employees	**1,087,988**	1,550,948	1,091,259
Excess managerial remuneration paid to the Managing Director of the Company	**123,296,839**	139,055,986	151,954,567
Total loans- current	**124,384,827**	140,606,934	153,045,826

The intercorporate deposit has been provided to Nandi Engineering Limited (NEL) at an interest rate of 13% p.a. and is secured by the personal guarantee and immovable property of the MD of NECE. The deposit has been provided to NEL towards general corporate purposes.

5 Other financial assets

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Non-current	-	-	-
Total non current financial assets	-	-	-
Current			
Energy credit receivable	**4,700,105**	2,076,374	171,381,329
Interest receivable	**4,353,761**	558,760	181,727
Interest receivable on FD	-	16,634	-
Other receivable	**22,452,300**	6,888,811	4,991,784
Total current financial assets	**31,506,166**	9,540,579	176,554,840

6 Deferred tax Assets (Net)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
I Deferred tax assets :			
On account of timing difference			
a) Other Disallowance u/s 43B of Income Tax Act, 1961	30,592,597	-	-
b) Gratuity Provision	3,682,535	-	-
c) Leave Encashment	2,224,898	-	-
d) Financial Assets/ Liabilities	808,422	-	-
	37,308,452	-	-
II Deferred tax liabilities :			
On account of timing difference			
a) Depreciation	36,221,004	-	-
	36,221,004	-	-
Deferred tax Asset (Net) (I - II)	1,087,448	-	-

7 Other Assets

Particulars		As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
		Rs.	Rs.	Rs.
Non-current				
Capital Advances	(a)	143,620,029	155,527,573	143,620,029
Advances Towards Acquisition of land and joint development agreements				
Considerd Good		2,772,860,042	2,790,387,542	2,809,887,542
Considered Doubtful		68,050,000	68,050,000	68,050,000
Sub-Total		2,840,910,042	2,858,437,542	2,877,937,542
(-) Provision		(68,050,000)	(68,050,000)	(68,050,000)
Total	(b)	2,772,860,042	2,790,387,542	2,809,887,542
Capital Advances to Related Parties				
Considerd Good				
Considered Doubtful		532,618,392	532,618,392	532,618,392
Sub-Total		532,618,392	532,618,392	532,618,392
(-) Provision		(532,618,392)	(532,618,392)	(532,618,392)
Total	(c)	-	-	-
Adance to Suppliers/ Service Providers				
Considerd Good		11,881,626	19,007,801	35,913,847
Considered Doubtful		72,816,716	72,816,716	72,691,779
Sub-Total		84,698,342	91,824,517	108,605,626
(-) Provision		(72,816,716)	(72,816,716)	(72,691,779)
Total	(d)	11,881,626	19,007,801	35,913,847
Total other non current assets	(a to d)	2,928,361,697	2,964,922,916	2,989,421,418

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Current			
Prepaid expenses	**37,161,726**	34,876,897	34,787,226
Advances to suppliers/ service providers	-	-	-
- considered good	**35,189,293**	49,184,531	28,870,862
- considered doubtful	**42,021,096**	42,021,096	45,094,899
	77,210,389	91,205,627	73,965,761
Less: Provision for doubtful advances	**(42,021,096)**	(42,021,096)	(45,094,899)
	35,189,293	49,184,531	28,870,862
Other advances	**384,588,767**	385,838,634	382,494,515
Total other current assets	**456,939,786**	469,900,062	446,152,603

8 Inventories

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Stock of renewable energy certificates (RECs) (Refer note below)	-	312,747	771,398
Stock of consumables, stores and spares	**1,604,845**	2,497,468	-
Land & Related Development Costs	**1,713,407,932**	1,713,407,932	1,720,435,911
Total	**1,715,012,777**	1,716,218,147	1,721,207,309

Note: Quantitative details of Stock

Sr. no.	Description	Units	Units	Units
1	No. of RECs held as inventory	-	35,127	41,783
2	No. of consumables, stores and spares	646	1,654	-

9 Trade receivables

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Unsecured, considered good*	**21,278,987**	95,073,652	9,691,534
Unsecured, considered doubtful	-	-	-
	21,278,987	95,073,652	9,691,534
Less : Provision	-	-	-
	21,278,987	95,073,652	9,691,534
Total	**21,278,987**	95,073,652	9,691,534

*Includes dues from related parties

10 Cash & bank balances :

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
i) Cash & cash equivalents			
Cash on hand	**22,035,519**	17,653,304	22,254,002
Balances with banks - in current accounts	**216,860,317**	222,894,256	214,050,698
Fixed Deposits (original maturity less than three months)	**2,000,000**	80,000,000	11,581,026
	240,895,836	320,547,560	247,885,726
ii) Other Bank Balances			
Fixed Deposits (original maturity more than three months but less - twelve months)	**445,173,811**	-	-
Total	**686,069,647**	320,547,560	247,885,726

11 Share capital :

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Authorised			
60,000,000 (31 March, 2017 : 60,000,000 ; 1 April, 2016 : 60,000,000) Equity shares of Rs. 5/- each	**300,000,000**	300,000,000	300,000,000
Issued, subscribed & fully paid up			
37,667,628 (31 March, 2017 : 37,667,628 ; 1 April, 2016 : 37,667,628) Equity shares of Rs. 5/- each	**188,338,140**	188,338,140	188,338,140
Total	**188,338,140**	188,338,140	188,338,140

11(a) Reconciliation of shares outstanding at the beginning and at the end of the year

	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	No. of shares	Rs.	No. of shares	Rs.	No. of shares	Rs.
At the beginning of the year	**37,667,628**	**188,338,140**	37,667,628	188,338,140	37,667,628	188,338,140
Issued /(reduction) if any during the year	-	-	-	-	-	-
Outstanding at the end of the year	**37,667,628**	**188,338,140**	37,667,628	188,338,140	37,667,628	188,338,140

11(b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend, as and when proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

11(c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

The Company being ultimate holding company there are no shares held by any other holding, ultimate holding company and their subsidiaries/associates

11(d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

There are no bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding reporting date.

11(e) Details of shareholder holding more than 5% shares in the Company

Name of the shareholder*	Equity shares					
	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
Ajinkya Investment & Trading Company	**6,648,886**	**17.65**	6,648,886	17.65	10,292,103	27.32
Kalyani Investment Company Ltd.	**6,195,046**	**16.45**	6,195,046	16.45	6,195,046	16.45
KSL Holdings Pvt. Ltd.	**4,353,472**	**11.56**	4,353,472	11.56	4,353,472	11.56

* The shareholding information is based on legal ownership of shares and has been extracted from the records of the Company including register of shareholders / members.

12 Other equity

Particulars		As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
		Rs.	Rs.	Rs.
Items of Other Comprehensive Reserve		**(11,984,179)**	(3,781,848)	(3,781,848)
Equity Instruments FVTOCI				
Opening Balance		**1,970,304**	1,627,565	1,627,565
Add / (Less) Change -		**892,630**	939,180	-
Transfer to Retained Earnings		**(1,098,297)**	(596,441)	-
Closing Balance	(a)	**1,764,637**	1,970,304	1,627,565
Actuarial Gains / (losses) on defined benefit Plans				
Opening Balance		**(13,954,483)**	(5,409,413)	(5,409,413)
Add / (Less) Change -		**(6,482,378)**	(8,545,070)	-
Closing Balance	(b)	**(20,436,861)**	(13,954,483)	(5,409,413)
Surplus in statement of profit & loss :				
As per last financial statement		**(6,558,682,936)**	(6,636,325,885)	(6,636,325,885)
Trf from OCI		**1,098,297**	596,441	-
Add / (less): Net profit / (net loss) for the year		**240,433,339**	33,246,508	-
Less : Devidend and DDT		**(28,319,228)**	-	-
Add / (less): Transfer from other reserves		-	43,800,000	-
	(c)	**(6,345,470,528)**	(6,558,682,936)	(6,636,325,885)
Share Premium				
Opening Balance		**1,864,843,580**	744,604,646	744,604,646
Add / (Less) Change -		-	1,120,238,934	-
Closing Balance	(d)	**1,864,843,580**	1,864,843,580	744,604,646
Reserve Fund U/s 45 IC(1) of the RBI Act, 1934				
Opening Balance		**4,059,000**	4,059,000	4,059,000
Add / (Less) Change -		-	-	-
Closing Balance	(e)	**4,059,000**	4,059,000	4,059,000

Particulars		As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
		Rs.	Rs.	Rs.
Special reserve account under section 80-IA (6) of Income Tax Act, 1961				
Opening Balance		-	43,800,000	43,800,000
Add / (Less) Change -		-	(43,800,000)	-
Closing Balance	(f)	-	-	43,800,000
General Reserve				
Opening Balance		67,000	67,000	67,000
Add / (Less) Change -		-	-	-
Closing Balance	(g)	67,000	67,000	67,000
Measurement of below market rate financial liability at fair value				
Opening Balance		1,479,138,662	1,466,457,226	1,466,457,226
Add / (Less) Change -		26,344,597	12,681,436	-
Closing Balance	(h)	1,505,483,259	1,479,138,662	1,466,457,226
Foreign currency monetary items translation difference account				
Opening Balance		(120,512,703)	(144,174,551)	(144,174,551)
Add / (Less) Change -		(1,579,773)	23,661,848	-
Closing Balance	(i)	(122,092,476)	(120,512,703)	(144,174,551)
Total (a to i)		(3,111,782,389)	(3,343,071,576)	(4,525,294,412)

13 Borrowings

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Non-current borrowings			
Secured Loans			
Term Loan From Axis Bank Ltd (NHDL)	-	-	99,714,692
Rupee Term Loans from Banks of Rs. 600,000,000/- and Rs. 275,000,000/- disbursed by Axis Bank are in terms of the Term Loan Agreements executed by NHDL on 29 September, 2004 and 25 October, 2004 respectively. Repayment: These Term Loans are repaid during the financial year 2016-17. Consequent to letter, the charge / lien on below mentioned security & collteral security has been released. Security: The repayment of the principal amount of the above Term Loans, payment of all interest, fees, costs, charges, expenses and other monies payable by NHDL in respect thereof shall be secured by a first mortgage and charge on NHDL's immovable properties being Flat No. 16 admeasuring approximately 500 Square feet on the third floor of Building A-1 on land bearing S.No. 49/12 situate at village Ghorpadi within the limits of Pune city in the State of Maharashtra and first charge by way of hypothecation on all the movable properties and the other assets of NHDL, including without limitation, all Receivables, General Assets and on NHDL's rights under any Projects Documents and all bank accounts of NHDL, both present and future.			

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Term Loan From KMIL (NHDL)	-	40,000,000	300,000,000
The Term Loans of Rs. 300,000,000/- disbursed by KMIL are in terms of the Term Loan Agreements executed by NHDL on 17 December ,2014.			
Security: Second charge on project current assets i.e. Toll Receivables of the Company, Pledge of 26% shares of the Borrower to KMILL by BF Utilities Ltd and NICCL. Unconditional and Irrevocable Corporate guarantee of Kalyani Investment company Ltd.			
Term Loan from other banks (NECE)	**10,948,726,124**	12,432,701,596	12,587,845,029
Term loan from others (NECE)	**3,856,148,725**	3,100,782,489	3,153,585,503
Term loans from banks and others (together referred to as Senior Lenders): During the financial year 2014-15, on the request from NECE, the Senior Lenders of the long term loans have refinanced the respective loans provided to NECE. Post refinancing, the total term loans taken by NECE has been split into 4 Facilities as given below:			
Facility 1 - Repayable in 50 unequal quarterly instalments from June 2017 to September 2029.			
The interest on above term loans from banks are linked to the respective banks base rates.			
31 March 2018 31 March 2017 1 April 2016			
9.75% to 11% 9.75% to 11% 9.75% to 11%			
Facility 2 - Repayable in one single payment on September 2029.			
The interest on above term loans from banks are linked to the respective banks base rates.			
31 March 2018 31 March 2017 1 April 2016			
10.25% to 11.50% 10.25% to 11.50% 10.25% to 11.50%			
Facility 3 - Repayable in 38 unequal instalments from June 2022 to September 2031.			
The interest on above term loans from banks are linked to the respective banks base rates.			
31 March 2018 31 March 2017 1 April 2016			
6.32% 6.82% 6.82%			
Facility 4 - Repayable in 38 unequal instalments from June 2022 to September 2031.			
The interest on above term loans from banks are linked to the respective banks base rates.			
31 March 2018 31 March 2017 1 April 2016			
14.5% 14.5% 14.5%			
Security: Term loan from banks and from others is secured by a first charge:			
- by way of mortgage of land, buildings and all fixed Assets both present and future.			
- on all the movable properties of NECE.			
- on all the right, title, interest, benefit, claims and demands, whatsoever of NECE in respect of project documents, including all guarantees and bonds received by NECE.			

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
- on all rights, title, interest, benefits, claims and demands in respect of the project accounts and all bank and other accounts of NECE.			
The term loan is also secured by pledge of shares held by NICE in NECE.			
As additional comfort security to lenders of Facility 3 and Facility 4, a First ranking pari passu pledge over 1.15% of the Shares of NECE held by Jaypatri Investments Private Limited has also been created.			
(a)	**14,804,874,849**	15,573,484,085	16,141,145,224
Unsecured Loans			
0.01% Cumulative Compulsorily Convertible Preference Shares of Rs.100/- each	**-**	-	3,113,000,000
The CCCPS were convertible into equity shares anytime prior to listing of the Company's share on the BSE or NSE, to result in minimum shareholding of 8.33% and maximum shareholding of 16.29% to the CCCPS holders. The CCCPS were converted in year ended March 31, 2017.			
7% Cumulative Redeemable Preference shares of Rs.10/- each (issued by NICE)	**277,190,213**	288,634,361	276,353,148
As per the initial repayment terms, 7% cumulative redeemable preference shares are due for redemption within 7 years i.e. as at 26 March 2017. However, as at 31 March 2017, the the terms of redemption were revised for further one year (i.e. 26 March 2018). Further, vide board resolution passed at 131st meeting of the board of directors of NICE held on 28 February 2018 the terms of repayment has been further extended for a period of 2 years, i.e. from 26 March 2018 to 25 March 2020.			
7% Cumulative Redeemable Preference shares of Rs.10/- each (issued by NECE)	**452,021,877**	398,257,161	350,887,366
These are not redeemable until the entire "Senior Loan"(i.e. the aggregate amount of rupee term loans from banks and financial institutions) is paid in full with all interest, premium and other sums as may be payable in respect thereof and a full, unconditional and complete discharge is given by the senior lenders.			
Sales tax deferral obligation collected under Government of Maharashtra package scheme of incentive by a beneficiary under an arrangement	**137,986,159**	214,108,745	292,822,608
Interest free loan from related parties (unsecured)	**430,242,009**	349,370,712	278,118,467
(b)	**1,297,440,258**	1,250,370,979	4,311,181,590
(a + b)	**16,102,315,107**	16,823,855,064	20,452,326,813
Amount included in "current borrowings" (unsecured)	**(299,400,000)**	(49,900,000)	-
Total Non current Borrowings	**15,802,915,107**	16,773,955,064	20,452,326,813
Current borrowings			
Current maturities of long term borrowings(unsecured)	**402,245,364**	160,824,349	113,483,324
Loan from others (unsecured)	**223,300,000**	298,300,000	316,700,000
Total current Borrowings	**625,545,364**	459,124,349	430,183,324

13(a) Sales tax deferral - Repayment Schedule

Year for repayment	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
2016-17	-	-	113,483,324
2017-18	-	110,924,349	110,924,349
2018-19	**102,845,364**	102,845,364	102,845,364
2019-20	**77,566,386**	77,566,386	77,566,386
2020-21	**52,287,407**	52,287,407	52,287,407
2021-22	**31,920,000**	31,920,000	31,920,000
2022-23	**13,200,000**	13,200,000	13,200,000

14 Other financial liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Other Non current financial liabilities			
Interest accrued on borrowings but not due	**496,059,552**	366,883,896	288,163,892
Advances received towards sale of land and joint development agreements	**360,593,798**	317,478,012	300,916,018
Total other non current financial liabilities	**856,653,350**	684,361,908	589,079,910
Other Current financial liabilities			
Capital creditors	**10,101,246**	10,101,246	10,101,246
Interest free security deposit received from related party	**210,000,000**	240,000,000	210,000,000
Interest accrued on borrowings	**170,080,796**	140,917,423	115,180,402
Security Deposits	**8,787,217**	6,495,994	4,051,568
Retention Money	**8,428,847**	15,126,333	6,805,612
Payable towards outstanding forward contracts on foreign currency borrowings	-	166,687,130	-
Other payables (including payable to superannuation trust)	**15,435,251**	17,267,322	8,479,813
Total other current financial liabilities	**422,833,357**	596,595,448	354,618,641

15 Deferred tax liabilities (Net)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
I Deferred tax liabilities :			
On account of timing difference			
a) Depreciation	-	67,426,468	75,469,820
Total	-	67,426,468	75,469,820
II Deferred tax assets :			
On account of timing difference			
a) Disallowance u/s 43B of Income Tax Act, 1961	-	36,187,745	32,542,663
b) Financial Assets/ Liabilities	-	8,728,820	12,131,445
Total	-	44,916,565	44,674,108
Deferred tax liability (Net) (I - II)	-	22,509,903	30,795,712

16 Other liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Other Non current liabilities			
Other Long Term Liabilities	7,173,275	7,244,757	7,190,935
Advances received towards sale of land and joint development agreements	458,350,438	463,038,438	463,038,438
Deferred revenue	407,723,438	407,723,438	407,723,438
Sales tax deferral revenue - Government grants	18,869,282	36,987,635	63,710,412
Total - other non current liabilities	892,116,433	914,994,268	941,663,223
Other current liabilities			
Sales tax deferral revenue - Government grants	18,118,352	26,722,777	32,210,487
Retention Money	918,364	807,872	946,496
Other Non-Trade Payables	4,900,206	4,491,050	1,421,586
Audit fees	425,000	400,000	458,000
Payable for Purchase of Fixed Assets	930,621	930,621	930,621
Statutory dues payable including tax deducted at source	45,709,128	17,056,467	18,229,033
Total - other current liabilities	71,001,671	50,408,787	54,196,223

17 Trade payables

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Total outstanding dues other than micro & small enterprises	**256,126,549**	202,006,103	196,461,379
Dues to micro & small enterprises	-	-	-
Total Trade payable	**256,126,549**	202,006,103	196,461,379

Note :

On the basis of information available with the group, regarding the status of suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006", there are no suppliers covered under above mentioned Act. This information regarding micro and small enterprises has been determined to the extent such parties have been identified, on the basis of information available with the group.

18 Provisions

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.	Rs.	Rs.
Provisions - Non-current			
Provision for employee benefits :			
Gratuity	**28,164,986**	5,769,239	4,335,174
Total Provision Non-Current	**28,164,986**	5,769,239	4,335,174
Provisions - Current			
Provision for employee benefits :			
Leave encashment	**64,735,384**	47,165,852	42,570,205
Gratuity	**8,440,944**	13,810,931	13,432,129
Provident fund :- BFUL Staff Provident Fund Trust	-	-	91,841
Other provisions :			
Others (including constructive obligation)	**22,459,669**	122,996,101	384,372,123
Electricity duty	**103,662,081**	103,490,997	98,464,945
Wheeling & transmission charges	**1,280,091**	132,035	16,377,117
Total Provision Current	**200,578,169**	287,595,916	555,308,360

19 Revenue from operations

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
Wind power generated	72,449,747	185,231,980
Renewable energy certificate units (REC)	76,083,990	26,789,966
Sale of Traded Goods	-	459,620
Revenue from Toll Operations	3,837,609,306	2,978,972,191
Sale of Land	-	160,875,000
Construction Revenue	23,654,226	10,399,366
Total	4,009,797,269	3,362,728,123

20 Other income

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
Dividend received	56,220	65,380
Interest on bank fixed deposits and bonds	24,459,803	17,428,899
Interest from Others	20,233	-
Profit on sale of intangible asset under development	443,416	-
Provision no longer required	-	410,483
Government Grants Sales Tax Deferral Income	26,722,777	32,210,487
Gain on Sale of Investments	39,125,370	21,186,578
Net fair value gain on current investments at FVTPL	4,595,501	87,139
Rental Income	10,258,920	5,775,109
Miscellaneous income	1,349,430	3,776,640
Total	107,031,670	80,940,715

21 Changes in inventories

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
(Increase) / decrease in inventory:		
Closing stock	1,604,845	2,810,215
Opening sock	2,810,215	771,398
Total	1,205,370	(2,038,817)

22 Operational Expenses

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
Land lease rent	10,000,000	-
Road Repairs and Maintenance	31,933,188	47,900,952
Total Operational Expenses	41,933,188	47,900,952

23 Cost of Sale of Land & Land Development

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
Cost of Sale of Land & Land Development	-	7,027,979
Total	-	7,027,979

24 Employee benefit expense

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
Salaries, allowances etc.	394,030,936	352,195,168
Contribution to provident & other funds	60,459,725	44,923,681
Staff welfare expenses	17,386,292	14,606,747
Total	471,876,953	411,725,596

25 Finance costs

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
Interest on loans	1,922,494,679	2,058,292,897
Interest on electricity duty	8,315,213	10,268,381
Interest on Sales Tax deferral Liabilities (unwinding)	26,722,777	32,210,487
Interest on shortfall of advance tax	670,033	1,500,200
Bank charges/ Other Borrowing Costs	126,167,800	122,358,843
Total	2,084,370,501	2,224,630,808

26 Other expenses

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
Operating expenses		
Purchase of Traded Goods	-	459,620
Operations, maintenance & CDM expenses	62,751,202	37,127,804
Design and engineering	15,005,267	14,122,918
Construction expense	23,654,226	10,399,366
Termination of Development Contract	20,000,000	17,500,000
Lease rent	8,775,561	5,731,226
Insurance	1,119,574	1,071,072
Electricity duty	8,464,976	8,950,142
Electricity water charges	4,123,438	3,894,927
Cross Subsidy	20,251,125	8,312,904
Open Access - Wheeling charges	1,238,065	7,608,124
Open Access - Transmission charges	4,137,886	6,562,375
Open Access - Other charges	14,856,646	-
Telephhone & Communication	4,089,479	4,418,094
Other operating expenses	2,800,255	4,210,438
(A)	191,267,700	130,369,010
Administrative expenses		
Insurance - others	4,970,355	4,752,435
Rent	241,950	552,000
Rates & taxes	8,509,205	8,024,850
Repairs & maintenance (Machinery)	7,215,506	4,236,713
Repairs & maintenance (Building)	1,125,410	1,127,576
Repairs & maintenance (others)	19,008,975	21,964,582
Director's sitting fee & Commission	4,495,000	3,590,000
Payment to auditors :		
Audit fee	5,037,691	3,595,279
Tax audit fee	479,800	365,000
Reimbursement of expenses	27,412	7,544
Travel & Conveyance	29,699,782	31,341,419
Security Charges	76,333,240	77,516,427
Corporate Social Responsibility Expenditure	8,365,582	2,493,612
Diminution in value of investments	-	2,884
Asset written off	1,266,679	-
Provision for doubtful advances	-	(2,948,866)
Loss on Fixed Asset Sold	1,691,578	1,484,385
Printing and stationery	5,770,878	5,098,534
Listing and Custodial charges	3,491,033	947,374
Advertisement and business promotion	5,242,294	1,253,372
Miscellaneous expenses including postage, travelling, telephone etc.	9,951,215	5,061,488
Professional & consultancy expenses	97,296,207	89,564,074
(B)	290,219,791	260,030,682
Total (A)+ (B)	481,487,491	390,399,692

27 Earnings per share (EPS)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
	Rs.	Rs.
Numerator for basic and diluted EPS		
Net profit attributable to shareholders	360,406,095	(293,126,633)
Weighted average number of equity shares	37,667,628	37,667,628
Basic earnings per share of face value of Rs. 5/- each	9.57	(7.78)
Diluted earnings per share of face value of Rs. 5/- each	9.57	(7.78)

28. Contingent Liabilities and commitments

Particulars		As at 31st March, 2018	As at 31st March, 2017
		Amount	Amount
Estimated amount of Contracts remaining to be executed on capital accounts and not provided for.		- Rs. 128,092	EUR 468,000 Rs. 32,407,877
1	Claims against the group not acknowledged as debt	781,182,734	669,577,443
2	As at the Balance sheet date, there are various cases pending against NECE challenging the execution of the BMICP (the 'Project') which can be categorised under the following broad heads: a) Land acquisition and allotment related b) Litigation against layout approvals c) Enhanced compensatio. NECE has been legally advised that none of these pending litigations or threatened litigation is likely to affect the execution of the Project. The Management of NECE believes that aforesaid litigations will not have any material impact upon the financial statements.		
3	Estimated Amounts of Contracts remaining to be executed on capital account and not provided for (net of advances)		
	i. in respect of BUFL	128,092	32,407,877
	ii. In respect of NECE	177,528,716	246,485,814
4	Guarantee given by the company on behalf of another company	-	300,000,000
5	Others	98,499	98,499
	TOTAL	958,938,041	1,248,569,633

As regards NECE -

(i) As at the Balance sheet date, there are various cases pending against NECE challenging the execution of the BMICP (the 'Project') which can be categorised under the following broad heads: a) Land acquisition and allotment related b) Litigation against layout approvals c) Enhanced compensation. NECE has been legally advised that none of these pending litigations or threatened litigation is likely to affect the execution of the Project. The Management of NECE believes that aforesaid litigations will not have any material impact upon the financial statements.

(ii) NECE has received claims from certain suppliers for payment of statutory dues aggregating to Rs. 460,643,621(31 March 2017: 429,554,921) as at 31 March 2018. NECE has not acknowledged them as debt and is in discussion with vendors. The Management believes that even if the aforesaid amounts are paid by NECE, they will be reimbursed by the Government, hence claims will not have any material impact upon the financial statements.

(iii) NECE received a claim of Rs. 80,516,591 from joint developer towards cancellation of joint development agreement. The Management has partially provided for the amount and believes that NECE will not be required to pay the balance as the matter would be amicably settled.

In respect of Managerial Remuneration paid by NECE:

During the previous year ended March 31, 2016, NECE's application for seeking approval of remuneration to the Managing Director of NECE for the period December 1, 2013 to November 30, 2016, has been rejected by the Ministry of Corporate Affairs ("MCA") vide its letter dated January 20, 2016. The letter also alleges that the MCA's approval of the remuneration to the Managing Director of NECE for the period December 1, 2010 to November 30, 2013 has been tampered with.

On further investigation by NECE, it was noted that the alleged fraudulent act of tampering the MCA's letter by increasing the amount of remuneration payable to the Managing Director of NECE has been committed in an earlier year by a Consultant of NECE who was entrusted with the responsibility of assisting NECE in obtaining the approval from the MCA. NECE has subsequently filed a legal case against the Consultant of NECE for the alleged act.

In the absence of the original approval from the MCA for the period December 1, 2010 to November 30, 2013, NECE has, based on a reading of the communications with the MCA on the above subject and the MCA's letter dated January 20, 2016, inferred that the managerial remuneration approved by the MCA for the period

December 1, 2010 to November 30, 2013 was a sum of Rs. 14,717,115 per annum.

Accordingly, NECE has determined that excess managerial remuneration paid for the period December 1, 2010 to November 30, 2013 amounted to Rs. 130,994,619. In addition, for the period December 1, 2013 to March 31, 2014, based on the effective capital of NECE in terms of Schedule XIII to the Companies Act, 1956, NECE has determined that Rs. 17,860,662 was the remuneration in excess of the limits specified in the said Schedule. The aforesaid excess remuneration aggregating to Rs.148,855,281 was reversed in the Consolidated Statement of Profit and Loss under Exceptional items and NECE is in the process of obtaining refund of the same.

In respect of the financial year 2015-16, remuneration paid to the Managing Director in excess of limits laid out under Schedule V to the Companies Act, 2013 for the year ended March 31, 2016, amounting to Rs. 3,099,286 was also considered to be held in trust by the Managing Director of NECE as at the March 31,2016 and NECE has initiated the process of obtaining refund of the same. The aggregate of amounts held in trust by the Managing Director to be refunded to NECE as at March 31,2016 on account of the aforesaid remuneration in excess of the limits / approvals was Rs. 151,954,567 (included under other current assets).

During the year ended March 31, 2017, the Managing Director refunded RS 12,898,581 towards the aforesaid excess Managerial Remuneration recoverable and NECE has initiated the process of obtaining refund of the remaining balance of Rs. 139,055,986 as at March31, 2017 (included under Other current assets). The Remuneration to the Managing Director for the year ended March 31,2017 of Rs. 23,298,840 is within the limits laid out under Schedule V to the Companies Act, 2013.

Commitments

In case of Nandi Economic Corridor Enterprises Ltd. (NECE), the Company along with Nandi Infrastructure Corridor Enterprises Ltd. (NICE) as a joint sponsor, has given an Undertaking to IDFC Limited, acting as a Lenders' Agent, in connection with the consortium loan total amounting to Rs. 400 Crores (out of total exposure of Rs 1,650 Crores) advanced toNECE, whereby the Company, along with NICE, has undertaken to ensure continuance of the of the Project undertaken by NECE, maintenance of shareholding and management control over NECE and provision of requisite technical, financial and managerial expertise, etc. until the final settlement date of the consortium loan. The company has recognised it as Financial Guarantee contract to the extent of Letter of Comfort issued by it.

Further the Company has agreed to grant to NECE, Operation & Maintenance Cost Overrun Support, Yield Equalisation Support, interest differential support under certain Facilities and Major Maintenance Reserve Support, on need basis.

The Company had given security to Axis Bank Limited to the extent of Rs. 30 Crores for securing the term loan facility granted by it to Nandi Highway Developers Limited (NHDL), a subsidiary of the Company, by way of hypothecation of movable assets and equitable mortgage of fixed assets pertaining to Wind Mill project of the Company located in village Boposhi and Maloshi, Dist. Satara.The said term loan has been repaid during the year by NHDL and charge satisfied.

The Company had given security to Kotak Mahindra Investments Limited to the extent of Rs.30 Crores securing the term loan facility granted by it to Nandi Highway Developers Limited (NHDL), a subsidiary of the Company, by way of pledge of NIL (previous period- 12,301,127) equity shares of Rs. 10 each of NHDL held by the Company. The said term loan has been repaid during the year by NHDL and pledge is released.

29. Un hedged Foreign Currency Exposure

Un-hedged Receivables and Payables	**As at 31st March, 2018**	As at 31st March, 2017
	Amount Rs.	Amount Rs.
Trade Payables	**1,463,492**	-

30. Related Party disclosures

(i) Names of the related parties and related party relationship

Enterprises owned or significantly influenced by key management personnel or their relatives / Enterprises under common control	Bharat Forge Ltd. (BFL) BF Investment Ltd. (BFIL) Nandi Engineering Ltd. (NEL) AKK Developers Pvt. Ltd. (AKKDPL) AKK Entertainment Ltd. (AKKEL) Ashok Kheny Production Pvt. Ltd. (AKPPL) Bonic Developers Pvt. Ltd. (BDPL) Ashok Kheny Infrastructure Ltd. (AKIL) Ashok Kheny Motors Pvt. Ltd. SAB Engineering Inc., USA (SEI) Bhalchandra Investment Ltd. (since merged in BFIL) Forge Investment Ltd. (since merged in BFIL) Mundhwa Investment Ltd. (since merged in BFIL) Jalakamal Invest. & Finance Ltd. (since merged in BFIL) Jalakumbhi Invest. & Finance Ltd. (since merged in BFIL) India International Infrastructure Engineers Ltd (IIIE)
Key Managerial Personnel (KMP)	Mr. B.S. Mitkari (CEO & CS) Mr. S.S. Joshi (CFO) Mr. Ashok Kheny, Managing Director of Subsidiaries Mr. ShivkumarKheny, Managing Director of Subsidiary Mr. A Rudragaud, CFO of NECE Mr. N. Balaji Naidu, Company Secretary of NECE

(ii) Related party transactions

	Nature of transaction	Year	Entities where control exists	Key Management Personnel (KMP)	Enterprise Over which KMP have Significant Influence
I	Income				
a	Sales	**2017-18**	**68,228,335**	-	-
		2016-17	138,006,818	-	-
b	Sale of Intangible Assets under development	**2017-18**	**118,000,000**	-	-
		2016-17	-	-	-
c	Compensation received	**2017-18**	**(3,228,377)**	-	-
		2016-17	6,362,167	-	-
d	other receipt	**2017-18**	**143,119**	-	-
		2016-17	-	-	-
e	Employee deputation cost received (including Service tax)	**2017-18**	**3,745,480**	-	-
		2016-17	3,333,486	-	-
f	Dividend Received	**2017-18**	-	-	-
		2016-17	-	-	-
g	Interest Income on ICD	**2017-18**	-	-	**4,593,951**
		2016-17	-	-	8,976,072
h	Financial guarantee contract	**2017-18**	-	-	-
		2016-17	-	-	-
II	Expenses				
a	Reimbursement of expenses paid	**2017-18**	**46,251,692**	-	-
		2016-17	22,630,914	-	-
b	Purchases of Raw Material	**2017-18**	**1,857,910**	-	-
		2016-17	-	-	-

	Nature of transaction	Year	Entities where control exists	Key Management Personnel (KMP)	Enterprise Over which KMP have Significant Influence
c	Interest on ICD / Loan	**2017-18**	**5,650,685**	**-**	**38,965,639**
		2016-17	22,047,059	-	36,546,852
d	Financial Guarantee commission w/off	**2017-18**	**-**	**-**	**-**
		2016-17	-	-	-
c	Rent	**2017-18**	**-**	**-**	**-**
		2016-17	-	-	-
d	Professional fees and others	**2017-18**	**-**	**-**	**25,870,000**
		2016-17	-	-	137,80,000
e	Remuneration paid to KMP	**2017-18**	**-**	**56,690,663**	**-**
		2016-17	-	52,542,378	-
III	Others				
a	Loan/ICD Taken / (Repaid)	**2017-18**	**(75,000,000)**	**-**	**(34,250,000)**
		2016-17	-	-	(28,493,546)
b	Advance given	**2017-18**	**-**	**-**	**(4,839,473)**
		2016-17	200,000	-	439,632
c	Security Deposit taken / (Repaid)	**2017-18**	**(30,000,000)**	**-**	**-**
		2016-17	30,000,000	-	-

(iii) Balances outstanding as at the year / period end

Sr No	Nature of transaction		Receivable / (Payable)	Receivable / (Payable)	Receivable / (Payable)
1	Trade Receivable	31 March, 2018	11,439,583	-	-
		31 March, 2017	99,716,822	-	-
		1 April, 2016	7,447,815	-	-
2	Other Receivable	31 March, 2018	22,440,000	-	-
		31 March, 2017	-	-	-
		1 April, 2016	-	-	-
3	Trade Payable	31 March, 2018	(1,857,910)	-	-
		31 March, 2017	-	-	-
		1 April, 2016	-	-	-
4	Loan / Inter Corporate Deposit	31 March, 2018	(211,000,000)	-	24,000,000
		31 March, 2017	(286,000,000)	-	58,250,000
		1 April, 2016	(286,000,000)	-	86,743,546
5	Interest Receivable / (payable)	31 March, 2018	(10,824,991)	-	-
		31 March, 2017	(21,396,808)	-	-
		1 April, 2016	(6,232,875)	-	11,678,748
6	Security deposit received	31 March, 2018	(210,000,000)	-	-
		31 March, 2017	(240,000,000)	-	-
		1 April, 2016	(210,000,000)	-	-
7	Advance given	31 March, 2018	200,000	-	1,227,521,431
		31 March, 2017	200,000	-	1,232,083,808
		1 April, 2016	-	-	1,231,644,176
8	Advance to suppliers	31 March, 2018	-	-	413,733,961
		31 March, 2017	-	-	426,694,626
		1 April, 2016	-	-	54,736,613
9	Loans outstanding and interest accrued but not due	31 March, 2018	-	-	659,407,127
		31 March, 2017	-	-	580,975,443
		1 April, 2016	-	-	511,872,637

Sr No	Nature of transaction		Receivable / (Payable)	Receivable / (Payable)	Receivable / (Payable)
10	Investment balance	31 March, 2018 31 March, 2017 1 April, 2016	- - -	- - -	- - -
11	Excess payment of Managerial remuneration receivable for prior years and current year	31 March, 2018 31 March, 2017 1 April, 2016	- - -	123,296,839 139,055,986 151,954,567	- - -
12	Remuneration payable to KMP *	31 March, 2018 31 March, 2017 1 April, 2016	- - -	(133,534) (231,472) -	- - -

* Does not include gratuity and leave encashment since the same is considered for all employees of the respective company as a whole.

31. Financial Instruments

Capital Management:

The group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the group may issue new shares or sell assets to reduce debt.

The capital structure of the group consists of debt and total equity of the group.

The group determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and short-term borrowings. The group's policy is aimed at combination of short-term and long-term borrowings. The group monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the group.

The group is not subject to any externally imposed capital requirements.

Total debt includes all long and short-term debts as disclosed in note 13 to the financial statements.

The gearing ratio at the end of the reporting period was as follows

Particulars	March 31, 2018 Amount Rs.	March 31, 2017 Amount Rs.
Loans and Borrowings	**16,428,460,471**	17,233,079,413
Less - Cash and Cash Equivalents	**240,895,836**	320,547,560
Net Debt	**16,187,564,634**	16,912,531,853
Equity	**(987,132,349)**	(1,256,832,939)
Capital and Net Debt	**15,200,432,286**	15,655,698,915
Debt to Equity Ratio	**1.06**	1.08

Set out below is a comparison, by class, of the carrying amounts and fair value of the group's financial instruments as of March 31, 2018, other than those with carrying amounts that are reasonable approximates of fair values:

(Amount in Rs.)

Particulars	Carrying value			Fair Value		
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
Investments	**88,532,224**	233,793,995	288,807,465	**88,532,224**	233,793,995	288,807,465
Trade receivables	**21,278,987**	95,073,652	9,691,534	**21,278,987**	95,073,652	9,691,534
Cash and cash equivalents - Bank balance	**686,069,647**	320,547,560	247,885,726	**686,069,647**	320,547,560	247,885,726
Other current financial assets	**184,144,479**	210,763,681	436,886,734	**184,144,479**	210,763,681	436,886,734
Total Financial Assets	**980,025,338**	860,178,888	983,271,459	**980,025,338**	860,178,888	983,271,459
Borrowings	**16,428,460,471**	17,233,079,413	20,882,510,137	**16,428,460,471**	17,233,079,413	20,882,510,137
Trade payables	**256,126,549**	202,006,103	196,461,379	**256,126,549**	202,006,103	196,461,379
Other Financial Liabilities	**1,279,486,707**	1,280,957,356	943,698,551	**1,279,486,707**	1,280,957,356	943,698,551
Total Financial Liabilities	**17,964,073,727**	18,716,042,872	22,022,670,068	**17,964,073,727**	18,716,042,872	22,022,670,068

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Further the management assessed that the fair value of security deposits and other non-current receivables approximate their carrying amounts largely due to discounting at rates which are an approximation of current lending rates.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

1. The fair values of quoted instruments are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
2. The group has not performed a fair valuation of its investment in unquoted ordinary shares which are classified as FVTOCI, as the group believes that the impact of change on account of fair value is insignificant.

Financial Risk management framework:

The group is exposed primarily to market risk, credit risk and liquidity risk which may adversely impact the fair value of its financial instruments. The group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the group.

Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the interest rates and other market changes.

Credit Risk

Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortized cost and deposits with banks and financial institutions.

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 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.

Expected credit loss for trade receivables under simplified approach - The group recognises significant income from toll road on the basis of actual collection and hence there are no significant outstanding. Hence, as the group does not have significant credit risk, it does not present the information related to ageing pattern. The group has widespread customer base and no single customer accounted for 10% or more of revenue in any of the years indicated.

During the periods presented, the group made no write-offs of trade receivables and it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off.

Interest rate risk (mainly in case of NECE)

NECE's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, 'Financial Instruments - Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(Amount in Rs.)

Particulars	31 March 2018	31 March 2017	1 April 2016
Variable rate borrowing	**2,111,148,725**	2,100,782,489	2,153,585,503
Fixed rate borrowing	**13,252,147,837**	13,926,283,609	17,137,243,870
Interest free borrowing	**409,731,190**	331,299,506	262,196,700
Total borrowings	**15,773,027,752**	16,358,365,604	19,553,026,073

(Amount in Rs.)

Particulars	31 March 2018	31 March 2017
Interest rates - increase by 50 basis points (50 bps)	**(10,555,744)**	(10,503,912)
Interest rates - decrease by 50 basis points (50 bps)	**10,555,744**	10,503,912

Liquidity Risk

Liquidity risk refers to the risk that the group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The group manages liquidity risk by maintaining adequate reserves, liquid cash and bank balance by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The table below provides details regarding the contractual maturities of significant financial liabilities:

(Amount in Rs.)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Less than 1 Year	More than 1 Year	Less than 1 Year	More than 1 Year
Borrowings	**625,545,364**	**15,802,915,107**	459,124,349	16,773,955,064
Trade payables	**256,126,549**	**-**	202,006,103	-
Other financial liabilities	**422,833,357**	**856,653,350**	596,595,448	684,361,908

Fair Value Measurement

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the Ind AS 113 - Fair Value Measurement. An explanation of each level is 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 or indirectly.

Level 3 - Unobservable inputs for the asset or liability.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the group's assets and liabilities.

(Amount in Rs.)

Quantitative disclosure fair value measurement hierarchy for assets	Fair value measurement using		
	Quoted prices in active markets (Level 1)	Significant observable Inputs (Level 2)	Significant un-observable Inputs (Level 3)
Financial assets at FVTOCI			
Equity Instruments (Quoted)			
March 31, 2018	3,367,948	-	-
March 31, 2017	3,389,813	-	-
April 1, 2016	2,717,824	-	-
Equity Instruments (Un-Quoted)			
March 31, 2018	-	-	939,698
March 31, 2017	-	-	939,698
April 1, 2016	-	-	19,250,080
Financial assets at FVTPL			
Debt Instruments (Quoted)			
March 31, 2018	77,573,925	-	-
March 31, 2017	222,813,831	-	-
April 1, 2016	265,887,865	-	-
Financial assets at Amortised Cost			
Investments in Bonds			
March 31, 2018	6,650,653	-	-
March 31, 2017	6,650,653	-	-
April 1, 2016	9,51,696	-	-

32. Gratuity and other post-employment benefit plans

Gratuity plan

Funded scheme

The group has a defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972 and the Scheme framed by the group. Under the Act, every employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. Every employee who has completed five years but not more than fifteen years of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per the provisions of the Payment of Gratuity Act, 1972. Every employee who has completed fifteen years of service gets a gratuity on departure at one month's salary (last drawn) for each completed year of service, subject to maximum for 20 months' salary as per the Scheme of the group. The scheme is funded with insurance companies in the form of a qualifying insurance policy.

Risk exposure and asset-liability matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companiestake on uncertain long-term obligations to make future benefit payments.

1) **Liability risks**

a) **Asset-liability mismatch risk**

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the group is successfully able to neutralize valuation swings caused by interest rate movements.

b) **Discount rate risk**

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

c) **Future salary escalation and inflation risk**

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

2) **Asset risks**

All plan assets are maintained in a trust fund managed by a public-sector insurer viz. LIC of India and other insurance companies. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The group has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The group has no control over the management of funds but this option provides high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

The following table summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

The principal assumptions used in determining gratuity for the group's plan is shown below:

Particulars	As at March 31, 2018	As at March 31, 2017
Mortality table	IALM (2006-08) ult	IALM (2006-08) ult
Discount rate	7.40%	6.80%
Rate of increase in compensation levels	7.50%	7.50%
Expected rate of return on plan assets	6.80%	8.25%
Expected average remaining working lives (in years)		
Withdrawal rate (based on grade and age of employees)	4.14	4.47
Age up to 30 years	10%	10%
Age 31 - 44 years	10%	10%
Age 45 - 50 years	10%	10%
Age above 50 years	10%	10%

Changes in the present value of the defined benefit obligation recognised in balance sheet are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
	Amount Rs.	Amount Rs.
Present Value of Obligation as at the beginning of the period	56,551,923	44,583,374
Interest Expense	3,964,801	3,530,028
Current Service Cost	11,177,283	5,428,784
Benefits (Paid)	19,394,847	4,290,230
Remeasurement on obligation (Actuarial Gain/Loss)	(2,591,947)	(1,280,493)
Closing defined benefit obligation	113,745,615	76,238,917

Changes in the fair value of plan assets recognised in the balance sheet are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
	Amount Rs.	Amount Rs.
Opening fair value of plan assets	67,549,886	45,398,374
Interest Income	269,865	247,168
Contributions	9,527,691	9,928,913
Benefits paid	(2,342,118)	(1,244,452)
Return on Plan asset	3,256,870	2,503,566
Interest Income - Gain/(Loss)	(1,122,509)	(174,822)
Closing Fair value of Plan Assets	77,139,685	56,658,747
Actual Return on Plan Assets	317,489	276,540

Net Interest (Income/Expense)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
	Amount Rs.	Amount Rs.
Interest (Income)/Expense- Obligation	289,297	288,367
Interest (Income)/Expense- Plan Assets	(269,865)	(247,168)
Net Interest (Income)/Expense for the period	19,432	41,199

Remeasurement for the period [Actuarial (Gain)/loss]

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
	Amount Rs.	Amount Rs.
Experience (Gain)/Loss on plan liabilities	2,445,569	(237,785)
Demographic (Gain)/Loss on plan liabilities	2,688,048	3,182,312
Financial (Gain)/Loss on plan liabilities	14,881,783	1,052,649
Sub-total	20,015,400	3,997,176
Experience (Gain)/Loss on plan assets	132,391	(22,952)
Financial (Gain)/Loss on plan assets	57,545	(6,420)
Sub-total	189,936	(29,372)

Amount recognised in Statement of Other Comprehensive Income (OCI)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
	Amount Rs.	Amount Rs.
Opening Balance of OCI outside profit & loss account	-	-
Remeasurement for the year-Obligation (Gain)/Loss	**20,015,400**	3,997,176
Remeasurement for the year-Plan assets (Gain)/Loss	**189,936**	(29,372)
Total Remeasurement cost/(credit) for the period recognised in OCI	**20,205,336**	3,967,804

The amounts to be recognised in the Balance Sheet

Particulars	As at March 31, 2018	As at March 31, 2017
	Amount Rs.	Amount Rs.
Present value of obligation as at the end of the period	**113,745,615**	76,238,917
Fair value of plan assets as at the end of the period	**(73,191,985)**	(60,847,623)
Surplus/ (Deficit)	**36,605,930**	19,580,170
Current Liability	**247,939**	288,501
Non-Current Liability	**14,929,553**	11,799,414
Net liability to be recognised in balance sheet	**36,605,930**	19,580,170

Expense recognised in the statement of profit and loss

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
	Amount Rs.	Amount Rs.
Current service cost	12,668,994	5,685,797
Past Service Cost	2,001,865	-
Net Interest (Income) / Expense	1,025,582	779,294
Net periodic benefit cost recognised in the statement of profit and loss	15,696,441	6,465,091

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
	Amount Rs.	Amount Rs.
Funds managed by insurer	100 %	100 %

Sensitivity analysis

A) Impact of change in discount rate when base assumption is decreased/increased present value of obligation

Discount Rate	As at March 31, 2018	As at March 31, 2017
	Amount Rs.	Amount Rs.
Decrease by 1%	4,672,679	4,403,346
Increase by 1%	4,409,459	4,115,729

B) Impact of change in salary increase rate when base assumption is decreased/increased present value of obligation

Salary Increment Rate	As at March 31, 2018	As at March 31, 2017
	Amount Rs.	Amount Rs.
Decrease by 1%	4,440,004	4,144,391
Increase by 1%	4,637,815	4,369,795

C) Impact of change in withdrawal rate when base assumption is decreased/increased present value of obligation

Withdrawal Rate	As at March 31, 2018	As at March 31, 2017
	Amount Rs.	Amount Rs.
Decrease by 1%	4,524,839	4,262,737
Increase by 1%	4,553,468	4,246,411

The estimates of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following are the expected benefit payments to the defined benefit plan in future years:

Particulars	As at March 31, 2018	As at March 31, 2017
	Amount Rs.	Amount Rs.
Expected contribution during the next annual reporting period (In respect of NECE)	15,00,000	-
Within one Year	1,60,83,666	13,48,000
After one year but not more than five years	2,92,76,519	26,69,000
After five years but not more than ten years	17,31,40,036	9,29,000

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal and interest rate) is 3.92 years (10.92 years in case of NECE)

Provident Fund

In accordance with the law, all employees of the group are entitled to receive benefits under the provident fund. Till the Financial Year 2016-17, the company operated defined benefit plan. Under the defined benefit plan, the company contributes to the "BFUL Employees Provident Fund Trust". The company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

From the Financial Year 2017-18 onwards, the Company like other entities of the group operated defined contribution plan. Under the defined contribution plan, provident fund is contributed to the government administered provident fund. The group has no obligation, other than the contribution payable to the provident fund.

33. Income Taxes

A reconciliation of the Income tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is summarised below.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
	Amount Rs.	Amount Rs.
Accounting profit before tax from operations	409,968,476	(233,668,470)
Enacted tax rate in India	34.61%	34.61%
Computed tax expense at enacted tax rate	141,881,890	(80,867,984)
Effect of Exempt Income	-	(22,627)
Effect of non-deductible expenses	20,281,093	8,056,745
Effect of deductible expenses	(14,856,470)	(283,000)
Effect of change in Tax Rates	(17,760,626)	6,475,888
Effect of MAT Credit availed	(12,012,439)	(27,645,599)
Effect of Lower Tax rate applicable to few Co in the Group	(51,664,681)	(30,129,525)
Effect of set off of tax expense on account of accumulated tax losses.	(12,500,903)	183,400,781
Others	(502,488)	207,173
Tax expense reported in statement of profit and loss	52,865,376	59,191,851

34. First Time Adoption

These financial statements for the year ended March 31, 2018 have been prepared in accordance with Ind-AS. For periods up to and including the year ended March 31, 2017, the group prepared its financial statements in accordance with statutory reporting requirements in India immediately before adopting Ind AS ('previous GAAP').

Accordingly, the group has prepared financial statements which comply with Ind AS applicable for the year ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017. In preparing these financial statements, the group's opening balance sheet was prepared as at April 1, 2016, the group's date of transition to Ind AS. This note explains the principal adjustments made by the group in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

First time adoption of Ind AS - Mandatory exceptions and optional exemptions:

The group has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets and liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS and applying Ind AS in measurement of recognized assets and liabilities.

However, this principle is subject to certain exceptions and certain optional exemptions availed by the group as detailed below:

Exceptions applied

The group has applied all the mandatory exceptions in accordance with Ind AS 101. Following are the exceptions with significant impact:

1. **Estimates**

   The estimates at April 1, 2015 and at March 31, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

   - FVTOCI - unquoted and quoted equity instruments
   - FVTPL of Financial Liabilities
   - Impairment of financial assets based on expected credit loss model

   The estimates used by the group to present these amounts in accordance with Ind AS reflect conditions at April 1, 2016, the date of transition to Ind AS and as of March 31, 2017.

2. **Classification and measurement of financial assets**

   The group has classified financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

3. **De-recognition of financial assets and financial liabilities**

   The group has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

4. **Impairment of financial assets**

   The group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there has been significant increase in credit risk since the initial recognition, as permitted by Ind AS 101.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The group has applied the following exemptions:

1. **Deemed cost for property, plant and equipment and intangible assets**

   The group has elected to continue with the carrying value of all its plant and equipment and intangible assets recognized as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2. **Past Business Combinations**

   The group has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of 1st April 2016. Consequently, the group has kept the same classification for the past business combinations as in its previous GAAP financial statements. The group has not recognised assets and liabilities that were not recognised in accordance with previous GAAP in the balance sheet of the acquirer and would also not qualify for recognition in accordance with Ind AS in the separate balance sheet of the acquire. The group has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS.

   Ind AS 101 also requires that Indian GAAP carrying amount of goodwill must be used in the opening IndAS balance sheet (apart from adjustments for goodwill impairment and recognition or derecognition of intangible assets). In accordance with Ind AS 101, the Group has tested goodwill for impairmentat the date of transition to Ind AS. No goodwill impairment was deemed necessary at April 1, 2016.The group has used same exemptions for interest in associates and joint ventures.

3. **Non-controlling interests**

   As per Ind AS 110, entities are required to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance. IndAS 101 requires the above requirement to be followed prospectively from the date of transition. Consequently, the group has applied the above requirement prospectively.

4. **Foreign Currency Monetary Item Translation Difference Account (FCMITDA)**

   The Group has continued with the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements prepared under previous GAAP for the year ended 31 March, 2017. The reserves pertain to exchange differences relating to long term foreign currency monetary items in so far as they do not relate to acquisition of depreciable capital assets, which are accumulated in "Foreign Currency Monetary Item Translation Difference Account (FCMITDA)" and amortized in the Statement of Profit and Loss over the balance period of such long term foreign currency monetary items.

5. **Embedded lease**

   Appendix C to Ind AS 17, 'Leases' requires to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, 'Leases', this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101, 'First time Adoption of Indian Accounting Standards', provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. The Group has elected to apply this exemption for such contracts/arrangements.

Explanation of transition to Ind AS

The below mentioned reconciliations provide a quantification of the effect of significant differences arising from the transition from Indian GAAP to Ind AS in accordance with Ind AS 101 for the following:

- Equity as at April 1, 2015
- Equity as at March 31, 2016
- Profit for the year ended March 31, 2016

There are no material adjustments to the cash flow statements.

In the reconciliations mentioned above, certain reclassifications are made to Indian GAAP financial information to align with the Ind AS presentation.

Equity Reconciliation

(Amount in Rs.)

Particulars	As at April, 1 2016			As at March, 31 2017			Foot Note Ref
	IGAAP*	IndAS Transition Effect	Ind AS	IGAAP*	IndAS Transition Effect	Ind AS	
ASSETS							
Non-current assets							
Property, plant and equipment	470,533,625	-	470,533,625	408,049,882	-	408,049,882	
Capital Work in Progress	1,444,773,442	14,182,834	1,430,590,608	368,192,549	141,82,834	354,009,715	L
Investment Property	1,039,499	-	1,039,499	1,039,499	-	1,039,499	
Goodwill	63,509,091	-	63,509,091	63,509,091	-	63,509,091	
Other Intangible Assets	12,334,244,180	1,194,907,442	11,139,336,738	13,217,338,722	15201,12,665	11,697,226,057	I
Intangible assets - under development	163,152,438	-	163,152,438	196,905,900	-	196,905,900	
Intangible Assets	-	-	-	-	-	-	
Financial assets	-	-	-	-	-	-	
Investments	20,201,776	-	20,201,776	1,901,101	-	1,901,101	
Loans	801,910,927	694,624,859	107,286,068	755,241,027	6946,24,859	60,616,168	J
Other financial assets	-	-	-	-	-	-	
Income tax assets (net)	62,333,252	-	62,333,252	8,527,889	-	8,527,889	
Deferred Tax Asset	-	-	-	-	-	-	
Other Non-Current Assets	3,947,734,136	958,312,718	2,989,421,418	3,899,179,865	9342,56,949	2,964,922,916	J, O
Total NCA	19,309,432,366	2,862,027,852	16,447,404,514	18,919,885,525	31631,77,307	15,756,708,218	
Current assets							
Inventories	1,721,207,309	-	1,721,207,309	1,716,218,147	-	1716,218,147	
Financial assets	-	-	-	-	-	-	
Investments	265,951,525	-2,654,164	2686,05,689	2283,14,242	-3,578,652	231,892,894	C, D
Trade receivables	9,691,534	-	9,691,534	950,73,652	-	95,073,652	
Cash and cash equivalents	247,885,726	-	247,885,726	3205,47,560	-	320,547,560	
Other bank balances	-	-	-	-	-	-	
Loans	153,045,826	-	153,045,826	1406,06,934	-	140,606,934	
Other current financial assets	176,554,840	-	1765,54,840	95,40,579	-	9,540,579	
Current Tax Assets	-	-	-	-	-	-	
Other Current Assets	5148,54,966	68,702,363	446,152,603	5564,89,210	86,589,148	469,900,062	C, O
Total CA	3,089,191,726	66,048,200	3,023,143,526	30667,90,324	83,010,496	2,983,779,828	
Grand Total	22,398,624,092	2,928,076,052	19,470,548,040	219866,75,849	3,246,187,803	18,740,488,046	

* The previous GAAP amounts have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

Particulars	As at April, 1 2016			As at March, 31 2017			Foot Note Ref
	IGAAP*	IndAS Transition Effect	Ind AS	IGAAP*	IndAS Transition Effect	Ind AS	
Equity							
Equity Share capital	1883,38,140	-	1883,38,140	1883,38,140	-	1883,38,140	
Other Equity	-24651,19,058	20601,75,354	-45252,94,412	11219,07,731	4464979,307	-33430,71,576	
Non-Controlling Interest	39054,04,521	37068,68,968	1985,35,553	3255,54,237	-1572346260	18979,00,497	
Total Equity	**16286,23,603**	**57670,44,322**	**-41384,20,719**	**16358,00,108**	**28926,33,047**	**-1256832,939**	
Non-current liabilities							
Financial liabilities							
Borrowings	181689,13,616	-22834,13,197	204523,26,813	174137,37,921	6397,82,857	167739,55,064	A, B, E, O
Other financial liabilities	6690,98,112	800,18,202	5890,79,910	7715,54,278	871,92,370	6843,61,908	O
Provisions	43,35,174	-	43,35,174	57,69,239	-	57,69,239	
Deferred tax liabilities	429,27,157	121,31,445	307,95,712	312,38,723	87,28,820	225,09,903	M
Other non-current liabilities	8707,61,876	-709,01,347	9416,63,223	8707,61,876	-442,32,392	9149,94,268	K
Total NCL	**197560,35,935**	**-22621,64,897**	**220182,00,832**	**190930,62,037**	**6914,71,655**	**184015,90,382**	
Current liabilities							
Financial liabilities	-			-			
Borrowings	4301,83,324	-	4301,83,324	4591,24,349	-	4591,24,349	
Trade payables	1964,61,379	-	1964,61,379	2020,06,103	-	2020,06,103	
Other financial liabilities	1933,48,734	-1612,69,907	3546,18,641	3967,29,830	-1998,65,618	5965,95,448	O
Other current liabilities	219,85,736	-322,10,487	541,96,223	236,86,010	-267,22,777	504,08,787	K
Provisions	1719,85,380	-3833,22,980	5553,08,360	1762,67,412	-1113,28,504	2875,95,916	G
Current tax liabilities (net)	-	-	-	-	-	-	
Total CL	**10139,64,553**	**-5768,03,374**	**15907,67,927**	**12578,13,704**	**-3379,16,899**	**15957,30,603**	
Grand Total	**223986,24,091**	**29280,76,051**	**194705,48,040**	**219866,75,849**	**32461,87,803**	**187404,88,046**	

* The previous GAAP amounts have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

Profit reconciliation -

Particulars	As at March, 31 2017			Foot Note Ref
	IGAAP	Ind AS Transition Effect	Ind AS	
Income				
Revenue from operations	3,35,23,28,757	(1,03,99,366)	3,36,27,28,123	B, I
Other income	5,24,73,516	(2,84,67,199)	8,09,40,715	K, C
Total revenue	3,40,48,02,273	(3,88,66,565)	3,44,36,68,838	
Expenses				
Changes in inventories	(20,38,817)	-	(20,38,817)	
Operational Expense	4,79,00,952	-	479,00,952	
Cost of sale of land and land development	70,27,979	-	70,27,979	
Employee benefit expenses	42,65,29,912	148,04,316	41,17,25,596	H
Finance costs	1,93,44,93,082	(29,01,37,726)	2,22,46,30,808	A, B, G, O
Depreciation and amortization expense	27,24,85,874	(32,52,05,225)	59,76,91,099	I
Other expenses	70,57,70,841	3153,71,149	3903,99,692	O, G
Total expenses	3,39,21,69,823	(28,51,67,486)	3,67,73,37,309	
Profit / (Loss) before tax and exceptional items	1,26,32,450	24,63,00,920	(23,36,68,470)	
Exceptional items			-	
Profit / (Loss) before tax	1,26,32,450	24,63,00,920	(23,36,68,470)	

Particulars	As at March, 31 2017			Foot Note Ref
	IGAAP	Ind AS Transition Effect	Ind AS	
Tax expense:				
Current tax				
- pertaining to profit for the year	75,440,124	156,618	75,283,506	
- MAT Credit utilised in relation to earlier years	-	-	-	
Tax for the year	75,440,124	156,618	75,283,506	
Deferred tax	(11,688,434)	4,403,220	(16,091,654)	M, N
	63,751,690	4,559,839	59,191,851	
Profit / (Loss) for the year after taxation	(51,119,240)	241,741,082	(292,860,322)	
Adjustments relating to earlier years:				
Excess / (Short) provision for taxation and tax payments	(266,310)	-	(266,310)	
Profit / (Loss) for the year after taxation and adjustments relating to earlier years	(51,385,550)	241,741,082	(293,126,632)	
Other Comprehensive Income for the period (net of tax)				
Items that will not be reclassified to Profit or Loss:				
Remeasurement of the defined benefit plans (net of tax)	-	14,804,316	(14,804,316)	H, M, N
Remeasurement of financial instruments (net of tax)	-	(939,180)	939,180	D, N
Items that will be reclassified to Profit or Loss	-	-	-	
	-	13,865,136	(13,865,136)	
Total Comprehensive income for the period Net of tax	(51,385,550)	255,606,218	(306,991,768)	
Profit for the year				
Attributable to:				
Equity holders of the parent	81,253,235	48,006,727	33,246,508	
Non-controlling interests	(132,638,785)	(193,734,355)	(326,373,140)	
Total comprehensive Income for the year				
Attributable to:				
Equity holders of the parent	81,253,235	55,612,617	25,640,618	
Non-controlling interests	(132,638,785)	(199,993,601)	(332,632,386)	

Foot Notes

A Cumulative compulsorily convertible preference shares:

The group had issued Cumulative compulsorily convertible preference shares which carried fixed cumulative dividend. Under Indian GAAP, these were classified as equity and dividend payable thereon was disclosed as Contingent liability. Under Ind AS, these Cumulative compulsorily convertible preference shares are classified as a financial liability and are measured at fair value (Rs. 3,113,000,000 Please refer to Note 13 of Consolidated Financial Statements) with changes in fair value being recognized in profit or loss for the year.

B Cumulative redeemable preference shares:

The group had issued Cumulative redeemable preference shares which carried fixed cumulative dividend. Under Indian GAAP, these were classified as equity and dividend payable thereon was disclosed as Contingent liability. Under Ind AS, these cumulative redeemable preference shares are classified as a financial liability (Rs. 276,353,148 and Rs. 350,887,366 Please refer to Note 13 of Consolidated Financial Statements). Interest on liability component is recognised using the effective interest method. Accordingly, equity is reduced with a corresponding increase in borrowings as financial liability component.

The group has capitalized the interest arising on account of the above adjustment up to the date all the activities necessary to prepare the qualifying asset for its intended use was substantially complete, which has resulted in a change in the carrying value of the tangible / intangible assets and consequential amortization / depreciation of intangible / tangible asset. (for details please refer to foot Note I below).

C Investment in Quoted Debt Instruments:

The group has made Investments in quoted debt instruments which have been measured at fair value through profit or loss (FVTPL) as against lower of cost or fair value, under the previous GAAP. The difference between the fair value and previous GAAP carrying value on transition date has been recognized as an adjustment to opening retained earnings (Rs. 2,654,164 and Rs. 3,578,652. This also includes FV change due to foot note D referred below). Subsequent fair value changes have been recorded in the statement of profit and loss.

D Investment in Quoted Equity Instruments:

The group has classified Investments in quoted equity instruments at "Fair Value through Other comprehensive Income (FVTOCI)" through an irrevocable election at the date of transition as against lower of cost and fair value as per previous GAAP. The difference between the fair value and previous GAAP carrying value on transition date has been recognized as an adjustment to opening retained earnings (Rs. 2,654,164 and Rs. 3,578,652. This also includes FV change due to foot note C referred above). Subsequent fair value changes have been recorded in OCI.

E Unsecured loans:

Interest-free unsecured loans from related parties were recognized at transaction value with interest being recorded at coupon rate under previous GAAP. However, under Ind AS, they are required to be recognized at fair value (Rs. 278,118,467 Please refer to Note 13 of Consolidated Financial Statements). Accordingly, the group has recognized these unsecured loans at fair value and subsequently measured them at amortized cost. Difference between the fair value and transaction value has been recognized as credit to equity.

F Advances received:

Under the previous GAAP, advances received towards joint development (that are refundable in cash) were recorded at their transaction value. Under Ind AS, all financial liabilities are required to be recognized at fair value. Accordingly, the group has recognized these advances received at fair value (Rs. 463,038,438) and subsequently measured them at amortized cost. Difference between the fair value and transaction value of the advances received has been recognized as deferred land revenue (Rs. 407,723,438) which would be recognized as revenue when revenue recognition criteria are met.

G Contractual obligations to maintain or restore toll road:

Under the previous GAAP, provisions are not recognized based on constructive obligations. However, under Ind AS, provision is recognized when a past event has created a constructive obligation, provision is recognized and measured at net present value of the amounts expected to be paid to settle the obligation at the balance sheet date (included in Rs. 383,322,980 and Rs. 111,328,504 for April 1, 2016 and March 31, 2017 respectively. Unwinding of discount has been treated as finance cost.

H Defined benefit liabilities:

Both under previous GAAP and Ind AS, the group recognized costs related to its post-employment defined benefit plan on an actuarial basis. Under previous GAAP, the entire cost, including actuarial gains and losses, are charged to the statement of profit or loss. Under Ind AS, re-measurements comprising of actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI (closing balance as on March, 31, 2017 Rs. 13,954,483 disclosed in SOCIE). Thus, the employee benefit cost is reduced by such amount with a corresponding adjustment on defined benefit plans has been recognized in the OCI (Rs. 14,804,316).

I Amortization of intangible assets:

Under previous GAAP, the group used revenue-based model for amortization of toll road assets. Under Ind AS, Intangible asset is required to be amortized over its useful life and it prohibits use of revenue-based amortization method. Accordingly, the group has changed the method of amortization to straight line basis. Differential amount of depreciation as per the previous GAAP and Ind AS has been adjusted to opening retained earnings (Rs. 1,194,907,442) and in Statement of profit and loss for comparative period (Rs 325,205,223).

J Provision for advance to related parties and capital work in progress

The group has written off certain advances relating to periods prior to 31 March, 2016 in opening retained earnings (Rs. 694,624,859 Pl refer Note 4 ñ Loans Noncurrent and Rs. 532,618,392 out of Ind AS transition effect of Rs. 958,312,718 - Pl refer Note 7 Other assets Non-current).

K Government Grant

The group has been accounted for Interest free Sales tax deferral Govt loan as Govt grant (Rs. 63,710,412 as Non-current portion, Rs. 32,210,487 as Current Portion and Rs. 36,987,635 as Non-current portion, Rs.26,722,777 as current portion for April 1, 2016 and March 31, 2017 respectively) resulting into Loan amount restated at discounted value (Rs. 292,822,608 and Rs.214,108,745 as on April 1, 2016 and March 31, 2017 respectively). Unwinding of Interest on such loan has been debited to revenue accounts (under

Finance costs) with matching Govt Grant recognised as Income (under other income). As such impact is revenue neutral.

L **Provision for advance to related parties and capital work in progress:**

The group has written off certain advances relating to periods prior to March 31, 2016 in opening retained earnings.

M **Deferred tax:**

Under previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under Ind AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments have also lead to recognition of deferred taxes on new temporary differences. (Rs. 12,131,445 and Rs. 8,728,820 for April 1, 2016 and March 31, 2017 respectively) Deferred tax on items reported in OCI has been taken to OCI.

N **Other comprehensive income**

Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans, foreign exchange differences arising on translation of foreign operations, effective portion of gains and losses on cash flow hedging instruments and fair value gains or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

O **Reclassification and de-recognitions**

There also exists certain reclassification changes for the interest on loans including charging off amounts to revenue accounts.

P **Retained earnings**

Retained earnings as at 1 April 2016 and 31 March 2017 has been adjusted consequent to the above Ind AS transition adjustments.

35. Segment information as required by IND AS 108 "Operating Segments" as prescribed by Rules, as amended is set out in a separate statement annexed thereto.

36. Certain litigations by and against the Company are pending in various Courts, and the matter is subjudice. No cognizance thereof is taken in the above results, pending final outcome of the cases.

During the year due to disputes with the service provider the Company's windmills were partly non-operational thereby adversely affecting power generation. The management has taken all possible steps to restore the operations.

37. Statements of Financials of Subsidiary companies in terms of Section 129(3) of the Companies Act, 2013 is annexed.

38. During the year the Company assigned an intangible asset under development and surplus on the assignment is included under the head Other Income.

39. Basis of preparation of financial statements (in respect of NECE)

It had been reported in print media that in September 2014, the Karnataka Legislative Assembly has constituted a House Committee Assembly Panel (House of Committee) consisting of members of Legislative Assembly, to study the alleged violations in implementation of the Framework Agreement in the construction of Peripheral Road, development of townships and utilities undertaken by NECE. Further, it had also been reported in the print media that the House Committee tabled its report during November 2016 in the Karnataka Legislative Assembly, wherein NECE had various departments of GoK have been accused of violations of several terms of FWA and recommendations have been made to initiate appropriate actions which include recovery of excess land given for the project, recovery of illegal toll collected by NECE and further probe by national agencies such as the Central Bureau of Investigation (CBI), Enforcement of Directorate, central vigilance commission or investigative agencies of equal standing. While NECE has still not been provided with any notice of the formation of the committee or its reports, the Management of NECE has assessed the findings of the said Committee reported in the print media and is of the opinion that the allegations made therein are baseless, politically motivated and hence lack legal withstanding. Further, NECE had faced similar situations in the past, where NECE has received favourable orders from the Hon'ble High Court and the Supreme Court. NECE has also obtained a legal opinion in this regard and as per the said opinion, the constitution of the House Committee itself is unconstitutional, illegal, and invalid and any findings/report, given by the aforesaid House Committee would also be illegal and untenable in law.Based on the aforesaid legal opinion, the Management of NECE has evaluated the above developments and in its assessment, since every aspect of the implementation of the BMIC Project has been judicially scrutinized in earlier instances by the Hon'ble High Court of Karnataka and Hon'ble Supreme Court of India and as the Hon'ble Courts have pronounced detailed favourable judgements regarding the same, including upholding the process adopted by NICE/NECE in implementing the BMIC project as per FWA, the Management of NECE is of the view that NECE has followed the FWA in letter and spirit and that all concerned laws have been adhered to in implementing the BMIC project. As such, NECE intends to legally contest any matters that may arise in this regard to safeguard of its interests.NECE's township development activities carried out as part of the BMIC project are dependent upon receiving necessary approvals from the Bangalore Mysore Infrastructure Corridor Area Planning authority.The Management is of the opinion that the requisite regulatory approvals would be received by NECE in the normal course of business for the township development activities; various litigations would be decided in the favour of NECE and, hence, there would be no adverse effect on the operations of NECE including its ability to continue operations in foreseeable future.

40. Previous year's figures have been regrouped wherever necessary.

As per our report attached
For JOSHI APTE & CO.
Chartered Accountants
ICAI Firm Registration No. 104370W

C. K. JOSHI
Partner
Membership No. 030428

Pune, May 30, 2018

On behalf of the Board of Directors of BF UTILITIES LIMITED
CIN : L40108PN2000PLC015323

B. B. HATTARKI
Director
DIN : 00145710

A. B. KALYANI
Director
DIN : 00089430

S. S. JOSHI
CFO

B.S. MITKARI
CEO & Company Secretary

Pune, May 30, 2018

Annexure referred to Note No. 35 Notes forming part of the Consolidated Financial Statements of BF Utilities Ltd.

Disclosure of Segment information

Segment wise Revenue, Results, and Capital Employed based on Consolidated Financial Statements for the Year Ended 31 March, 2018

Amount in Rs.

Sr. No.	Particulars	Year ended 31st March, 2018 Rs.	Year ended 31st March, 2017 Rs.
1	Segment Revenue		
	a. Wind energy	**148,731,329**	212,906,099
	b. Infrastructure	**3,861,263,532**	3,157,983,707
	Total	**4,009,994,861**	3,370,889,806
	Less : Inter segment revenue	-	-
	Net sales / income from operations	**4,009,994,861**	3,370,889,806
2	Segment results		
	Profit / (Loss) (before tax and interest from each segment)		
	a. Wind energy	**13,256,568**	113,437,397
	b. Infrastructure	**2,377,180,422**	1,798,502,445
	Total	**2,390,436,990**	1,911,939,842
	Less : i) Interest and finance charges	**2,084,370,501**	2,224,633,250
	ii) Other unallocable expenditure net off unallocable income	**(103,901,987)**	(79,024,938)
	Profit / (Loss) before tax and Exceptional and Extraordinary Items	**409,968,476**	(233,668,470)
	Exceptional and Extraordinary Items	-	-
	Total Profit / (Loss) before tax	**409,968,476**	(233,668,470)
3	Total carrying amount of segment assets		
	a. Wind energy	**506,418,879**	476,884,969
	b. Infrastructure	**17,535,957,875**	17,918,858,885
	c. Others - Unallocable (including temporary deployment in Mutual Funds)	**125,338,435**	344,744,192
	Total	**18,167,715,189**	18,740,488,046
4	Total amount of segment liabilities		
	a. Wind energy	**428,962,113**	395,270,697
	b. Infrastructure	**2,293,426,786**	2,293,816,214
	c. Others - Unallocable	**5,085,617**	52,644,758
	Total	**2,727,474,516**	2,741,731,669
5	Capital employed (Segment assets - Segment liabilities)		
	a. Wind energy	**77,456,766**	81,614,272
	b. Infrastructure	**15,242,531,089**	15,625,042,671
	c. Others - Unallocable	**120,252,818**	292,099,434
	Total	**15,440,240,673**	15,998,756,377
6	Total cost incurred during the year to acquire segment assets that are expected to be used during more than one period.		
	a. Wind energy	**17,359**	93,231
	b. Infrastructure	**36,230,589**	1,095,175,731
	c. Others - Unallocable	**5,650,685**	33,753,462
	Total	**41,898,633**	1,129,022,424
7	Depreciation & amortistion		
	a. Wind energy	**38,591,290**	38,662,098
	b. Infrastructure	**587,395,670**	559,029,001
	Total	**625,986,960**	597,691,099

Annexure to Note No. 37

Form AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing silent features of the financial statement of subsidiaries.

Amount in Rupees

Sr. No	Particulars	Nandi Infrastructure Corridor Enterprise Limited	Nandi Economic Corridor Enterprises Limited	Nandi Highway Developers Limited	Avichal resources Private limited
a)	Capital	1,040,936,880	2,090,466,920	375,000,060	102,000
b)	Reserves & Surplus	8,848,818	(3,792,781,458)	550,158,963	2,497,385
c)	Total Assets	1,446,602,511	16,616,424,422	1,211,936,758	2,753,410
d)	Total Liabilities	396,816,813	18,318,738,960	286,777,734	154,025
e)	Details of Investment (Except in case of investment in susidiaries)	62,710	77,573,925	5,500	-
f)	Turnover	11,782,281	3,230,113,232	690,207,711	620,233
g)	Profit before Taxation	(35,004,710)	36,121,426	405,068,705	388,333
h)	Provision for Taxation	(6,065,017)	-	71,604,769	(192,800)
i)	Profit after Taxation	(28,939,693)	36,121,426	333,463,936	581,133
j)	Proposed Dividend	-	-	-	-
k)	Extent of shareholding (in percentage)	74.52%	40.41%	69.53%	100%

Notes

1. Names of subsidiaries which are yet to commence operations : Nil

2. Names of subsidiaries which have been liquidated or sold during the year. : Nil

BF UTILITIES LIMITED

CIN :L40108PN2000PLC015323
Registered Office : Mundhwa, Pune 411 036
Correspondence Address : Cyber City, Tower 15, Level 6, Office 602,
Magarpatta City, Hadapsar, Pune- 411 013
Phone : +91 20 66292550
Email : bfutilitiesltd@vsnl.net Website : www.bfutilities.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s) : ______________________________

Registered Address : ______________________________

____

E-mail Id : ______________________________

Folio No. / DP ID & Client ID : ______________________________

I/We, being the member (s) of ____________ shares of the above named Company, hereby appoint :

(1) Name ____________________ Address ____________________

E-mail ID ____________________ Signature ____________ or failing him / her

(2) Name ____________________ Address ____________________

E-mail ID ____________________ Signature ____________ or failing him / her

(3) Name ____________________ Address ____________________

E-mail ID ____________________ Signature ____________

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Eighteenth Annual General Meeting of the Company, to be held on Tuesday, the 25th day of September, 2018 at 11.00 a.m. (I.S.T.) at Kalyani Steels Limited, Mundhwa, Pune - 411 036 and at any adjournment thereof in respect of such resolutions as are indicated below :

Item No.	Resolution (For details, refer Notice of Eighteenth Annual General Meeting dated 20th July, 2018)	Vote *(Optional See Note 4)		
		For	Against	Abstain
1.	To consider and adopt a) the Audited Financial Statements of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon. b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2018 and the Report of the Auditors thereon			
2.	Appointment of Mr. B. N. Kalyani, (DIN : 0089340) as a Director, who retires by rotation, and being eligible, offers himself for re-appointment			
3.	Appointment of M/s. Joshi Apte& Co, Chartered Accountants, Pune as Statutory Auditor of the Company			
4.	Re-appointment of Mr. B. B. Hattarki (DIN : 00145710) as an Independent Director			
5.	Appointment of Mr. S. K. Adivarekar (DIN : 06928271) as an Independent Director			

Signed this ____________ day of ____________ 2018

Please affix Revenue Stamp of proper value

Signature of member :

Signature of Proxy holder(s) :

(Please refer instructions overleaf)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. A Proxy need not be a member of the Company.

3. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

4. * It is optional to indicate your preference by placing the tick (✓) mark at the appropriate box. If you leave the 'For', 'Against' or 'Abstain' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.

For Shareholders holding shares in Physical Form only

Date :

To,
Company Secretary
BF Utilities Limited
Cyber City, Tower 15, Level 6, Office 602,
Magarpatta City, Hadapsar, Pune- 411 013
Phone: +91-20-6629 2550 / 26

Sub :- Request to send the Notices, Annual Reports etc. of the Company on e-mail in future.

Dear Sir,

I request the Company to send all the Notices, Annual Reports, etc. of the Company in future on the email, as detailed below.

Email ID - ______________________________

Folio No. - ______________________________

Name of Shareholder 1) ______________________________

2) ______________________________

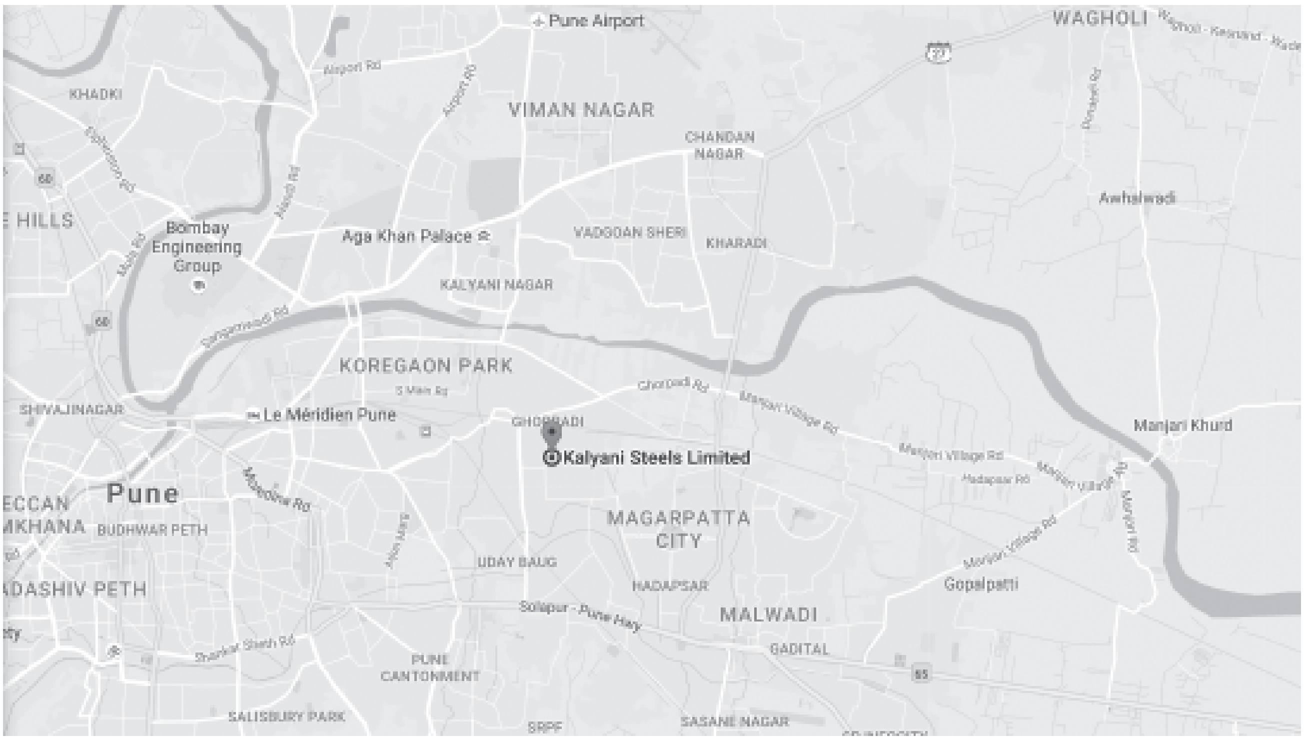
3) ______________________________

Thanking you,

Yours faithfully,

Signature of 1st Shareholder	Signature of 2nd Shareholder	Signature of 3rd Shareholder

Route Map for Venue of Annual General Meeting



KALYANI

BF UTILITIES LIMITED

CYBER CITY, TOWER 15, LEVEL 6, OFFICE 602,
MAGARPATTA CITY, HADAPSAR, PUNE 411 013
MAHARASHTRA, INDIA.
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adityacreative1@gmail.com