

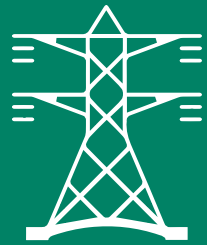
BUILDING A SUSTAINABLE BUSINESS

9TH ANNUAL REPORT 2016-17



SEMBCORP GAYATRI POWER LIMITED

Highlights



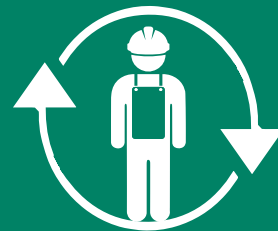
Generated 1,659 million units of power and providing electricity to ~1.54 million people (at avg per capita of 1,075 Kwh per annum)

Highest PLF achieved is 94.2 % in March 2017



1.5 lakh plants planted as part of Green belt development

Achieved 9.09 million safe man hours during the financial year.



36,762 workers and staff were imparted HSE trainings. Cumulative training man hours during the financial year is 70,903.

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Managing Director's Desk



VIPUL TULI
Managing Director



Compared to industry peers, SGPL has been reporting healthy performance at both all-India as well as Southern Region (SR) levels

With both Sembcorp Gayatri Power Limited (SGPL) and Thermal Powertech Corporation India Limited (TPCIL) achieving commercial operations, we now have the Nellore complex fully operational. Our Sembcorp Gayatri Power Complex (SGPC) is one of the major thermal power complexes in the country that is also the recipient of the largest foreign direct investment (FDI) in the power sector in India.

At a time when the industry is witnessing surplus power capacity – resulting from a rapid growth in solar and wind power generation in the country – SGPL's supercritical technology will help enhance efficiency and bring down emissions from our thermal power plant significantly.

Health, safety, and environment (HSE)

SGPL is committed to providing efficient and safe energy. As a part of our continuous efforts to build a safe workplace, we have rolled out HEART (HSE Engagement and Reinforcement Team) programme at our Nellore plant. The initiative will aim at sensitising

department heads about the various challenges and encourage them to be HSE ambassadors in their respective departments.

At SGPL, we understand that we can only deliver value for all stakeholders by running a safe operation in an environmentally and socially responsible way. Despite our best efforts, we regret to report that we had two fatalities during the year. We are very saddened by the loss of these lives. Full support was rendered to the affected families and corrective actions have been taken to prevent recurrence. The company has strengthened safety measures by deploying more resources, and augmenting training and surveillance.

Continuous monitoring and emphasis on safety helped SGPL achieve 9.09 million safe man-hours during the financial year.

Financial and commercial performance

SGPL Unit I and Unit II achieved COD* on November 17, 2016 and February



SGPL Unit I and Unit II achieved COD* on November 17, 2016 and February 21, 2017 respectively

21, 2017 respectively; in this short span, the plant successfully generated 1,659 million units of electricity.

SGPL reported EBITDA of INR 40.43 crore for the fiscal. During the period debt refinancing for the plant was also completed successfully. It was closed at very competitive terms given the current tough conditions in India's power market. It will help improve the bottom-line by saving interest cost and improving cash flows. It also attests the market's confidence in the business.

The Indian power sector is undergoing a radical transformation and faces uncertainty arising from surplus capacities, and long-term Power Purchase Agreements (PPAs) are hard to come by in the current market. SGPL is on this journey along with the rest of the industry. Our commercial team has been working towards tying in alternative supply and short-term contracts to ensure there are adequate outlets to sell the power generated by the unit. The company achieved full tie-up for part-year in a very challenging market.

Compared to industry peers, SGPL has been reporting healthy performance at both all-India as well as Southern Region (SR) levels. As of July 2017, it ranked Number Two among IPPs at the SR level even without long-term PPAs in place.

Improving efficiencies, building a sustainable business

In spite of the prevailing uncertainties that have, to an extent, dampened the Indian power sector's expectations, during the year SGPL maintained its focus on building a sustainable business.

To bring about greater efficiencies, dedicated teams have been entrusted to focus on stabilising the units by rectifying teething problems and implementing performance enhancement measures, thereby achieving record Plant Load Factor (PLF) within a short time span.

Going forward, our focus is to build a safe operation and make SGPC the most efficient and sustainable thermal complex in the country. To bring about greater efficiency and sustainability at SGPL, we have adopted five goals to improve the Bottomline, build Expertise, internalise a culture of Safety at workplace, bring about more Transparency, and encourage Teamwork.

Engagement with local communities

SGPL's long-term success in its area of operation rests upon being a valued partner to the local communities in Nellore and we aim to contribute positively to the people in the surrounding villages. Our business plays a key role in supporting economic development and improving the standard of living within these communities.

In line with our view on licence to operate, we continue to integrate our business priorities with community aspirations. We have committed ourselves to enhancing the quality of life of the people in and around our operations by improving community healthcare and education, developing infrastructure, generating sustainable livelihood options, besides promoting sports, art and culture.

Our effort to provide clean drinking water to these communities is already benefiting about 2,200 families in the surrounding



villages. Similarly, SGPL, in partnership with Narayana Medical College and Hospital and Apollo Hospitals, has been conducting regular health camps for these communities.

Acknowledgements

I would like to place on record our sincere appreciation to Tang Kin Fei for his guidance and the pivotal role he had played in making both the supercritical power projects in Nellore a reality. His deep understanding and counsel have been instrumental in successfully establishing Sembcorp in India.

On behalf of the Board, I would like to extend a warm welcome to Neil Garry McGregor, who joined us as Additional Director on April 1, 2017, and Comal Ramachandran Gayathri, who joined us

as Additional Director on February 17, 2017. Neil is Group President & CEO of Sembcorp Industries. He is a member of the Sembcorp Board's Executive Committee and Technology Advisory Panel. Comal has served in important positions with the Government of India in the Union Ministries of Power, Petroleum, Industries, Chemicals & Fertilizers, and Civil Aviation.

I would also like to record our thanks to Atul Mohan Nargund for leading and guiding the team in delivering the SGPL supercritical power project in Nellore.

I would like to thank our shareholders, Board of Directors, the management team, the Centre and State Governments, regulators, local communities, our employees, and key contractors for their continued support and co-operation.

Looking ahead, the market is challenging but improving. While the two units of SGPL are yet to achieve the desired financial performance, with a strong team and full attention from both our promoters, as well as from all arms of the business, I am sure we will achieve our goal soon.

With our strong fundamentals, we at SGPL remain committed to operating our business sustainably and efficiently, thereby creating long-term value for all our stakeholders.

Vipul Tuli
Managing Director

Sembcorp Gayatri Power Limited
Formerly NCC Power Projects Limited



Company Overview



The Sembcorp Group entered the Indian energy market in 2010 and is one of the biggest foreign investors in India's power sector today

SEMBCORP GAYATRI POWER LIMITED (SGPL)

Sembcorp Gayatri Power Limited (formerly NCC Power Projects Limited) is an independent power generator in SPSR Nellore district of Andhra Pradesh state, India. It owns and operates a 1,320 - megawatt, state-of-the-art coal-fired power plant. Built at a total investment of approximately US \$ 1.5 billion, the power plant utilises supercritical technology, which allows for enhanced efficiency and reduced emissions compared to other

conventional coal-fired power plants. Sembcorp owns 88% of Sembcorp Gayatri Power Limited through its wholly-owned subsidiary, Sembcorp Utilities, while Gayatri Energy Ventures, a wholly-owned subsidiary of Gayatri Projects, owns the remaining 12% through NCC Infrastructure Holdings Limited.

SEMBCORP INDUSTRIES LTD.

Sembcorp Industries is a leading energy, water and marine group operating across five continents worldwide. With

facilities of about 11,000 megawatts of gross power capacity and close to nine million cubic metres of water per day in operation and under development, Sembcorp is a trusted provider of essential energy and water solutions to both industrial and municipal customers. It is also a world leader in marine and offshore engineering as well as an established brand name in urban development.

The Sembcorp Group entered the Indian energy market in 2010 and is one of the biggest foreign investors

in India's power sector today, with more than 3,800 megawatts of thermal and renewable assets in operation and under development in the country. In India, Sembcorp has a balanced portfolio of thermal and renewable assets in operation and under development in seven states. The 2,640-megawatt Sembcorp Gayatri Power Complex in Andhra Pradesh houses two identical supercritical thermal power plants: Thermal Powertech Corporation India, and Sembcorp Gayatri Power. Sembcorp's renewable energy portfolio in India,

operated through Sembcorp Green Infra, consists of close to 1200 megawatts of wind and solar power assets in six states across the southern, western and central regions of India.

The Group has total assets of over S\$23 billion and employs 8,000 employees. Listed on the main board of the Singapore Exchange, it is a component stock of the Straits Times Index and several MSCI and FTSE indices.

Board of Directors



NEIL GARRY MCGREGOR

Chairman¹

Appointed on April 1, 2017

Mr. McGregor is Group President & CEO of Sembcorp Industries. He is member of the board's Executive Committee and Technology Advisory Panel. He also sits on the board of Sembcorp Marine, a listed subsidiary of Sembcorp Industries, as a non-executive director.

Mr. McGregor brings to the Board a unique and varied background spanning business, operations and investment in the energy and infrastructure sectors across Europe, USA, Asia and Oceania. His rich international experience includes over a decade spent in Singapore serving markets in the region. Previously, he also headed companies in India and Singapore as CEO, including Singapore LNG Corporation and PowerSeraya Group. Most recently, Mr. McGregor was the Head of Temasek International's Energy and Resources Group, Head of Australia and New Zealand and Senior Managing Director of the Enterprise Development Group.

He is a director on the boards of organisations such as Certis CISCO Security and National University of Singapore's Energy Studies Institute, as well as a fellow of the Singapore Institute of Directors. Mr. McGregor holds a BEng (Honours) from the University of Auckland and an MBA in International Finance from the University of Otago in New Zealand. He also completed the Advanced Management Programme at INSEAD, France.



T V SANDEEP KUMAR REDDY

Vice Chairman²

Appointed on July 26, 2011

Mr. T. V. Sandeep Kumar Reddy is associated with the Gayatri Group since its incorporation. He is an eminent industrialist with wide business experience across a variety of industrial sectors. He joined the GPL group in 1989 and is the Managing Director of GPL, the apex body of GPL group and other major Gayatri Group Companies.

As MD of GPL, he leads a brilliant team of professionals and aspires to take India's power generation to even greater heights with indigenous expansion plans and also with a distinct possibility of international co-operation.

He has done his Masters in Construction Engineering and Management from University of Michigan at Ann Arbor, USA and also holds a Bachelor Degree in Civil Engineering from Purdue University.



VIPUL TULI

Managing Director³

Appointed on April 17, 2017

Mr. Vipul Tuli is the CEO & Country Head India & Global Head of Strategy at Sembcorp Industries. In his present role, Mr. Tuli is focused upon growth and governance, managing Sembcorp's investments and key stakeholder relationships within India.

Before joining Sembcorp, he was a senior partner with McKinsey & Company, where he worked the energy sector and helped build and lead the Asian energy practice. Mr. Tuli's experience spans power generation, fuel management, upstream oil and gas, refining, marketing and distribution, petrochemicals and speciality chemicals. He has also advised government institutions on issues of energy policy, organisation, industry structure, and regulation.

Mr. Tuli received his MBA from the Indian Institute of Management, Calcutta, and his B. Tech degree in Chemical Engineering from the Indian Institute of Technology New Delhi.

He was appointed as Additional Director on April 17, 2017 and later on appointed as Managing Director of the Company by the Board of Directors at their board meeting held on May 31, 2017.



TAN CHENG GUAN

Director

Appointed on February 27, 2014

Mr. Tan is responsible for business development at Sembcorp Industries and drives the expansion of the Group's energy and water businesses globally. He brings with him broad experience in engineering, strategy, business and project development for the utilities industry. Prior to joining Sembcorp, he spent 12 years in engineering and project management for the oil and gas sector at Brown & Root Far East, and was based in London, Kuala Lumpur and Miri. He also spent three years in Shanghai as Managing Director of Vopak China, overseeing the growth and operations of Vopak's businesses in the country. While at Sembcorp, Mr. Tan pioneered the early development of the Group's Utilities business on Jurong Island and subsequently led the business' expansion into China, India, the UK, the Middle East, Myanmar and Bangladesh. In addition, he drove the acquisition of Sembcorp's renewable energy businesses in China and India, as well as the acquisition of Cascal's international municipal water business.

He holds a Bachelor of Civil Engineering (Honours) degree from the University of Liverpool, UK and completed the Advanced Management Programme at Harvard Business School.

¹Mr. Neil Garry McGregor has been appointed as the Chairman of the Board of Directors w.e.f. May 31, 2017.

²Mr. T.V. Sandeep Kumar Reddy has been appointed as the Vice Chairman of the Board of the Company w.e.f. July 22, 2016

³Mr. Vipul Tuli has been appointed as Managing Director of the Company for a period of 5 years w.e.f. May 31, 2017.

Board of Directors



NG MENG POH

Director

Appointed on February 27, 2014

Mr. Ng is responsible for asset management of Sembcorp's Utilities business and also sits on the boards of various companies within the Group.

He has over 30 years of experience in the energy industry and has held both government and private sector appointments. Prior to joining Sembcorp, he was a member of the executive management team of Senoko Power and also spent over a decade at Singapore's Public Utilities Board. In the course of his career, he was actively involved in the restructuring and liberalisation of Singapore's power and gas markets, as well as in negotiations for the import of piped natural gas from Malaysia and Indonesia into Singapore.

Mr. Ng holds a Bachelor of Mechanical Engineering from the National University of Singapore and a Masters of Science in Energy Resources from the University of Pittsburgh, USA. He also completed the Advanced Management Programme at the Wharton School of Business.



D VENKATA CHALAM

Director

Appointed on February 27, 2014

Mr. D Venkata Chalam started his career with AF Ferguson & Co. as a Chartered Accountant and shifted to Asia Brown Boveri Limited. He later moved to Ballarpur Industries Limited and worked at various levels in the Finance Department of the Group and grew to the rank of Deputy General Manager in a span of 8 years. As DGM, he led the Corporate Treasury & Finance Department of the company handling the management of Rs. 2500 Cr for regular business purposes and supported the Group's Vice President (Finance) & CFO.

He is also presently with Capital Fortunes Private Limited, Project Development Partners. As an Executive Director of the Company, he is responsible for strategic growth initiatives, business development and alliance building. Mr. Venkata Chalam has an experience of more than 19 yrs in the area of Project Structuring, Project Development Services, Project Financing, Turnaround Strategies, PPP Modelling, Financial Analysis, Modelling and Risk Evaluation. He has profound expertise in global and Indian trends in privatisation and its models. With his vast experience and know-how of the financial sector, he became a Board Member of SGPL.



TANTRA NARAYAN THAKUR

Independent Director

Appointed on July 30, 2015

Mr. Tantra Narayan Thakur a former member of prestigious Civil Service in India, has more than 40 years of the experience with the government, private and global companies in India, South Asia and SE Asia. Widely acclaimed an innovative professional for setting up and managing businesses, he is also serving as non-executive Member of Board of several companies, including InfraCo Asia Development Pte Ltd and InfraCo Asia Investment Pte Ltd., Singapore.

He led the first electricity trading company in India/South Asia as Chairman & Managing Director during 2000-12. The net worth of this Rs. 60 million company rose to Rs. 24 billion during his leadership and maintained number one position throughout. He led the company diversify into financial services through PTC India Financial Services Limited and co-sponsored the first Energy Exchange (IEX) in India.

He was instrumental for setting up of the first Power Exchange in India and credited with turning around of Power Finance Corporation (PFC), India in one year as Director (Finance & Financial Operations). He launched several debt issues, domestic and international, for PFC very successfully, revamped treasury functions and set up consultancy unit.

Was deputed to UNHCR, Geneva, for performance audit on behalf of UN Board of Auditors. Also served as member of the Prime Minister's Task Force (headed by Dr. C. Rangarajan) on the socio-economic development of Jammu & Kashmir.



COMAL GAYATHRI RAMACHANDRAN

Independent Director

Appointed on Feb 17, 2017

Ms. Gayathri Ramachandran was Special Chief Secretary to the Government of Andhra Pradesh and the Director General of The Environment Protection Training and Research Institute (EPTRI), a leading organization with an accredited laboratory and known for its national and international programs and World Bank and USEPA projects as well as Energia, an organization dedicated to outreach of poor households across the globe.

She has held important positions in the Government of India in the Ministries of Power, Petroleum, Industries, Chemicals & Fertilizers and Civil Aviation. In a career spanning over 36 years, she had held top national and international positions and with the Government of India and the State Government of Andhra Pradesh.

She holds Master's degree in Economics from Delhi University, India and Master's Degree in Development Economics from Williams College, Massachusetts, USA.

Corporate Information

Key Executives

BOARD OF DIRECTORS	
Mr. Neil Garry McGregor	Chairman
Mr. T.V. Sandeep Kumar Reddy	Vice Chairman
Mr. Vipul Tuli	Managing Director
Mr. Tan Cheng Guan	Director
Mr. Ng Meng Poh	Director
Mr. D.V. Chalam	Director
Mr. Tantra Narayan Thakur	Independent Director
Ms. C.R. Gayathri	Independent Director

Rajnish Garje	Chief Financial Officer
Narendra Ande	Company Secretary

LENDERS	
State Bank of India	SBI
Union Bank of India	UBI
Bank of India	BOI
ICICI Bank Limited	ICICI
IndusInd Bank	IndusInd Bank
Australia and New Zealand Bank	ANZ Bank
DBS Bank Ltd.	DBS

STATUTORY AUDITORS	
M. Bhaskar Rao & Co.	Chartered Accountants, 5-D, 5th Floor,6-3-652, Somajiguda, Hyderabad 500082
Deloitte Haskins & Sells, LLP	Chartered Accountants, 1-8-384 & 385, 3rd Floor, Gorwra Grand, SP Road, Secunderabad - 500003

INTERNAL AUDITORS	
Ernst & Young LLP	The Oval Office, 18 iLabs, Hi-tech City, Madhapur, Hyderabad - 500018

SECRETARIAL AUDITORS	
BS & Company	Company Secretaries, LLP H.No : 5-9-22/71A, MCH No. 250, Adarsh Nagar Colony, Hyderabad

REGISTERED OFFICE	
6-3-1090, 5th Floor, A Block, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad, Andhra Pradesh - 500082	
SITE OFFICE	
Ananthavaram Village, Varkavipudi Panchayat, TP Gudur Mandal, SPSR Nellore - 524344	



R.R. PILLAI
Site - Director



RAMESH RAMAN
Head - O&M



RAJESH P ZOLDEO
Chief Commercial Officer



SURESH BABU
Head – Contracts & Procurement



P MURALIDHARAN
HSE Director



RAJNISH GARJE
Chief Financial Officer



SHANKER PRASAD
Head - HR



JITESH PATEL
Head – IT



P. SHANKARNATH
Chief Risk Officer



SRIRAM YALAMATI
Head - CSR & Corporate Relations



K SUNIL KUMAR
Head - Logistics & Shipping



A. NARENDRA
Company Secretary

O&M Update



The company has achieved commercial operation of Unit 1 and Unit 2 in the 3rd quarter 2016 and 4th quarter of the fiscal respectively.

This financial year was remarkable for SGPL with achievement of major milestones. The company has achieved commercial operation of Unit 1 and Unit 2 in the 3rd quarter, 2016 and 4th quarter, 2017 respectively.

The both units are in operational and to enhance the efficiency of the plant, the team has conducted relevant testing and successfully completed water treatment plant, commissioned effluent treatment plant and electro chlorination plant.

Generating Power Sustainably



SGPL complies with the local air emission norms and has introduced a string of measures and initiatives to bring down the environment impact due to emissions

As part of SGPL's endeavour to generate power in a sustainable manner the company remains committed to the environment, towards the Community and to the people (i.e. employees, shareholders, suppliers and partners).

As part of a responsible global energy company, SGPL constantly works towards strengthening the structures and processes for environmental performance, engagement with community, customers and employees.

Health, Safety and Environment (HSE)

At SGPL protecting the health and safety of those involved in our operations and to run an operation that is environmentally sustainable is critical. Proactive interventions through the year enabled us to deliver an incident free fiscal.

During the year we have made progress, we recognise that excellence in health and safety in an ongoing journey. SGPL

remains committed to implementing best practices and complying with the national and International HSE standards. The company remains focused on continual improvement by quarterly internal auditing of all its functions.

Key Initiatives

- Safe start 2017 is initiated and implementation is in progress.
- Initiated "12 Life Saving Rules"
- Introduced safety leadership

development programme to enhance Safety Management System

Safety Considerations

The HSE department adopted HSE management system as per the requirement in the Operation and Maintenance phase.

To ensure zero harm, various safety systems and processes such as "Job Stop Card" programme (to control

& eliminate unsafe acts and unsafe conditions), Permit to Work (PTW) Policy, Safety observations, Management Safety Walkdowns, incident investigation, consequence management etc. are adopted. These systems also contributing for the improvement of the safety culture.

HSE Department activities includes, but is not limited to, proactive control measures which are well planned and are being implemented as per the yearly





planner. Multi-disciplinary HSE inspection, HSE Trainings and HSE Awareness programmes are included in the planner. The total safety management is achieved through,

1. Proactive safety culture development.
2. Proactive accident control measures.
3. Reactive safety control approach.

Proactive Safety Culture Development

- HSE Induction Training for all. No Induction – No Gate Pass
- HSE awareness and training to workers and staff
- On the job training, tool box meeting.
- Apex health and safety committee meetings.
- Management safety walk-downs, plant safety inspections.
- Housekeeping drives.
- Internal and external HSE audits to

evaluate plant safety performance and for initiation of measures to improve HSE performance.

- HSE Excellence recognitions for workers and staff.

Proactive Accident Control Measures

Suitably qualified and adequately experienced HSE team monitors the site activities to prevent incidents. Management safety walk-down teams consisting of members from all departments conducts safety inspection of different work activities with the help of pre-defined checklists. The observations are compiled, communicated and followed up for 100% compliance.

All safety critical activities such as hot works, working at height, critical lifting, excavation, confined space entry, working on electrical installations, radiography

etc. are controlled by Permit To Work (PTW) System. Deviations in PTW, if any, are controlled by PTW audit mechanism and “Job Stop Card” system. Best safety practices like double earthing to welding machines, use of flashback arrestors for gas cutting sets, installation of RCCBs on all electrical DBs and SDBs are strictly adhered to. System of pre inspection of equipment, lifting tools and tackles is in place.

Reactive Safety Control Measures

HSE violations are controlled through site monitoring. Violations are endorsed as warnings on safety induction cards. Measures like issuing Job Stop card, penalty and cancellation of gate pass are done based on the degree of HSE violations.

Employees are encouraged to report unsafe acts, unsafe conditions and

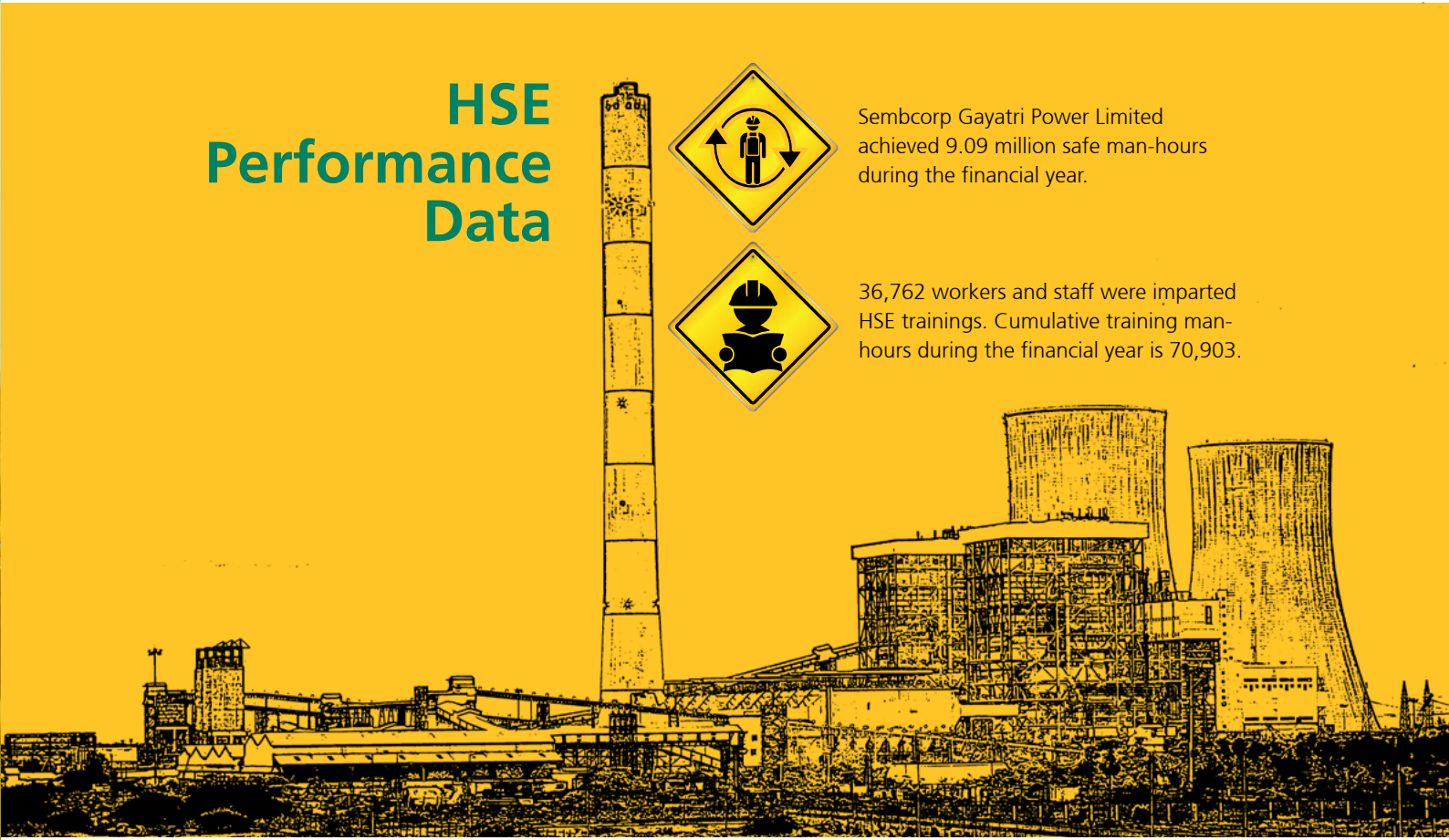
HSE Performance Data



Sembcorp Gayatri Power Limited achieved 9.09 million safe man-hours during the financial year.



36,762 workers and staff were imparted HSE trainings. Cumulative training man-hours during the financial year is 70,903.



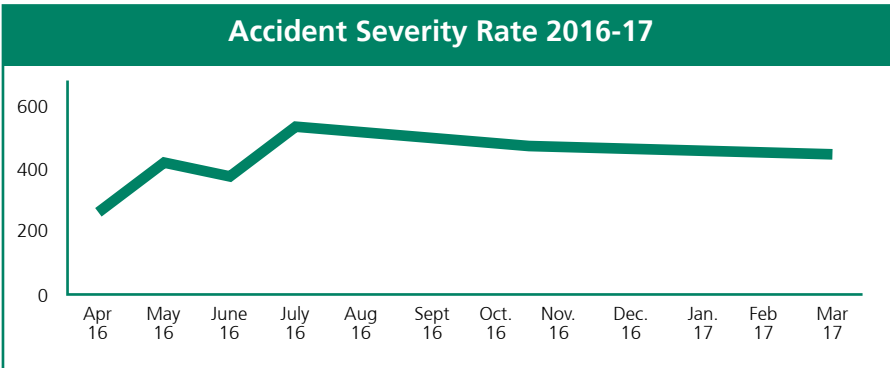
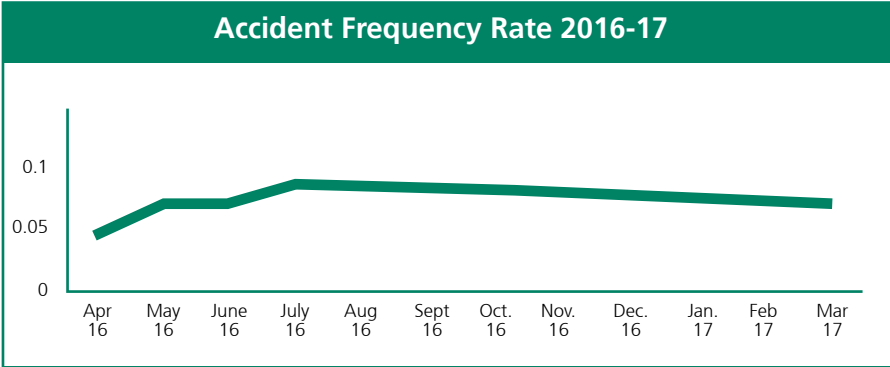


near-miss incidents. Awards and reward system for quality reporting is in place. All reported incidents including near-misses are thoroughly investigated to find out the root cause by experienced team. Corrective and preventive actions are taken to prevent recurrences.

**New HSE Measures planned
(Proposed HSE way forward)**

Consequent to the shift from project phase to the operating plant, following new initiatives are planned for implementation:

- HAZOP study of all SGPL plant processes
- IMS certification
- Implementation of SafeStart 2017
- Safety Critical System Audits (e.g. electrical safety, machine guarding, chemical safety etc.)
- Enhancement in HSE training practice.



- Review of Risk Assessments for all O&M activities.

Environment

SGPL recognises its responsibly to manage and reduce the impact on the environment as well as to effectively manage environmental risks to its operation.

SGPL complies with the local air emission norms and has introduced string of measures and initiatives to bring down the environment impact due to emissions. Periodic audits have been undertaken through APPCB approved independent laboratory to check the Ambient Air Quality (AAQ) in the premises and the surrounding villages. As per the reports the AAQ is well within the

stipulated limits at all the times.

Green Belt

SGPL has been developing a green cover by planting sapling to develop dense green belt in and around the area of operations. In a bid to transform the plant into the greenest power plant, already 1.5 lakh saplings have been



In a bid to transform the plant into the greenest power plant, already 1.5 lakh saplings have been planted in 200 acres

planted in 200 acres and are being nurtured. Plantation in another 210 acres of area is under development. About 40 different plant species like royal palm, palmatte, cyrus, areca, bauhinia, conocarpus, etc. and new species vinca rosea, lignum vitae, phoenix spp palm and clerodendron inerme are being planted. The plant selections are based on eco-suitability and sustainability with environmental merits.

A separate department of horticulture is mandated with the development and supervising of this green belt initiative. Topiary plantation on road dividers, dense tree planting, training of workers in gardening, spraying, pruning and other essential works, are some other exclusive activities being undertaken by this department.

The horticulture team will be focusing on developing organic farming, herbal gardens, dwarf coconut plantation during next fiscal.

Coal Handling

In order to control fugitive coal dust emissions from the coal yard, 300 sprinklers has been installed in the SGPL coal yard. In addition, coal stocks are covered with tarpaulin sheets to reduce wind borne dust emissions.

A thick plantation of Conocarpus erectus (commonly known as button mangrove) is being cultivated all around the coal yard.



Also dust extraction systems are provided at all strategic transfer points and ash silos to prevent air borne dust emissions.

Cooling Tower Technology

SGPL power plant has evaporative Natural Draft Cooling Towers (NDCT)



using saline water with the approval from MoEF & CC through Environmental Clearance (EC) and they are operated with the approval of APPCB through the Consent for Operation (CFO).

Further to ensure any saltwater from drifting away along with evaporated vapour, drift eliminators are provided, which capture the drifts.

These cooling towers work on the principle of natural draft and evaporation of water that takes the latent heat away, thereby cools the water.

Human Resources

Human Resources Function (HR) plays an instrumental role in securing the future success of Sembcorp Gayatri Power Limited. In doing so, the function is guided by its long-term vision of working to create an environment where employees can thrive and are enabled to deliver sustainable organizational performance. Specifically, longer-term strategic priorities have been identified for HR: to apply its human capital expertise to support the business divisions deliver results; to strengthen its

Focus during the year was on sharpening the linkages of individual employee performance goals to organizational goals and making the alignment stronger

role as a control function for the power plant with respect to human capital risks; to build the capabilities of managers and staff. In 2016, our HR activities were in line with these priorities.

Various HR systems and processes like the Performance Management System, Learning and Development processes, Sourcing and Selection were strengthened to achieve the above objectives.

Focus during the year was on sharpening the linkages of individual employee performance goals to organizational goals and making the alignment stronger. Our learning curriculum has been designed to support the entire life cycle of our employees' careers. We have developed in house training center accredited by Central Electricity Authority

(CEA), Ministry of Power, Government of India, to develop talent to meet our requirement. The HR function was able to accomplish 4534 training man-hours. HR deployed Emergenetics tool to help ensure an in depth understanding of select employees and team members which in turn translates into increased productivity, effectiveness and delivery of results for Manager and above cadre. Employee engagement programs like sports activities, family get together were conducted.

In line with the above, SGPL seeks to retain, develop and continuously foster employees' engagement and motivation. The senior leadership is working towards creating a simpler and agile organization that will help us move faster, innovate better and leverage our global scale.



Corporate Social Responsibility



We have been able to provide clean drinking water to 2,200 families and improve their health and overall quality of life.

At SGPL, we believe that our operations in Nellore are best placed to understand the needs of the community and build partnerships with local stakeholders. We believe that our operations are making a positive contribution to the surrounding communities and are working towards ensuring social and economic benefit for our stakeholders in the region.

In the year under review, SGPL's presence has resulted in improvement of the general socio-economic conditions in and around SGPL area of operation. Our social interventions have directly and indirectly benefitted the surrounding community.

During the year, scholarships and study materials were provided to deserving children in the surrounding villages. SGPL has also worked at improving the living conditions of 640 students residing at the Muthukur Government Girls Social Welfare Hostel.

In healthcare, SGPL has installed 5 clean drinking water plants in the surrounding villages and is in the process of installing 1 more plant in one of the neighbouring villages. SGPL in partnership with M/s. Naandi Community Water Services maintains these plants and provides clean drinking water to 2,200 families in these surrounding villages, improving their health and overall quality of life.

People in the villages around SGPL have been receiving free medical consultations and medicines through Health Camps that are organised in partnership with M/s. Narayana Hospitals and M/s. Apollo Hospitals.

Through "Mana Vooru, Mana Shubratha" (Cleanliness drive) programme, SGPL volunteers have worked along with the neighbouring villagers to clean the community and encourage them to dispose of garbage in designated areas outside the villages.

During the year, SGPL has contributed towards laying of 2,000 meters of internal cement roads in the villages apart from laying and repairing of gravel roads in the surrounding villages.

Through Vanam Manam Programme (a green initiative), 6,000 saplings of fruit bearing trees were distributed and planted in the surrounding villages.

During the year, SGPL continued its efforts towards ensuring gainful employment to the local villagers and is further working towards establishing entrepreneurship development projects in the surrounding villages.



In the field of education, through Akshardaan Project, SGPL has ensured that all company employees volunteer to adopt and improve government schools in the neighbouring villages. About 854 students in 12 government schools are being covered under this programme. Besides imparting soft skills to the children, SGPL employees are also helping improve the infrastructure of these schools through building repairs, construction of toilets, additional class rooms, providing play ground equipment, etc., in their respective schools.

Director’s Report

To
The Members
Sembcorp Gayatri Power Limited

Your directors take pleasure in presenting the Ninth Annual report together with audited Financial Statements for the year ended March 31, 2017.

Material Changes

There are no significant material changes or 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 date of the report.

Dividend

As your company does not have profits available for distribution, no dividend has been proposed for the financial year 2016-17.

Transfer To Reserves

As your company has not generated any profits, there is no provision for transfer to reserves for the financial year 2016-17.

Operations Highlights

Your company successfully achieved the Commercial Operations of Unit-1 and Unit-2 during November 2016 and February 2017 respectively.

Extract Of Annual Return

Extracts of Annual Return as on the financial year ended on March 31, 2017, pursuant to section 92(3) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014 in prescribed form MGT -9 is annexed as Annexure-1 to this report.

Deposits

During the year the company has not accepted deposits from the public as defined under the Companies Act, 2013 read with the Companies (Acceptance of Deposit Rules), 2014.



Financial Highlights		
(Amount in Lakhs)		
PARTICULARS	2016-17	2015-16
Gross Income	66,641	377
Finance Charges & other expanses	89,110	2,580
Depreciation and amortisation	10,357	-
Net Profit Before Tax	(32,826)	(2,203)
Current Tax	-	2,073
Net (Loss)/Profit After Tax	(32,826)	(4,276)
Balance available for appropriation	-	-
Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Transfer to General Reserve	-	-
(Deficit)/Surplus carried to Balance Sheet	(32,862)	(4,276)

Audit and Auditors

Statutory Auditor

Your directors inform that in terms of section 139 and other applicable provisions of the Companies Act, 2013, the existing statutory auditors of the Company viz., M/s. M. Bhaskara Rao & Co. and M/s Deloitte Haskins & Sells, Chartered Accountants, Hyderabad have been appointed by the members of the Company from the conclusion of Sixth Annual General Meeting (AGM) upto the conclusion of next fourth Annual General Meeting, subject to ratification by the members.

The company has received a communication from M/s. M. Bhaskara Rao & Co. and M/s Deloitte Haskins & Sells, Chartered Accountants, Hyderabad conveying their intention to resign as Joint Statutory Auditors of the Company.

Pursuant to the above, the Audit & Risk Committee and the Board of Directors of the Company, during their meetings on September 05, 2017 and September 13, 2017 respectively, have considered and recommend the appointment of M/s. B S R & Associates LLP, Chartered Accountants, Hyderabad (Firm Registration Number: 116231W/ W-100024) as statutory auditors of the Company from the conclusion of ensuing Annual General Meeting till the conclusion of the Fourteenth Annual General Meeting.

Your Directors recommend that appointment of M/s B S R & Associates LLP, Chartered Accountants, for the period proposed herein above.

Auditors’ Report

There are no audit comments required to be replied by the Board of Directors.

Reporting of frauds by the Auditors

Your Directors inform that auditors of the Company have not reported any offence of fraud which has been committed or being committed in the Company by its officers and Employees.

Secretarial Auditor

Your Directors inform that in accordance with the provisions of section 204(1)

of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company shall annex with its Board’s report made in terms of sub-section (3) of section 134, a secretarial audit report, given by a company secretary in practice, in the prescribed form.

Pursuant to the above and based on the recommendations of the Audit Committee of the Board, the Board of Directors of the Company in their meeting held on 26 September 2016, appointed M/s BS & Company, Company Secretaries, as Secretarial auditor of the Company for financial year 2016-17. Secretarial Audit Report for the financial year 2016-17 dated August 18, 2017 is annexed to the Directors’ Report as **Annexure III.**

The Secretarial Auditors have commented that during the year under review, the company has fortuitously exceeded the gap of 120 days between the two Board meetings held between May 19, 2016 and September 26, 2016 pursuant to Section 173(1) of Companies Act, 2013. In this connection your Board of directors inform that, during the year the company

inadvertently exceeded the maximum gap of 120 days between the two board meetings by 9 days. Your directors have noted the same and assure the members that they will ensure that the gap between two board meetings do not exceed time period prescribed under the Companies Act, 2013 and rules made thereunder.

Corporate Governance

Board Meetings

The names and categories of the Directors on the Board and their attendance at Board Meetings during the Financial Year 2016-17 are as follows:

No	Name of the Director	Category of the Director	No. of meetings	No. of meetings participated
1.	Mr. Tang Kin Fei ⁴	Non-Executive Director	5	5
2.	Mr. Neil Garry McGregor ⁵	Non-Executive Director		NA
3.	Mr. Tan Cheng Guan	Non-Executive Director		5
4.	Mr. Ng Meng Poh ⁶	Non-Executive Director		5
5.	Mr. AAV Ranga Raju ⁷	Non-Executive Director		1
6.	Mr. T.V Sandeep Kumar Reddy	Non-Executive Director		4
7.	Mr. D.V Chalam	Non-Executive Director		4
8.	Mr. Atul Mohan Nargund ⁷	Managing Director		5
9.	Mr. Vipul Tuli ⁸	Managing Director		NA
10	Mr. R. Murahari	Nominee Director		5
11	Mr. V.K Singh	Nominee Director		1
12.	Mr. Tantra Narayan Thakur	Non-Executive Independent Director		5
13.	Ms. Madhabi Puri Buch ⁹	Non-Executive Independent Director		2
14.	Ms. C.R. Gayathri ¹⁰	Non-Executive Independent Director		1

⁴Mr. Tang Kin Fei resigned as a member of the Board w.e.f. end of the date of March 31, 2017

⁵Mr. Neil Garry McGregor was appointed as an Additional Director on April 01, 2017

⁶Mr. AAV Ranga Raju resigned as a member of the Board w.e.f. May 19, 2016

⁷Mr. Atul Mohan Nargund resigned from the positions of Managing Director and Member of the Board w.e.f. end of the day of April 16, 2017

⁸Mr. Vipul Tuli joined the SGPL Board as an Additional Director on April 17, 2017. He was later appointed as Managing Director of the Company for 5 years w.e.f. May 31, 2017.

⁹Ms. Madhabi Puri Buch resigned a Member of the Board w.e.f. November 21, 2016

¹⁰Ms. C.R. Gayathri was appointed as an Additional Director under Independent category on February 17, 2017

Five Board Meetings were held during the financial year 2016-17. Dates on which said meetings were held are as follows:

61 st Board Meeting	May 19, 2016
62 nd Board Meeting	September 26, 2016
63 rd Board Meeting	November 25, 2016
64 th Board Meeting	December 19, 2016
65 th Board Meeting	March 01, 2017



Following changes took place in the composition of the Board of Directors of the Company during the financial year 2016-17

S. No.	Date	Changes in Board Composition
1.	May 19, 2016	Mr. AAV Ranga Raju resigned as a Member of the Board w.e.f May 19, 2016.
2.	May 19, 2016	Mr. Atul Mohan Nargund was appointed as Additional Director and Managing Director w.e.f. May 19, 2016
3.	Nov 21, 2016	Ms. Madhabi Puri Buch resigned a Member of the Board w.e.f. Nov 21, 2016
4.	Feb 17, 2017	Ms. C.R. Gayathri was appointed as an Additional Director under Independent category on Feb 17, 2017
5.	March 31, 2017	Mr. Tang Kin Fei resigned as a member of the Board w.e.f. end of the day of March 31, 2017

Your Directors inform that Mr. T.V. Sandeep Kumar Reddy and Mr. Ng Meng Poh, Directors of the company, will retire at the forthcoming Annual General Meeting and being eligible, they have offered themselves for the reappointment as Directors of the company. Your Directors recommend the reappointment of Mr. T.V. Sandeep Kumar Reddy and Mr. Ng Meng Poh as Directors of the company, retireable by rotation.

Key Managerial Personnel

During the financial year 2016-17, Mr. Atul Mohan Nargund, Chief Executive Officer and Key Managerial Personnel of the Company, has resigned with effect from May 18, 2016 as he was proposed to be appointed as Managing Director on the Board of the company. Accordingly, Mr. Atul Mohan Nargund was appointed as Managing Director and Key Managerial Personnel of the company in the same meeting for five years w.e.f. May 19, 2016.

Declaration From Independent Directors

Your Directors inform that the Independent Directors of the company have given declarations, confirming that they are not disqualified to act as an Independent Director under any provision of Companies Act, 2013 and rules made there under, or any other law for the time being in force in India.

Re-appointment of Independent Director

Pursuant to provisions of Section 149(10) and other applicable provisions of Companies Act, 2013, Mr. Tantra Narayan Thakur was originally appointed as an Independent Director on the Board of the company on July 30, 2015 for initial period of 2 years. First term of consecutive 2 years of Mr. T.N. Thakur expired on July 29, 2017. Mr. T.N. Thakur was re-appointed as an Independent Director of the company for further period of 5 years with effect from July 30, 2017.

Committees of the Board

Audit & Risk Committee of Directors

Composition of the Audit & Risk Committee of the Board are as follows:

S. No.	Members	Designation
1	Mr. Tantra Narayan Thakur	Chairman & Independent Director
2	Ms. C.R. Gayathri	Member & Independent Director
3	Mr. D.V. Chalam	Member

During the period under review, five meetings of the Audit & Risk Committee were held on May 18, 2016, Sep 01, 2016, Nov 25, 2016, Dec 05, 2016 and Feb 22, 2017.

The Management is responsible for the

company's Internal Control over financial reporting and financial. The Independent Auditors are responsible for performing an independent audit of the company's Financial Statements in accordance with the Generally Accepted Auditing Principles and for issuing a report thereon. The Committee's responsibility is to monitor these processes. The Committee is also responsible for overseeing the processes related to financial reporting and information dissemination. This is to ensure that the financial statements are true, fair and sufficient and credible.

All recommendations made by the Audit & Risk Committee during the year were accepted by the Board.

The Committee also reviews the internal control over financial reporting put in place to ensure that the accounts of the company are properly maintained

and the accounting transactions are in accordance with prevailing laws and regulations. In conducting such reviews, the Committee found no material discrepancy or weakness in the company's internal control over financial reporting.

The company has established a mechanism for directors and employees to report concerns about the unethical behaviour, actual or suspected fraud, or violation of our Code of Business Conduct.

It also provides for adequate safeguards against the victimisation of employees who avail of the mechanism and allows direct access to the Chairperson of the Audit & Risk Committee in exceptional cases. We confirm that no director or employee has been denied access to the audit committee during the year.

Nomination & Remuneration (NRC) Committee of Directors

The Nomination & Remuneration Committee of the Board comprises of two Independent Directors and two Non-Executive Directors as given below;

S. No.	Members	Designation
1	Mr. Tan Cheng Guan	Chairman
2	Mr. Tantra Narayan Thakur	Member
3	Ms. C.R. Gayathri	Member
4	Mr. T.V. Sandeep Kumar Reddy	Member

The primary purpose of the NRC is to support and advise the company on the remuneration matters and leadership development of the company. The company is in compliance with applicable provisions under the Companies Act, 2013 relating to appointment of Directors and at present no remuneration is being paid to any of the Directors and suitable policy on the same would be considered as and when required by the company.

The Nomination and Remuneration Committee of the Board met once during the financial year on July 20, 2016.



how to make the Board more effective as a collective body in the context of the business and the external environment in which the company functions. From time to time during the year, the Board was appraised of the business issues and the related opportunities and risks.

Evaluation of Board Members

In terms of the requirement of the Companies Act, 2013 an annual performance evaluation of the Board was undertaken. During the year, the Board undertook the process of evaluation through Board approved procedure and through pre-designed Evaluation Forms. The Board had, during the year, opportunities to interact and make an assessment of it's functioning as a collective body. In addition, there were opportunities for Committees to interact, for Independent Directors to interact amongst themselves and for each Independent Director to interact with the Chairman. The Board found there was considerable value and richness in such discussions and deliberations. The Board Evaluation discussion was focused around

The Board Evaluation includes various aspects of the functioning of the Board and its Committees such as structure, composition, meetings, functions and interaction with Management and what needs to be done to further improve the effectiveness of the Board's functioning. Additionally, during the evaluation, the Board also focused on the contribution being made by the Board as a whole, through Committees and discussions on a one on one basis with the Chairman. The overall assessment of the Board was that it was functioning as a cohesive body including the Committees of the Board that were functioning well with periodic reporting by the Committees to the Board on the work done and progress made during the period.

Corporate And Social Responsibility (CSR) Committee

Corporate Social Responsibility (CSR) is a company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical. Stakeholders include employees, investors, shareholders, customers, business partners, clients, civil society groups, Government and non-Government organizations, local communities, environment and society at large.

Our CSR Committee consists of one Independent Director and two Non-Executive Directors as on March 31, 2017 as given below;

S. No.	Members	Designation
1	Mr. Tan Cheng Guan	Chairman
2	Mr. T.V. Sandeep Kumar Reddy	Member
3	Mr. Tantra Narayan Thakur	Member

The CSR Committee was set up to formulate and monitor CSR Policy of the Company. The objective of CSR policy is to ensure that the families living in the proximity to the project improve their standards of living, earning capacity and production levels through a process in which they participate through their own social and cultural institutions. The CSR Policy is developmental and participatory in nature with emphasis on ensuring that development in the area fosters full respect for their dignity, human rights and cultural uniqueness.

The CSR Committee is also responsible for overseeing the CSR activities, programs and execution of various initiatives.

The CSR Committee of the Board met once during the financial year on March 28, 2017.

Separate Independent Director's Meetings

The Independent Director's meet at least once in a year, without the presence of Executive Directors or Management representatives.

The Independent Director's met on March 28, 2017 during the financial year and inter alia have considered and evaluated:

- The performance of Non-Independent Directors and the Board as a whole;
- The performance of the Chairman of the company, taking into account the views of Executive Directors and Non-Executive Directors;
- The quality, quantity and timeliness of flow of information between the company management and

- the Board that is necessary for the Board to effectively and reasonably perform their duties; and
- Other matters arising out of Board / Committee(s) deliberations.

In addition to these formal meetings, interactions outside the Board meetings also take place between the Chairman and Independent Directors

Director's Responsibility Statement

Pursuant to Section 134(3)(5) of the Companies Act, 2013 and to the best of their knowledge and information provided, your directors confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation to material departures;

- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the Company for the financial year 2016-17.
- c) They have taken proper and sufficient care 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) They had prepared the annual accounts on a going concern basis; and
- e) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

A. Conservation of Energy

B. Technology absorption

There is no information to be provided in terms of Section 134(3)(m) of the Companies Act, 2013 - Financial statement, Board's report, etc., read with rule no. 8(3) of the Companies (Accounts) Rules 2014 regarding conservation of energy, technologies absorption, since the Company started its operations during the last quarter of the Financial Year 2016-17.



C. Foreign Exchange Earnings and Outgo

Foreign Exchange Earnings - Nil
Foreign Exchange Outgo - INR 36653.24 Lakhs

Particulars of employees

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 and Rule 5 (2) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been appended as **Annexure-4** attached to this report separately.

Particulars of loans, guarantee or investments under section 186

The Directors inform that during the financial year under review, the company has not, whether directly or indirectly,

given any loan to any person or other body corporate, given any guarantee or provided security in connection with a loan to any other body corporate or person or acquired by way of subscription, purchase or otherwise, the securities of any other body corporate.

Risks and concerns

Enterprise Risk Management

Managing risk is an integral part of our business activity. As an entity with domestic and international stakeholders, SGPL is exposed to risks as well as opportunities in equal measure. Considering this, the company has developed a robust Enterprise Risk Management (ERM) framework which will be implemented duly, to ensure that we have an effective and practical approach to mitigate risks for sustainable results. By identifying and proactively addressing risks and opportunities, stakeholder value is protected at all times.

Enterprise Risk Management Framework:

Overview

Enterprise Risk Management (ERM) in the Company includes the methods and processes used by organization to manage risks and seize opportunities related to the achievement of company's objectives.

Purpose

To Identify risks in time which have the potential effect on company's business or corporate standing or growth and manage them by calibrated action with reference rating of the risks through a structured responsibility and authority matrix which is under progress.

Supporting Key Policies and Procedures

Under ERM framework various supporting policies and procedures have

been implemented that provides detailed guidelines in management of the major risks. Adherence to polices are regularly monitored and any breach is timely notified to the higher management for taking appropriate measures.

Risk management structure

The risk management structure spans across the enterprise at all levels. These levels also form the various lines of defense in our risk management. The key roles and responsibilities regarding risk management in the

company are summarized below:

Risk categories

The following broad categories of risks have been considered in our risk management framework

Levels	Key roles and responsibilities
Board of Directors (Board)	<ul style="list-style-type: none">Corporate governance oversight of risk management performed by the Executive ManagementReview of the proposals by Audit Risk Committee
Audit Risk Committee (ARC)	<ul style="list-style-type: none">Assisting the Board in fulfilling its corporate governance oversight responsibilities with regard to identification, evaluation and mitigation of operational, strategic and external environment risksReview the adequacy of the company's internal financial controls, operational and compliance (legal, regulatory and company policies) controls and risk management policies and systems established by the managementReviewing and approving risk-related disclosures
Chief Risk Officer (CRO)	<ul style="list-style-type: none">Providing updates to ARC and the Board from time to time on the enterprise risks and actions taken
Risk Management Team	<ul style="list-style-type: none">Comprises the network of risk managers led by Chief Risk Officer (CRO) of SGPLFacilitating the execution of risk management practices in the enterprise as mandated, in the areas of risk identification, assessment, monitoring, mitigation and reportingWorking closely with owners of risk in deploying mitigation measures and monitoring their effectiveness.Reviewing enterprise risks from time to time, initiating mitigation actions, identifying the owners and reviewing the progress and effectiveness of mitigation actionsFormulation and deployment of risk management policiesDeploying practices for the identification, assessment, monitoring, mitigation and reporting of risks
Risk Owners	<ul style="list-style-type: none">Responsible for managing their functions as per the company risk management philosophyResponsible for managing risks associated to the decisions relating to their unit or area of operations
Risk Champions	<ul style="list-style-type: none">Adhering to risk management policies and proceduresImplementation of prescribed risk mitigation actionsReporting risk events and incidents in a timely manner



Governance Assurance Framework

The company has adopted Governance Assurance Framework that is integrated with its ERM framework, under which a logical and systematic approach is used to identify, assess, measure, treat and monitor key risk.

Internal Controls

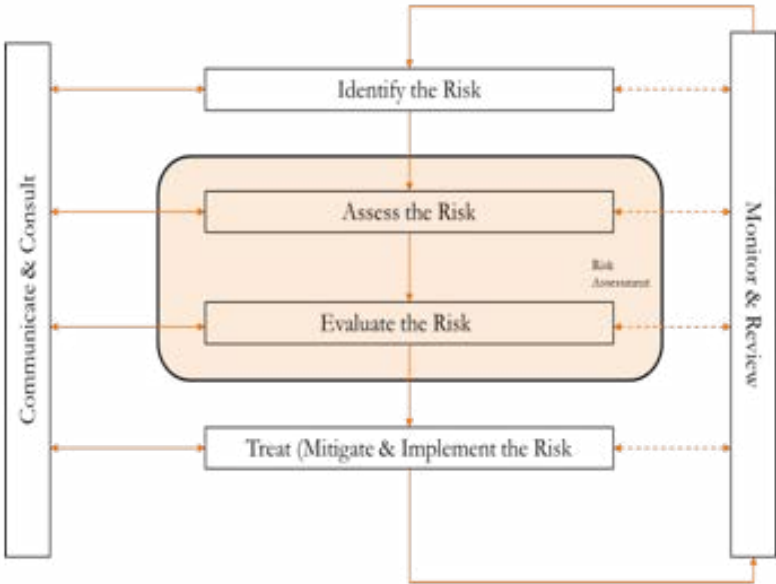
The company has adopted governance assurance framework that is integrated with its ERM framework, under which a logical and systematic approach is used to identify, assess, measure, treat and monitor key risk.

The company's assurance framework focuses on Policy Management/Business Governance and Management Assurance as first and second line of defense to establish risk management and control environment to operate within the parameters of policies.

Category	Risk	Definition
Audit Risk Committee (ARC)	Competition	Risk of inability to successfully compete with other domestic / local and international players
	Concentration	Risk of over emphasis on a single counterparty (e.g. customers, financial institutions, suppliers) which is unable to meet their contractual obligations
Strategic	Political	Risk of adverse impact arising from political instability
	Economic	Risk of adverse impact arising from economic downturn, severe inflation / deflation or tightening of foreign currency control policies
	JV Partner	Risk of breakdown / disagreement between shareholders in joint venture agreements
Financial	Market	Risk of adverse fluctuations in FX and commodity prices
	Capital / Liquidity	Any adverse impact on P&L account
Operational	Operational & HSE	Operations: Risk of unplanned shutdown or disruptions to operations. HSE : injuries / fatalities to personnel
	Crisis management	Risk of failure to respond in an accurately and in a timely manner to queries and concerns of media, investors and the public.
	Human Resources	Risk that the company's is not staffed with an optimum number of resources with the right capabilities and competencies for the job positions / scopes
	Information Technology	Risk of disclosure of proprietary and sensitive company information as a result of IT security breakdown
Compliance	Regulatory	Risk of non-compliance with or violations of regulatory and reporting requirements
	Fraud	Risk of significant fraud relating to financial reporting, corruption and bribery

The company's assurance framework focuses on Policy Management/Business Governance and Management Assurance as first and second line of defense to establish risk management and control environment to operate within the parameters of policies.

Our risk management approach and practices continued to focus on minimizing the adverse impact of risks on our business objectives and to enable us leverage market opportunities.



Whistle-blow policy

The Whistleblowing Policy provides a reliable avenue for persons to report any wrongdoings including suspected violation of the company's Code of Business Conduct or any applicable law or policy without fear of reprisals when whistleblowing in good faith and ensure that arrangements are in place to facilitate independent investigation of the reported concern and for appropriate follow-up actions to be taken.

The effective implementation of this Whistleblowing Policy is overseen by the Audit and Risk Committee. The Audit and Risk Committee is assisted by the Investigation Owner(s), the Whistleblowing Committee and Internal

Audit when investigating a reported issue and taking follow up action.

The Whistleblowing Policy applies to all persons, including employees (i.e., the Board of Directors, officers, full-time/ part-time/ permanent/ contract employees working for SGPL).

Prevention of sexual harassment of women at the workplace

Your company is an equal employment opportunity company and is committed to creating a healthy working environment that enables employees to work without fear or prejudice, gender bias and sexual harassment. The company also believes that all employees

have the right to be treated with dignity. Sexual harassment at the workplace or outside, if involving employees is a grave offence and is, therefore, punishable. The company has implemented a policy to ensure that no employee is subjected to sexual harassment at the workplace in accordance with the applicable laws.

Related Party Contracts

Disclosures 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 are annexed to this report as **Annexure 2**, in prescribed form AOC -2.



HSE Report

In order to build a culture of safety and encourage people to do the right thing in the right way at SGPL, several trainings and awareness sessions were undertaken during the year. The details are as below:

HSE TRAINING DETAILS:			
Sl.No.	Details of Training	Total Persons Trained	Cumulative Training hours
1	Safety Induction Training for new employees	18834	37668
2	Refresher Safety Training	6063	12126
3	Working at Height Safety	4123	8246
4	Safe Rigging	3201	4802
5	Welding & Gas Cutting Safety	387	387
6	Electrical Safety	147	294
7	Confined Space Entry	768	1122
8	Crane & Hydra Safe Operators	220	220
9	PTW System Awareness	834	1668
10	Scaffolding Safety	1024	2048
11	Defensive Driving	167	334
12	Risk Assessment	994	1988
Total		36762	70903

SGPL's commitment towards building a sustainable business is manifested in its goal of achieving an injury-free, illness-free and a healthy workplace. Employees are encouraged to report unsafe acts, unsafe conditions and near-miss incidents. We focus on understanding the root cause and potential consequence of each injuries or process safety events. By analysing these past and potential events we aim at preventing incidents going forward.

Acknowledgements

The directors thank the company's employees, customers, vendors, investors and lenders for their continuous support. The directors also thank the governments of various countries, Government of India, the governments of various states in India and concerned government departments/ agencies for their co-operation.

For and on behalf of the Board

Vipul Tuli
Managing Director
(DIN: 07350892)

T.V. Sandeep Kumar Reddy
Vice Chairman
(DIN: 00005573)

Place: Hyderabad
Date: September 13, 2017

Annexures to Directors' Report

ANNEXURE 1

Form No. MGT-9

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

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

I. Registration and other details:

CIN	U40102AP2008PLC059628
Registration Date	12/06/2008
Name of the Company	Sembcorp Gayatri Power Limited
Category / Sub-Category of the Company	Company Category – Company Limited by Shares Company Subcategory – Indian Non-Government Company
Address of the Registered office and contact details	6-3-1090, 5th Floor, A Block, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad, Andhra Pradesh - 500082
Whether listed company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited. 46 Avenue 4, Road No1, BanjaraHills, Hyderabad - 500034.

ii. Principal business activities of the company

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Generation and Transmission of electricity : Coal based thermal power plant	35102	100%

iii. Particulars of holding, subsidiary and associate companies;

SL. No	Name and address of the company	CIN/GLN	Holding/ subsidiary/ Associate	% of shares held	Applicable Section
1.	Sembcorp Utilities Pte Ltd	Not Applicable	Holding Company	87.98%	2(87)(ii)

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				No. of Shares held at the end of the year				% Change
	Demat	Physical	Total	%	Demat	Physical	Total	%	
A. Promoters (1) Indian									
Individual/HUF	555	111	666	0%	555	111	666	0%	
Bodies Corporate	56,18,46,613	111	56,18,46,613	35%	34,57,51,704	-	34,57,51,704	12.02%	22.98%
(2) Foreign									
Bodies Corporate	1,04,34,30,661	-	1,04,34,30,661	65%	2,53,05,25,570	-	2,53,05,25,570	87.98%	22.98%
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	1,60,52,77,829	111	1,60,52,77,940	100%	2,87,62,77,940		2,87,62,77,940	100%	
B. Public Shareholding	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1,60,52,77,829	111	1,60,52,77,940	100%	2,87,62,77,940	-	2,87,62,77,940	100%	

ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged	No. of Shares	% of total Shares	% of Shares Pledged	
1	NCC Infrastructure Holdings Limited	56,18,46,613	35%	60.90%	34,57,51,704	12.02%	98.97%	22.98%
2	Sembcorp Utilities PTE Limited	1,04,34,30,661	65%	75.38%	2,53,05,25,570	87.98%	65.54%	22.98%
3	T. V. Sandeep Kumar Reddy (Nominee of NCCIHL)	111	0%	0%	111	0%	0%	Nil
4	T. Indira Subbarami Reddy (Nominee of NCCIHL)	111	0%	0%	111	0%	0%	Nil
5	G. Siva Kumar Reddy (Nominee of NCCIHL)	111	0%	0%	111	0%	0%	Nil
6	T. Sarita Reddy (Nominee of NCCIHL)	111	0%	0%	111	0%	0%	Nil
7	J. Brij Mohan Reddy (Nominee of NCCIHL)	111	0%	0%	111	0%	0%	Nil
8	T. Rajiv Reddy (Nominee of NCCIHL)	111	0%	0%	111	0%	0%	Nil
	Total	1,60,52,77,940	100%	67.62%	2,87,62,77,940	100%	69.56%	

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

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	1,60,52,77,940	100%	1,60,52,77,940	100%
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc.	Details have been annexed as ‘Schedule of changes in Promoter’s Shareholding’			
At the End of the year	2,87,62,77,940	100	2,87,62,77,940	100

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

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	NCC Infrastructure Holdings Limited (NCCIHL)	56,18,46,613	35%	34,57,51,704	12.02%
2.	Sembcorp Utilities PTE Limited	1,04,34,30,661	65%	2,53,05,25,570	87.98%
3.	T. V. Sandeep Kumar Reddy (Nominee of NCCIHL)	111	0%	111	0%
4.	T. Indira Subbarami Reddy (Nominee of NCCIHL)	111	0%	111	0%
5.	G. Siva Kumar Reddy (Nominee of NCCIHL)	111	0%	111	0%
6.	T. Sarita Reddy (Nominee of NCCIHL)	111	0%	111	0%
7.	J. Brij Mohan Reddy (Nominee of NCCIHL)	111	0%	111	0%
8.	T. Rajiv Reddy (Nominee of NCCIHL)	111	0%	111	0%
	Total	1,60,52,77,940	100%	2,87,62,77,940	100

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. TV Sandeep Kumar Reddy, Director At the beginning of the year	111	0.0001%	111	0.0001%
2.	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	NA	Nil	NA
3.	At the End of the year	111	0.0001%	111	0.0001%

Note: 111 Equity shares of the company are held by Mr. T.V. Sandeep Kumar Reddy as a nominee shareholder of NCCIHL. Apart from Mr. Sandeep, no other Director/key managerial personnel hold any shares of the company.

V. Indebtedness

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

Particulars	Secured Loans excluding deposits	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	Long Term	Short Term			
Indebtedness at the beginning of the financial year					
i) Principal Amount	574807,34,688	-	-	-	574807,34,688
ii) Interest due but not paid	-	-	-	-	-
iii) Interest accrued but not due	7081,11,047	-	-	-	7081,11,047
Total (I + ii + iii)	581888,45,735	-	-	-	581888,45,735
Change in Indebtedness during the financial year					-
Addition		33560,92,526	168939,00,000		202499,92,526
Reduction	58818,54,980				58818,54,980
Net Change	523069,90,755	33560,92,526	168939,00,000		725569,83,281
Indebtedness at the end of the financial year					
i) Principal Amount	515988,79,708	33560,92,526	168939,00,000		718488,72,234
ii) Interest due but not paid					
iii) Interest accrued but not due	7047,97,335	40,85,527	3055,92,559		10144,75,422
Total (i+ii+iii)	523036,77,043	33601,78,053	171994,92,559		728633,47,655

Vi. Remuneration of directors and key managerial personnel

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

S. No.	Name of MD/WTG/Manager	Particulars of Remuneration	Fees for attending Board/Committee Meetings	Commission	Others, Please specify	Total Amount
1	Mr. Atul Mohan Nargund, Managing Director	NA	NA	NA	NA	NA

B. Remuneration to other directors:

S. No.	Name of the Director	Particulars of Remuneration	Fees for attending Board/Committee Meetings	Commission	Others, Please specify	Total Amount
1.	Mr. T.N. Thakur, Independent Director	Sitting Fees	13,00,000	-	-	13,00,000
2.	Ms. Madhabi Puri Buch*, Independent Director	Sitting Fees	5,00,000	-	-	5,00,000
3.	Ms. C.R. Gayathri,** Independent Director	Sitting Fees	2,00,000	-	-	2,00,000
4.	Other Non-Executive Directors	Other Non-executive Directors have not been paid any remuneration during the financial year 2016-17				

* Resigned w.e.f. November 21, 2016

**Appointed w.e.f. February 17, 2017

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTG is provided in Annexure 4 separately.

Vii. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There are no penalties, punishment or compounding fee imposed by any statutory authority/ court against the Company, or its Directors or the officers in default as defined under the Companies Act, 2013.

Viii. SCHEDULE OF CHANGES IN PROMOTER’S SHAREHOLDING

Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc.

Shareholding Pattern prior to Transfer/Allotment		Date of allotment/ transfer	Particulars	Number of Shares Allotted transferred	Shareholding Pattern After the Transfer/ Allotment	
Name of the shareholder	Number of shares held	25.04.2016	Allotment in favor of of Sembcorp Utilities Pte Ltd	61,39,57,940	Name of the shareholder	Number of shares held
NCC infrastructure holdings limited (NCCIHL)	56,18,46,613				NCC infrastructure holdings limited (NCCIHL)	56,18,46,613
Sembcorp Utilities Pte Ltd	1,04,34,30,661				Sembcorp Utilities Pte Ltd	1,65,73,88,601
TV. Sandeep Kumar Reddy (Nominee of NCCIHL)	111				TV. Sandeep Kumar Reddy (Nominee of NCCIHL)	111
T. Indira Subbarami Reddy (Nominee of NCCIHL)	111				T. Indira Subbarami Reddy (Nominee of NCCIHL)	111
G. Siva Kumar Reddy (Nominee of NCCIHL)	111				G. Siva Kumar Reddy (Nominee of NCCIHL)	111
T. Sarita Reddy (Nominee of NCCIHL)	111				T.Sarita Reddy (Nominee of NCCIHL)	111
J. Brij Mohan Reddy (Nominee of NCCIHL)	111				J. Brij Mohan Reddy (Nominee of NCCIHL)	111
T. Rajiv Reddy (Nominee of NCCIHL)	111				T. Rajiv Reddy (Nominee of NCCIHL)	111
Total	1,60,52,77,940				Total	2,21,92,35,880

Shareholding Pattern prior to Transfer/Allotment		Date of allotment/ transfer	Particulars	Number of Shares Allotted transferred	Shareholding Pattern After the Transfer/ Allotment	
NCC infrastructure holdings limited (NCCIHL)	56,18,46,613				NCC infrastructure holdings limited (NCCIHL)	34,57,51,704
Sembcorp Utilities Pte Ltd	1,65,73,88,601				Sembcorp Utilities Pte Ltd	1,87,34,83,510
TV. Sandeep Kumar Reddy (Nominee of NCCIHL)	111				TV. Sandeep Kumar Reddy (Nominee of NCCIHL)	111
T. Indira Subbarami Reddy (Nominee of NCCIHL)	111				T. Indira Subbarami Reddy (Nominee of NCCIHL)	111
G. Siva Kumar Reddy (Nominee of NCCIHL)	111				G. Siva Kumar Reddy (Nominee of NCCIHL)	111
T. Sarita Reddy (Nominee of NCCIHL)	111				T.Sarita Reddy (Nominee of NCCIHL)	111
J. Brij Mohan Reddy (Nominee of NCCIHL)	111				J. Brij Mohan Reddy (Nominee of NCCIHL)	111
T. Rajiv Reddy (Nominee of NCCIHL)	111				T. Rajiv Reddy (Nominee of NCCIHL)	111
Total	2,21,92,35,880				Total	2,21,92,35,880

Shareholding Pattern prior to Transfer/Allotment		Date of allotment/ transfer	Particulars	Number of Shares Allotted transferred	Shareholding Pattern After the Transfer/ Allotment	
NCC infrastructure holdings limited (NCCIHL)	34,57,51,704				NCC infrastructure holdings limited (NCCIHL)	34,57,51,704
Sembcorp Utilities Pte Ltd	1,87,34,83,510				Sembcorp Utilities Pte Ltd	2,53,05,25,570
TV. Sandeep Kumar Reddy (Nominee of NCCIHL)	111				TV. Sandeep Kumar Reddy (Nominee of NCCIHL)	111
T. Indira Subbarami Reddy (Nominee of NCCIHL)	111				T. Indira Subbarami Reddy (Nominee of NCCIHL)	111
G. Siva Kumar Reddy (Nominee of NCCIHL)	111				G. Siva Kumar Reddy (Nominee of NCCIHL)	111
T.Sarita Reddy (Nominee of NCCIHL)	111				T. Sarita Reddy (Nominee of NCCIHL)	111
J. Brij Mohan Reddy (Nominee of NCCIHL)	111				J. Brij Mohan Reddy (Nominee of NCCIHL)	111
T. Rajiv Reddy (Nominee of NCCIHL)	111				T. Rajiv Reddy (Nominee of NCCIHL)	111
Total	2,21,92,35,880				Total	2,87,62,77,940

Annexure 2

FORM NO. AOC.2

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 arm’s length transactions under third proviso thereto.

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

- I. Details of contracts or arrangements or transactions not at arm’s length basis : NIL
- II. Details of contracts or arrangements or transactions at arm’s length basis:

1. Approval for sharing and paying 50% of the lease expenses for office space being used by the Company from January 2016 to Deep Corporation Private Limited on the similar terms and conditions of the existing lease agreement entered by TPCIL

Sl No.	Particulars	Remarks
a)	Name(s) of the related party and nature of relationship	M/s Deep Corporation Private Limited, Director having significant influence
b)	Nature of contracts/ arrangements/ transactions	Lease of Premises
c)	Duration of the contracts/ arrangements/ transactions	Upto August 31, 2019
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Upto Per square feet @Rs. 60.10 net of taxes with escalation of 7% per year on last rent paid after every 12 months.
e)	Date(s) of approval by the Board, if any:	May 19, 2016
f)	Amount paid as advances, if any	Maximum of 6 Months’ Rent as Advance

2. Approval of appointment of M/s Gayatri Projects Limited as an agency to manage the local issues at site.

Sl No.	Particulars	Remarks
a)	Name(s) of the related party and nature of relationship	M/s Gayatri Projects Limited, Director having significant influence
b)	Nature of contracts/ arrangements/ transactions	Appointment as Agency to manage the local issue at the project site of the Company
c)	Duration of the contracts/ arrangements/ transactions	For the Financial Year 2016-17
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 0.50 crore excluding service tax and other applicable taxes
e)	Date(s) of approval by the Board, if any:	September 29, 2016
f)	Amount paid as advances, if any	Nil

Annexure 3
Secretarial Audit Report
Form No. MR-3

[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]

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

To,
The Members,
Sembcorp Gayatri Power Limited
Hyderabad

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sembcorp Gayatri Power 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, minutes books, forms and returns filed and other documents/ 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, 2017** 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 and relied on the information provided by the management and its officers for the financial year ended on 31st March, 2017 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made there under;

(2) The Depositories Act, 1996 and the regulations and bye-laws framed there under;

(3) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;

(4) The Company has identified the following Acts specifically applicable to the Company:

i. The Environment Protection Act, 1986;

ii. The Water (Prevention and Control of Pollution) Act, 1974;

iii. The Air (Prevention and Control of Pollution) Act, 1981;

iv. The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;

v. The Batteries (Management & Handling) Rules, 2001

vi. The Bio-Medical Waste Management Rules, 2016

vii. The E-Waste (Management) Rules, 2016

viii. The Boilers Act, 1923;

ix. The Explosives Act, 1884 read with Gas Cylinders Rules, 2016

x. The Petroleum Act, 1934 read with Petroleum Rules, 2002

xi. The Electricity Act, 2003;

xii. The Factories Act, 1948

xiii. The Industrial Employment (Standing Orders) Act, 1946
- (5) The Company has identified the following laws, Regulations, Guidelines, Rules etc, as applicable to the Company:

i. The Minimum Wages Act, 1948

ii. The Payment of Wages Act, 1936

iii. The Employees Provident Funds & Miscellaneous Provisions Act, 1952

iv. The Payment of Gratuity Act, 1972

v. The Apprentice Act, 1961

vi. The Contract Labour (regulation & Abolition) Act, 1970

vii. The Andhra Pradesh Factories and Establishments (National Festival and other Holidays) Act, 1974

viii. The Telangana Pradesh Labour Welfare Fund Act, 1987

ix. The Andhra Pradesh Labour Welfare Fund Act, 1987

x. The Maternity Benefit Act, 1961

xi. The Employees Compensation Act, 1923

xii. The Public Liability Insurance Act, 1991

xiii. The Equal Remuneration Act, 1976

xiv. The Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987

xv. The Telangana Tax on Professions, Trades, Callings and Employments Act, 1987

xvi. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

xvii. The Telangana Shops and Establishments Act, 1988;

We have also examined compliances with the applicable clauses of Secretarial Standards 1 & 2 issued by The Institute of Company Secretaries of India (ICSI).

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:

Under Companies Act, 2013:

1. During the year under review, the company has fortuitously exceeded the gap of 120 days between the two Board meetings held on 19.05.2016 and 26.09.2016 pursuant to Section 173(1) of Companies Act, 2013.

We further report that

- a. 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.

- b. Adequate notice was given to all directors for convening the Board/ Committee Meetings, agenda and detailed notes on agenda were 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.

c. During the period under review, resolutions were carried through majority. As confirmed by the Management, there were no dissenting views expressed by any of the members on any business transacted at the meeting held during the period under review.

d. Based on the information, documents provided and the representations made by the Company, its officers during our audit process and also on review of the compliance reports of the Company Secretary taken on record by the Board of Directors of the Company periodically, in our opinion , there are adequate systems and processes exists in the Company to commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

- e. The compliance by the Company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed by us since the same have been subject to review by statutory auditors and other professionals.

We further report that following were the major events during the audit period:

1. Resignation of Mr. Atul Mohan Nargund as CEO and KMP

2. Appointment of Mr. Atul Mohan Nargund as Managing Director

3. Cessation of Mr. A.A.V. Ranga Raju as the Director of the company.

4. Conversion of 127,10,00,000 Fully and Compulsorily convertible debentures into 127,10,00,000 equity share

5. Resignation of Ms. Madhabi Puri Buch as an Independent Director

6. Borrowing funds through issue of Masala Bonds from Sembcorp Utilities Pte Ltd.

7. Appointment of Ms. Comal Gayatri Ramachandran as an Independent Director.

For BS & Company Company Secretaries LLP
(Formerly BS & Company, Company Secretaries)

Date: 18.08.2017
Place: Hyderabad

K.V.S. Subramanyam
Designated Partner
FCS No. 5400
C P No.: 4815

Note: This report is to be read with our letter of even date which is annexed as 'Annexure' and forms an integral part of this report.

Annexure

To,
The Members,
Sembcorp Gayatri Power Limited
Hyderabad.

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

- 1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
- 2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3. We have not verified the correctness and appropriateness of financial

- records and Books of Accounts of the Company.
- 4. Wherever required, we have obtained the Management representation about the compliance of applicable laws, rules and regulations etc.
 - 5. The compliance of the provisions of Companies Act, 2013 and other applicable laws, Rules, Regulations, secretarial standards issued by ICSI is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
 - 6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
 - 7. We further report that, based on the information provided by the Company, its officers, authorized representatives during the conduct

- of the audit and also on the review of quarterly compliance report by the respective departmental heads/ Company Secretary/ Managing Director taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment Laws and Data protection policy.
- 8. We further report that the compliance by the Company of applicable fiscal laws like Direct & Indirect tax laws have not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For BS & Company Company Secretaries LLP
(Formerly BS & Company, Company Secretaries)

Date: 18.08.2017
Place: Hyderabad

K.V.S. Subramanyam
Designated Partner
FCS No. 5400
C P No.: 4815



Auditors' Report

M. Bhaskara Rao & Co.

Chartered Accountants
SD, Fifth floor 6-3-652,
Somajiguda,
Hyderabad - 500 082

Independent Auditors' Report

To The Members of

**SEMBCORP GAYATRI POWER LIMITED
(formerly NCC Power Projects
Limited)**

**Report on the Ind AS Financial
Statements**

We have audited the accompanying Ind AS financial statements of SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited) ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the
Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

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

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

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

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS

financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Deloitte Haskins & Sells

Chartered Accountants
1-8-384 & 385, 3rd, Floor
Gowra Grand, S P Road,
Secunderabad - 500003.

**Report on Other Legal and
Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the

M. Bhaskara Rao & Co.

Chartered Accountants
(Firm's Reg.No.000459S)

V K Muralidhar

Partner
Membership No. 201570

Hyderabad
May 31, 2017

Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in Note. 32 of its Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The Company has provided requisite disclosures in the Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Deloitte Haskins & Sells

Chartered Accountants
(Firm's Reg. No.008072S)

Ganesh Balakrishnan

Partner
Membership No. 201193

Annexure “A” To The
INDEPENDENT AUDITORS’
REPORT

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

We have audited the internal
financial controls over financial
reporting of **SEMBCORP GAYATRI
POWER LIMITED (formerly NCC Power
Projects Limited)** (“the Company”) as
of 31st March, 2017 in conjunction
with our audit of the financial
statements of the Company for the
year ended on that date.

Management’s Responsibility for
Internal Financial Controls

The Company’s management is

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

of reliable financial information, as
required under the Companies Act,
2013.

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 the Institute of
Chartered Accountants of India and
the Standards on Auditing prescribed
under Section 143(10) of the
Companies Act, 2013, to the extent
applicable to an audit of internal
financial controls. Those Standards
and the Guidance Note require that
we comply with ethical requirements

and plan and perform the audit to
obtain reasonable assurance about
whether adequate internal financial
controls over financial reporting was
established and maintained and if
such controls operated effectively in
all material respects.

Our audit involves performing
procedures to obtain audit evidence
about the adequacy of the internal
financial controls system over
financial reporting and their
operating effectiveness. Our audit
of internal financial controls over
financial reporting included obtaining
an understanding of internal financial
controls over financial reporting,
assessing the risk that a material
weakness exists, and testing and
evaluating the design and operating
effectiveness of internal control based
on the assessed risk. The procedures
selected depend on the auditor’s
judgement, including the assessment
of the risks of material misstatement
of the 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 31st
March, 2017, based on the internal
control over financial reporting
criteria established by the Company
considering the essential components
of internal control stated in the
Guidance Note on Audit of Internal
Financial Controls Over Financial
Reporting issued by the Institute of
Chartered Accountants of India.



M. Bhaskara Rao & Co.
Chartered Accountants
(Firm’s Reg.No.000459S)

V K Muralidhar
Partner
Membership No. 201570

Hyderabad
May 31, 2017

Deloitte Haskins & Sells
Chartered Accountants
(Firm’s Reg. No.008072S)

Ganesh Balakrishnan
Partner
Membership No. 201193

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)

- (i)(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, 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 the registered sale transfer deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date, except for the following:

Particulars of the land and building	Amount	Age
Land -24.10Acres located at Krishnapatnam and 16.70 Acres in Pynampuram Muthukur Mandal, SPSR Nellore.	36,756,822	The Company has entered in to an Agreement for Purchase of Land dated 8 April, 2013 from Andhra Pradesh Industrial Infrastructure

Title deeds of certain land in the name of the Company admeasuring 155.12 Acres, are under disputes. In respect of such disputes, the Company has been legally advised that it has the valid title deeds in its name for the aforesaid immovable properties and that it will be able to defend any counter claims to such property.

- (i) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

- (ii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iii) The Company has not granted any loans, made investments or provide guarantees or securities and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- (iv) According to the information and explanations given to us, the Company has not accepted any deposit during the year to which provisions of Section 73 to 76 or other relevant provisions of Companies Act, 2013, were applicable. There are no unclaimed deposit at the end of the year.
- (v) The Company has not yet started its commercial production during the previous year, Hence, no cost records are being maintained by the Company pursuant to Sub Section (1) of Section 148 of the Companies Act, 2013.
- (vi) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Service Tax, Customs Duty and other material statutory dues applicable to it with the appropriate authorities. Sales tax, Excise duty and Value added tax are not applicable to the Company for the current year.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Service Tax, Customs Duty cess and other material statutory dues in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable. Sales tax, Excise duty and Value added tax are not applicable to the Company for the current year.

(c) Details of statutory dues, which has not been deposited as at 31st March 2017, on account of any dispute are as follows.

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the Amount relates	Amount involved ₹	Amount unpaid ₹
The Income- tax Act, 1961	Income Tax	Commissioner of Income-tax (Appeals)	2012-2013	51,313,360	51,313,360
The Income- tax Act, 1961	Income Tax	Commissioner of Income-tax (Appeals)	2014-2015	21,979,690	21,979,690

- (vii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans to financial institutions, banks and dues to debenture holders.
- (viii) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The term loan has been applied by the Company during the year for the purpose for which they are raised other than temporary deployment pending application of proceeds.
- (ix) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (x) The Company has not paid any managerial remuneration during the year and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.
- (xi) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiii) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding Company or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xv) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

M. Bhaskara Rao & Co.
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(Firm’s Reg.No.000459S)

V K Muralidhar
Partner
Membership No. 201570

Hyderabad
May 31, 2017

Deloitte Haskins & Sells
Chartered Accountants
(Firm’s Reg. No.008072S)

Ganesh Balakrishnan
Partner
Membership No. 201193

AUDITED FINANCIAL STATEMENTS



SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)
Balance Sheet as at March 31, 2017

(₹ in Lakhs)

	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	3	929,664	15,506	14,814
(b) Capital work-in-progress	4	6,379	811,567	615,147
(c) Goodwill	5	12,342	12,342	12,342
(d) Other Intangible assets	5	185	51	35
(e) Financial Assets Other financial assets	6(i)	11,919	12,793	7,426
(f) Income tax Assets (Net)		339	-	
(g) Other non-current assets	7(i)	7,455	30,176	53,969
Total Non-current assets		968,283	882,435	703,733
Current assets				
(a) Inventories	8	18,660	46	-
(b) Financial Assets				
(i) Trade receivables	9	27,923	-	-
(ii) Cash and cash equivalents	10	26,453	36,371	10,384
(iii) Bank balances other than cash and cash equivalents	11	4,197	2,888	-
(iv) Other financial assets	6(ii)	15,338	1,156	4,638
(c) Other current assets	7(ii)	11,266	2,429	1,555
Total Current assets		103,837	42,890	16,577
TOTAL ASSETS		1,072,120	925,325	720,310
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	12	287,628	160,528	160,528
(b) Other Equity	13	(38,830)	121,132	66,441
Total Equity		248,798	281,660	226,969
Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	14 (i)	641,014	555,572	418,309
(ii) Other financial liabilities	15(i)	-	-	42,714
(b) Provisions	16(i)	73	151	77
Total Non - Current Liabilities		641,087	555,723	461,100

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)
Balance Sheet as at March 31, 2017

(₹ in Lakhs)

	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	14 (ii)	33,561	-	-
(ii) Trade payables	17	22,787	2,528	234
(iii) Other financial liabilities	15(ii)	121,973	81,802	29,940
(b) Income tax liabilities (Net)		3,462	3,462	1,991
(c) Provisions	16(ii)	43	22	1
(d) Other current liabilities	18	409	128	75
Total current Liabilities		182,235	87,942	32,241
TOTAL EQUITY AND LIABILITIES		1,072,120	925,325	720,310

Corporate information and Significant accounting policies.
See accompanying notes forming part of the financial statements

1-2

In terms of our report attached
For M.BHASKARA RAO & CO
Chartered Accountants

V K Muralidhar
Partner

For DELOITTE HASKINS & SELLS
Chartered Accountants

Ganesh Balakrishnan
Partner

For and on behalf of the Board of Directors

Vipul Tuli
Managing Director
DIN:07350892

V.Rajaram Trivedi
Chief Financial Officer

T.V. Sandeep Kumar Reddy
Vice Chairman
DIN:00005573

A. Narendra
Company Secretary

Place: Hyderabad
Date: May 31, 2017

Place: Hyderabad
Date: May 31, 2017

SEMBBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)

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

(₹ in Lakhs)

	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
REVENUE			
Revenue from operations	19	64,217	-
Other income	20	2,424	377
Total Revenue		66,641	377
EXPENSES			
Cost of Fuel		37,882	-
Transmission charges		6,705	-
Purchases of Stock-in-trade	21	9,094	-
Employee benefit expense	22	1,312	17
Finance costs	23	26,512	331
Depreciation and amortisation expense	24	10,357	-
Other expenses	25	7,605	2,232
Total expenses		99,467	2,580
Loss before tax		(32,826)	(2,203)
Tax expenses			
Current tax	35	-	2,073
Loss for the year		(32,826)	(4,276)
OTHER COMPREHENSIVE INCOME			
Items that will be not be reclassified to the statement of profit and loss			
Remeasurements of the defined benefit plans		(36)	(33)
		(36)	(33)
Total comprehensive income for the year		(32,862)	(4,309)
Earnings per share of face value of ₹ 10/- each.			
Basic and Diluted - ₹	29	(1.22)	(0.27)

Corporate information and Significant accounting policies.
See accompanying notes forming part of the financial statements

1-2

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Partner

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T.V. Sandeep Kumar Reddy
Vice Chairman
DIN:00005573

A. Narendra
Company Secretary

Place: Hyderabad
Date: May 31, 2017

Place: Hyderabad
Date: May 31, 2017



SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)

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

(₹ in Lakhs)

Particulars	Year ended March 31, 2017	Year ended March 31,2016
A. Cash flow from operating activities		
Loss before tax for the year	(32,826)	(2,203)
Adjustments for:		
Interest income	(1)	(377)
Finance costs	26,512	331
Depreciation and amortisation expense	10,357	-
Loss on disposal of asset	*	-
Loss on insurance claim	25	48
Net foreign exchange gain	(2,279)	-
	1,788	(2,201)
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(27,923)	-
Inventories	(18,614)	(46)
Other current financial Assets	(15,203)	(57)
Other non-current financial Assets	1,382	(5,501)
Other current assets	(8,838)	(873)
Other non-current assets	5,306	261
Adjustments for increase / (decrease) in operating liabilities:		
Other current financial liabilities	877	-
Trade payables	20,260	2,293
Other current liabilities	281	53
Provisions	(57)	96
	(42,529)	(3,774)
Cash used in operations	(40,741)	(5,975)
Net income tax (paid)	(339)	(602)
Net cash used in operating activities (A)	(41,080)	(6,577)
B. Cash flow from investing activities		
Capital expenditure on Fixed Assets including capital advances	33,871	(114,026)
Interest received	3,900	9,663
Bank balances not considered as Cash and cash equivalents	(1,309)	(2,888)
Proceeds from sale of fixed assets	*	-
Net cash used in investing activities (B)	(31,280)	(107,251)

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)

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

(₹ in Lakhs)

Particulars	Year ended March 31, 2017	Year ended March 31,2016
C. Cash flow from financing activities		
Proceeds from long-term borrowings (Term loans)- net of amortised cost	47,158	151,850
Repayments of long-term borrowings (Term loans) (including pre-payments)	(101,329)	-
Proceeds from long short-term borrowings	33,561	-
Proceeds from issue of INR denominated notes (refer note 32)	168,939	-
Proceeds from issue of Fully and Compulsorily Convertible Debentures (refer note 32)	-	59,000
Finance Cost Paid	(85,887)	(71,035)
Net cash from financing activities (C)	62,442	139,815
Net (decrease)/increase in Cash and cash equivalents (A+B+C)	(9,918)	25,987
Cash and cash equivalents at the beginning of the year	36,371	10,384
Cash and cash equivalents at the end of the year (refer note 10)	26,453	36,371

* Less than a lakh

Note:

- Cash Flow Statement has been prepared under the Indirect method as set out in the Indian Accounting Standard 7 on Cash Flow Statements. Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand, demand deposits and cash equivalents which are short-term and held for the purpose of meeting short-term cash commitments.
- Figures in bracket represent cash outflows.
- Figures of previous year have been regrouped/reclassified wherever necessary to conform with current years classification / disclosure.

See accompanying notes forming part of the financial statements

In terms of our report attached
For M.BHASKARA RAO & CO
Chartered Accountants

V K Muralidhar
Partner

For DELOITTE HASKINS & SELLS
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A. Narendra
Company Secretary

Place: Hyderabad
Date: May 31, 2017

Place: Hyderabad
Date: May 31, 2017

SEMBICORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)

Statement of Changes in Equity for the year ended 31 March 2017

a. Equity share capital

	No of Shares	(₹ in Lakhs)
Balance as at April 1, 2015	1,60,52,77,940	1,60,528
Add: Equity shares allotted during the year	-	-
Balance as at March 31, 2016	1,60,52,77,940	1,60,528
Add: Equity shares allotted during the year	1,27,10,00,000	1,27,100
Balance as at March 31, 2017	2,87,62,77,940	2,87,628

b. Other equity

(₹ in Lakhs)

	Financial instruments	Reserves and Surplus		Items of other comprehensive income	Total
		Retained earnings	Securities premium reserve	Actuarial Loss	
Balance at April 1, 2015 (as previously reported)	-	(2,129)	508	-	(1,621)
Changes in accounting policy (refer note 37)	68,100	-	-	(38)	68,062
Restated balance at April 1, 2015	68,100	(2,129)	508	(38)	66,441
Balance at April 1, 2015	68,100	(2,129)	508	(38)	66,441
Changes in accounting policy (refer note 37)	59,000	-	-	-	59,000
Loss for the year	-	(4,276)	-	-	(4,276)
Other comprehensive income for the year	-	-	-	(33)	(33)
Balance at March 31, 2016	1,27,100	(6,405)	508	(70)	1,21,132
Issue of Equity Shares	(1,27,100)	-	-	-	(1,27,100)
Loss for the year	-	(32,826)	-	-	(32,826)
Other comprehensive income for the year	-	-	-	(36)	(36)
Balance at March 31, 2017	-	(39,231)	508	(106)	(38,830)

In terms of our report attached
For M.BHASKARA RAO & CO
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Partner

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A. Narendra
Company Secretary

Place: Hyderabad
Date: May 31, 2017

Place: Hyderabad
Date: May 31, 2017

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited) Notes forming part of the financial statements

1 Corporate Information

Sembcorp Gayatri Power Limited (formerly NCC Power Projects Limited) ("The Company") was incorporated in the year 2008 with the main objective of power generation and transmission. It is subsidiary of Sembcorp Utilities Pte limited, Singapore. The Company is presently operating coal based thermal power project (2 units of 660 MW each) at Sri Potti Sri Ramulu (SPSR) Nellore District, Andhra Pradesh, India. The commercial operations of 1st Unit were declared on November 17, 2016 and 2nd Unit on February 21, 2017. The Company is in the process of entering into long term power purchase and fuel supply agreements.

1.1 Applicability of Indian Accounting Standards (Ind AS) :

These Financial Statements of the Company, for the year ended March 31, 2017 have been prepared in accordance with Ind AS. This is the Company's first set of Financial Statements in accordance with Ind AS. For the purpose of transition into Ind AS, the Company has followed the guidance prescribed in Ind AS 101- First time adoption of Indian Accounting Standard, with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

1.2 Exemptions availed on first time adoption of Ind AS

i) Deemed Cost for Property, Plant and Equipment and Intangible Assets

The Company has elected to continue with the carrying value of all of its Property, Plant and Equipment and Intangible Assets recognised as of April, 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transaction date.

ii) Past Business Combination

The Company has elected not to apply Ind AS 103 - Business Combinations, retrospectively, to past business combinations that occurred before the transition date of April 1, 2015. The Company has kept the same classification for the past business combination as in its previous GAAP financial statement.

iii) Derecognition of Financial Assets and Financial Liabilities

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

2 Significant Accounting Policies

2.1 Statement of compliance:

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

Upto the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of previous generally accepted accounting principles ("Previous GAAP"), which includes Accounting Standards ("AS") notified under the Companies (Accounting Standards) Rules, 2006 and prescribed under Section 133 of the Companies Act, 2013, as applicable and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/ Companies Act, 1956 ("the 1956 Act"), as applicable.

Reconciliations and description of the effect of the transition to Ind AS from Indian GAAP is given in Note 37.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited) Notes forming part of the financial statements

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

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

The principal accounting policies are set out below.

2.3 Inventories

Inventories which comprise fuel, stores and spares are carried at the lower of the cost and net realisable value after providing for obsolescence and other losses where considered necessary. Cost of Inventories comprises all cost of purchase and other cost incurred in bringing inventories to their present location and condition. In determining the cost, weighted average cost method is used.

2.4 Property plant and equipment & Intangible Assets

Property, Plant and Equipment:

Property, Plant and Equipment are stated in the Balance sheet at cost of acquisition less accumulated depreciation and impairment losses (if any). Cost of acquisition is inclusive of freight, duties, levies and all incidental expenditure attributable to bring the asset to its working condition.

Project under which Tangible/Intangible assets are not yet ready for the intended use and other Capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

Where cost of a part of the asset is significant to total cost of the asset and useful life of the part is different from the useful life of the remaining asset, Such assets is identified as separate component.

Assets under installation or under construction as at Balance Sheet date are shown as capital work-in-progress. Escalation costs, if any, for construction of fixed assets is recognized upon receipt of claims and their acceptance by the Company.

Pre-operative expenditure incurred directly relating to construction activity is capitalized on completion of construction of project assets. Indirect expenditure including borrowing cost is capitalized to the extent it is incidental to construction activity. Income earned from borrowed funds during the construction period is reduced from the total of indirect expenditure. All other expenses are charged to Statement of Profit and Loss in the period in which they are incurred.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

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

Intangible Fixed Assets:

Intangible Fixed assets are carried at cost less accumulated amortization and impairment losses if any. The Cost of intangible assets comprises of its purchase price, duties, taxes etc., and any directly attributable expenditure on making the assets ready for its intended use. Subsequent expenditure on an intangible asset after its purchase is recognized as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributable to the asset reliably, in which case such expenditure is added to the cost of the asset.

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)
Notes forming part of the financial statements

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Goodwill

Goodwill has indefinite useful life and tested for impairment annually.

Depreciation

Depreciation is provided based on the useful life on Straight line method, provided in Schedule II of the Companies Act 2013, except in respect of following category of assets, in whose case the life of the assets has been assessed based on technical assessment, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, maintenance, etc.

Plant and Machinery - 25 years

Temporary Buildings- 1-3 years

Electrical Installations - 3 years

Green Belt -1 year

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)
Notes forming part of the financial statements

Intangible Assets are amortised, on straight line method based on the useful life as assessed by the Management.

No depreciation is charged on capital work in progress and land.

2.5 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.

Revenue from sale of electricity is accounted for on the basis of bills raised on customer as per the power purchase agreement /order (collectively hereinafter referred to as ‘the PPAs’). Revenue/ charges from unscheduled/uncommitted for the deviation in generation with respect to scheduled/ committed generation are recognized/charged as per the term of the agreement from time to time as revenue from sale of electricity and adjusted with revenue from sale of electricity.

Revenue from electrical energy transmission charges is recognized on an accrual basis in accordance with the provisions owner purchase agreement/order (collectively hereinafter referred to as ‘the PPAs’).

Revenue from sale of inventories is recognized on transfer of significant risks and rewards of ownership to the buyer.



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Other Income

Dividend income from investments is recognised in the year in which the right to receive the payment is established.

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

2.6 Foreign currency transactions

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.7 Employee Benefits

Employee benefits include provident fund, gratuity and compensated absences.

a) Defined contribution plan

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The Company makes contributions to Provident Fund, at a specified percentage of the employees' salary and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

b) Defined benefit plans

i) Gratuity

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

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ii) Compensated Absences

The accrual for unutilized leave is determined for the entire available leave balances standing to the credit of the employees at year-end. The value of such leave balance eligible for carry forward, is determined by actuarial valuation at the year end and recognized in Statement of Profit and Loss.

2.8 Taxes on Income

Current tax is determined based on the amount of tax payable in respect of taxable income for the period / year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax - Deferred tax resulting from "timing differences" between book profit and taxable profit is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. Deferred tax assets are recognized only to the extent that there is a virtual certainty that such assets will be realized in future. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.

2.9 Borrowing Costs

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.10 Cash Flow Statement

Cash Flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

2.11 Earnings per Share

The earnings considered in ascertaining the company's Earnings per share (EPS) comprise the net profit / (loss) after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the period/year. The number of shares used in computing Diluted EPS comprises of weighted average shares considered for deriving Basic EPS and weighted average number of equity shares which could have been issued on the conversion of diluted potential equity shares where applicable. Dilutive potential equity shares are deemed to have been converted as of the beginning of the year, and unless they have been issued at a later date.

2.12 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company's significant leasing arrangements are in respect of operating leases for premises that are cancelable in nature. The lease rentals under such agreements are recognised in the Statement of Profit and Loss as per the terms of the lease.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

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2.13 Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.13.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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

Classification of financial assets:

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

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

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

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Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably recognised in profit or loss are included in the 'Other income' line item.

Impairment of financial assets:

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

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

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

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

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

Derecognition of financial assets :

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

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of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.13.2 Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

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

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee

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contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

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

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the companying is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

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

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Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

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

2.14 Derivative financial instruments

The Company enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recorded in other comprehensive income net of applicable deferred income taxes. The gain or loss relating to the ineffective portion is recognized immediately in the statement of income. The cumulative gain or loss previously recognized in other comprehensive income remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognized in other comprehensive income is transferred to the carrying amount of the asset when it is recognized. In other cases the amount recognized in other comprehensive income is transferred to profit or loss in the same period that the hedged item affects profit or loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in the other comprehensive income is transferred to statement of Profit or Loss.

2.15 Impairment

The Company assesses at each reporting date whether there is an indication that an asset/cash generating unit may be impaired. If any indication exists the Company estimates the recoverable amount of such assets and if carrying amount exceeds the recoverable amount, impairment is recognised. The recoverable amount is the higher of the net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount factor. When there is indication that previously recognised impairment loss no longer exists or may have decreased such reversal of impairment loss is recognised in the profit or loss.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash generating units (or groups of cash-generating unit) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which Goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of the each asset in the unit. Any impairment loss for Goodwill is recognized directly in the Statement of Profit and Loss. An impairment loss recognized for Goodwill is not reversed in subsequent periods.

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2.16 Provisions, contingent liabilities and contingent assets

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

Contingent liabilities are disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2.17 Operating cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or in cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3 Property, plant and equipment

(₹ in Lakhs)

Carrying amounts	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Land	15,059	14,796	14,441
Office buildings	24	49	63
Factory buildings	1,963	-	-
Infrastructure (Roads and Drains, etc)	6,470	-	-
Plant and machinery	905,542	119	7
Furniture and fixtures	107	102	84
Vehicles	165	84	41
Office equipments	261	277	70
Computers	73	79	108
	929,664	15,506	14,814

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(₹ in Lakhs)

Description	Land	Office buildings	Factory build- ings	"Infra- structure (Roads, Drains, etc.) "	Plant and ma- chinery	Furni- ture and fixtures	Vehicles	Office equip- ments	Com- put- ers	Total
Cost or deemed cost										
Balance as at April 1, 2015	14,441	70	-	-	7	92	53	88	136	14,887
Additions	355	9	-	-	128	28	53	242	11	826
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2016	14,796	79	-	-	135	120	106	330	147	15,713
Additions	263	-	2,057	6,715	915,369	17	98	53	42	924,614
Disposals	-	-	-	-	-	-	-	-	3	3
Balance as at March 31, 2017	15,059	79	2,057	6,715	915,504	137	204	383	186	940,324

Description	Land	Office buildings	Factory build- ings	"Infra- structure (Roads, Drains, etc.) "	Plant and ma- chinery	Furni- ture and fixtures	Vehicles	Office equip- ments	Com- put- ers	Total
Accumulated depreciation and impairment										
Up to April 1, 2015	-	7	-	-	*	8	12	18	28	73
Depreciation for the year	-	23	-	-	16	10	10	35	40	134
Depreciation on deletions	-	-	-	-	-	-	-	-	-	-
Up to March 31, 2016	-	30	-	-	16	18	22	53	68	207
Depreciation for the year	-	25	94	245	9,946	12	17	69	48	10,456
Depreciation on deletions	-	-	-	-	-	-	-	-	3	3
Up to March 31, 2017	-	55	94	245	9,962	30	39	122	113	10,660

(₹ in Lakhs)

Description	Land	Office buildings	Factory building	"Infra- structure (Roads, Drains, etc.) "	Plant and ma- chinery	Furni- ture and fixtures	Vehicles	Office equip- ments	Comput- ers	Total
Carrying amount										
Balance as at April 1, 2015	14,441	63	-	-	7	84	41	70	108	14,814
Balance as at March 31, 2016	14,796	49	-	-	119	102	84	277	79	15,506
Balance as at March 31, 2017	15,059	24	1,963	6,470	905,542	107	165	261	73	929,664

Note:

- i) During the year, the Company paid compensations towards land aggregating ₹263 Lakhs (31.03. 2016 : ₹350 Lakhs), which are included under additions to land.
- ii) Land includes ₹368 Lakhs being lands purchased from Andhra Pradesh Industrial Infrastructure Corporation Limited (APIIC). As per the terms of Agreement for sale of land, sale deed will be issued by APIIC after implementation of the unit, and the same is under process.
- iii) There are certain claims against the Land owned by the Company, which are not acknowledged as debts (refer note 32).

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(₹ in Lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
4. Capital work-in-progress			
Assets under construction	6,379	631,567	513,535
Pre-operative expenditure (refer note 26)	-	180,000	101,612
	6,379	811,567	615,147

5. Intangible Assets

(₹ in Lakhs)

Carrying amounts	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Goodwill	12,342	12,342	12,342
Computer Software	185	51	35

(₹ in Lakhs)

Description	Goodwill	Computer Software
Cost as at April 1, 2015	12,342	55
Additions	-	68
Disposals	-	-
Cost as at March 31, 2016	12,342	123
Additions	-	222
Disposals	-	-
Cost as at March 31, 2017	12,342	345

(₹ in Lakhs)

Description	Goodwill	Computer Software
Accumulated depreciation April 1, 2015	-	20
Depreciation for the year	-	52
Depreciation on deletions	-	-
Accumulated depreciation March 31, 2016	-	72
Depreciation for the year	-	88
Depreciation on deletions	-	-
Accumulated depreciation March 31, 2017	-	160

(Rs.in Lakhs)

Description	Goodwill	Computer Software
Net Carrying amount as at April 1, 2015	12,342	35
Net Carrying amount as at March 31, 2016	12,342	51
Net Carrying amount as at March 31, 2017	12,342	185

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(₹ in Lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
6 Other financial assets			
(i) Non-current financial assets			
Financial assets carried at amortised cost			
Margin money deposits with banks	10,602	11,984	6,483
Interest accrued but not due on margin money deposits	1,317	809	233
Interest accrued but not due on Loans and advances	-	-	710
	11,919	12,793	7,426
(ii) Current financial assets			
Financial assets carried at amortised cost			
Interest accrued but not due on advances	9	1,012	4,629
Interest accrued but not due on margin money deposits	51	-	-
Interest accrued but not due on deposits	17	87	9
Unbilled revenue	15,261	-	-
Other receivables	-	57	-
	15,338	1,156	4,638

(₹ in Lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
7 Other Assets			
(i) Other non-current assets			
Capital Advances (refer note 31 for related party balances)	2,300	19,716	43,248
Other Advances			
Advances to related party (refer note 31)	-	347	347
Advances to vendors	5,068	10,000	10,000
Security deposits	-	113	113
Prepaid expenses	43	-	261
Funded Asset (net of gratuity liability ₹ 149 lakhs)	44	-	-
	7,455	30,176	53,969
(ii) Other current assets			
Advances to vendors	7,961	1,033	3
Other Advances		-	-
Advances to related party (refer note 31)	347	-	-
Advances to employees	16	4	9
Security deposits	309	-	-
Balances with government authorities	-	3	-
Prepaid expenses	2,633	1,389	1,543
	11,266	2,429	1,555

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)
Notes forming part of the financial statements

(₹ in Lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
8. Inventories (valued at lower of cost (or) net realisable value)			
Fuel	16,447	-	-
Fuel in transit	1,083	-	-
Stores and spares	1,130	46	-
	18,660	46	-
9. Trade receivables			
Unsecured, considered good	27,923	-	-
	27,923	-	-

Note: :

The average credit period on sale of electricity is 30 days. No interest is charged on trade receivables for payments received after the due date. As at March 31, 2017, the Company had 3 customers, that owed the company more than 93% of all the receivables outstanding.

This being the initial year of commercial operations, the Company has not applied expected credit loss model for making impairment provision for trade receivables

(₹ in Lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
10. Cash and cash equivalents			
Balances with banks			
in current accounts	8,063	25,369	10,377
in deposits accounts with original maturity less than 3 months	18,383	11,000	-
Cash on hand	7	2	7
	26,453	36,371	10,384

Note: :

Cash and cash equivalents as above meet the definition of cash and cash equivalent as per Indian Accounting Standard 7 - "Statement of Cash Flows"

Details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016 is as under:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8,2016	4	*	4
(+) Permitted receipts#	1	9	10
(-) Permitted payments	-	2	2
(-) Amount deposited in Banks	5	-	5
Closing cash in hand as on December 30, 2016	-	7	7

Represents cash advance given for administrative expenses refunded by employee.

* Less than a lakh

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)
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(Rs.in Lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
11. Bank balances other than cash and cash equivalents			
Margin money deposits	3,399	1,191	-
In deposit accounts with original maturity more than 3 months	230	217	-
Balances held as security against other commitments	568	1,480	-
	4,197	2,888	-

(₹ in Lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
12. Share Capital			
The Authorised, Issued, Subscribed and Fully paid-up share capital comprises of equity shares having a par value of ₹10 each as follows			
Authorised :			
5,000,000,000 equity shares of ₹10 each	500,000	500,000	500,000
Total	500,000	500,000	500,000
Issued, subscribed and fully paid up			
2,876,277,940 equity shares of ₹10 each	287,628	160,528	160,528
(March 31, 2016 : 1,605,277,940 equity shares of ₹10 each)			
(April 1, 2015 : 1,605,277,940 equity shares of ₹10 each)			
Total	287,628	160,528	160,528

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

(No.'s)

	Year ended March 31, 2017	Year ended March 31, 2016	Year ended April 1, 2015
Shares outstanding at the beginning of the year	1,605,277,940	1,605,277,940	1,605,277,940
Shares issued during the year	1,271,000,000	-	-
Shares outstanding at the end of the year	2,876,277,940	1,605,277,940	1,605,277,940

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)
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During the period, pursuant to the approval of the Board of Directors on during their meeting held on April 25, 2016, June 22, 2016 and upon receipt of requisite approvals, has converted 61,39,57,940 and 65,70,42,060 Fully and compulsorily convertible debentures in to Fully paid Equity Shares at par of ₹10 each.

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

First ranking pledge of equity shares held by promoters, aggregating to at least 60% of the total Equity Shares of the Company through the execution of a deed of pledge in favour of the security trustee acting for the benefit of the lenders. As on March 31, 2017, Company has pledged 2,000,766,764 equity shares.

As per the Common Loan Agreement entered with lenders, declaration of dividend by the Company is restricted till the committed equity for the project is subscribed and paid up in full, and till six months after the commercial operation date (Moratorium period). On expiry of the moratorium period, declaration of dividend is subject to approval of the lenders agent -Rural Electrification Corporation.

Transfer of shares to third parties are subject to conditions specified in the Common Loan Agreement with lenders.

c) Shares held by Holding Company

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Sembcorp Utilities Pte Ltd	2,530,525,570	1,043,430,661	-
NCC Infrastructure Holdings Limited and its nominees*	-	-	818,691,749

*Ceases to be the holding company with effect from March 15, 2016

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)
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d) Details of each share holder holding more than 5% shares in the company (No.'s)

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015		%
	Number of Shares	%	Number of Shares	%	Number of Shares	%	
NCC Infrastructure Holdings Limited and its nominees*	345,752,370	12%	561,847,279	35%	818,691,749		51%
Sembcorp Utilities Pte Ltd*	2,530,525,570	88%	1,043,430,661	65%	786,586,191		49%

*Pursuant to the Amended and Restated Additional Share Sale Agreement executed on April 20, 2016, between NCC Infrastructure Holdings Limited (NCCIHL) & Sembcorp Utilities Pte Ltd (SCU), NCCIHL has transferred 21,60,94,909 Equity Shares to SCU on April 28, 2016.

e) Shares reserved for issue under commitments.

With regard to commitments under common loan agreement for conversion of outstanding loans in the event of default - refer note no. 14

f) Aggregate number of equity shares allotted as fully paid up by way of bonus shares during the period of five years, immediately preceding the reporting date

	Number of shares
Equity shares allotted as fully paid bonus shares during the year ended March 31, 2012	39,596,100
Equity shares allotted as fully paid bonus shares during the year ended March 31, 2014	98,743,526

(₹ in Lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
13. Other Equity			
Financial Instruments			
Interest free fully and compulsorily convertible debentures	-	127,100	68,100
Securities premium reserve*	508	508	508
Retained earnings**			
Opening balance	(6,476)	(2,167)	(581)
Add: Items of other comprehensive income-Actuarial Loss	(36)	(33)	(38)
Add: Loss for the year	(32,826)	(4,276)	(1,548)
Closing balance	(39,338)	(6,476)	(2,167)
Total	(38,830)	121,132	66,441

* Security premium reserve represents the amount received in excess of the face value of the equity shares. The utilisation of securities premium is governed by the Section 52 of the Companies Act 2013.

** Retained earnings represents the Company's accumulated losses after taxes.

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)
Notes forming part of the financial statements

(₹ in Lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
14. Borrowings			
Long term borrowings			
Measured at amortised cost			
INR denominated Notes - Unsecured			
From Related parties	168,939	-	-
Term Loans - Secured			
From Banks	69,993	76,333	49,543
From others	402,082	479,239	368,766
	641,014	555,572	418,309
Current maturities*			
Term Loans - Secured			
From Banks	6,511	2,167	-
From others	37,403	12,420	-
	43,914	14,587	-

* Current maturities of Term Loans are disclosed under "Other current financial liabilities" refer note no. 15(ii)

- a. During the year, Company issued 12% & 10% INR denominated notes (Unsecured) amounting ₹78,939 Lakhs & ₹90,000 Lakhs, repayable at the end of 3 years and 10 years from the date of issue . These notes are subscribed by Sembcorp Utilities Pte Ltd.
- b. **Term loans from banks and others are secured by first ranking pari- passu charge by way of:**
- i Mortgage of all immovable assets both present and future.
 - ii Hypothecation of movable assets, including plant and machinery, machinery spares, equipment's, tools, accessories, furniture, fixtures, vehicles, consumable goods and all other moveable assets present and future.
 - iii Hypothecation of intangible assets including but not limited to goodwill, rights, undertakings, uncalled capital, claims and consumables and other general stores, present and future.
 - iv Hypothecation of book debts, stocks, bills, receivables, commissions, revenues, monies, receipts, bank accounts and other reserves, present and future.
 - v Assignment of all the right, title, interest, benefits, claims and demands including without limitation the project documents; clearances (including all contract, licenses, permits, approvals, consents in respect of or in connection with project, letters of credit/ guarantees/performance bonds provided by any party in relation to the project under all insurance contracts and all insurance proceeds.
 - vi "First ranking pledge of equity shares held by promoters, aggregating to at least 60% of the total Equity Shares of the Company through the execution of a deed of pledge in favour of the security trustee acting for the benefit of the lenders. As at March 31, 2017, Company has pledged 2,000,766,764 equity shares.
 - vii First ranking pari-pasu charge as continuing security for repayment of rupee term loan and Bank guarantee facilities (a to e above) , together with all interest, additional interest, rest interest, liquidated damages and all other monies due and payable by the borrower to the lenders in terms of financing documents and security documents
- c. Loans have been guaranteed by the Corporate guarantees of (i) NCC Infrastructure Holdings Limited & Gayatri Energy Ventures Private Limited on joint & several basis in proportion to their percentage of their collective shareholding in the Company (directly or indirectly) as per the shareholding pattern and (ii) Sembcorp Utilities Pte

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)
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Ltd in proportion to the percentage of its shareholding in the Company as per the shareholding pattern till the date of supply of power under Long Term Power Purchase Agreement (PPA) for sale of 990 MW power generated by the project (refer note 31)

- d. All securities rank pari passu on first charge basis inter se amongst all the term loan lenders and created in favour of Rural Electrification Corporation Limited, acting as security trustee for term loan lenders.
- e **Interest and repayment terms as per Common Loan Agreement**
- i Rupee loan from ICICI Bank Limited (ICICI) carries interest rate ranging from 12.85% p.a to 13.15% p.a and is repayable in 48 equal quarterly instalments of ₹2,167 Lakhs.
 - ii Rupee loan from Rural Electrification Corporation Limited (REC) carries interest rate ranging from 13.15% p.a. to 13.75% p.a and is repayable in 48 equal quarterly instalments of ₹6,072 Lakhs.
 - iii Rupee loan from Power Finance Corporation Limited (PFC) carries interest rate ranging from 13.15% p.a. to 13.75% p.a and is repayable in 48 equal quarterly instalments of ₹5,934 Lakhs.
 - iv Rupee loan from PTC India Financial Services Limited (PFS) carries an interest rate of 13.25% p.a. and is repayable in 48 equal quarterly instalments of ₹414 Lakhs.
- f. In terms of Common Loan Agreement entered with lenders, the lenders shall have right to convert the whole or part (being atleast 50%) of the outstanding rupee term loan facility (whether due or not) into fully paid up equity shares of the borrower at par or book value, which ever is lower in the event of default for a continuous period of 60days, if payment or repayment of principal amounts or interest thereon or any combination thereof. The borrower shall be having a right of refusal in case the lenders decide to sell/ transfer/dispose of in any manner such converted shares.
- g. The Company has made following prepayments :

(₹ in Lakhs)

	Up to March 31, 2017	After March 31, 2017"
Term Loans - Secured		
From Banks	9,508	75,378
From others	78,878	136,731
Total	88,386	212,109

(₹ in Lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ii Short term borrowings			
Secured - Measured at amortised costs			
From Banks			
Buyers Credit	20,713	-	-
Cash Credit facilities	12,848	-	-
	33,561	-	-

Security & Interest terms :

- a. Borrowings from State Bank of India are secured by the Corporate guarantee of Sembcorp Utilities Pte Ltd till the date of supply of power under Long term Power Purchase Agreement (PPA) for 990 MW (refer note 31)
- Borrowings from DBS Bank and HSBC Bank are secured by corporate guarantee of Sembcorp Utilities Pte Ltd and Gayatri Energy Ventures Pvt Ltd in the ratio of 88:12 (refer note 31).
- b. Interest on buyers credit facility ranges from LIBOR + 0.22 % to 0.85 %. Interest on Cash Credit facility linked to marginal cost of funds based lending rate (MCLR), prevailing on the first date of disbursment plus spread of 1.65%, on floating basis with monthly rests. During the year, the effective rate of interest ranged from 9.65 % to 10.55 % p.a.

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)

Notes forming part of the financial statements

(₹ in Lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
15. Other financial liabilities			
i. Other non-current financial liabilities			
Financial liabilities carried at amortised cost			
Retention monies	-	-	42,714
	-	-	42,714
ii. Other current financial liabilities			
Financial liabilities mandatorily measured at fair value through profit or loss (FVTPL)			
Derivatives not designated in hedge accounting relationships			
Foreign currency forward contracts	857	-	-
Financial liabilities carried at amortised cost			
Current maturities of long-term debt (refer note 14)	43,914	14,587	-
Interest accrued but not due on long-term debt	10,145	7,081	5,417
Share application money to the extent refundable (refer note 31)	-	-	*
Security Deposits	20	-	-
Retention monies payable	63,616	54,643	90
Creditors for capital supplies / services	3,421	5,491	24,433
	121,973	81,802	29,940
* Less than a lakh			
16. Provisions			
(i) Non -current			
Provision for employee benefits			
Gratuity	-	74	49
Compensated absences	73	77	28
	73	151	77
ii. Current			
Provision for employee benefits			
Gratuity	-	17	*
Compensated absences	43	5	1
	43	22	1
* Less than a lakh			
17. Trade payables			
Acceptances	-	-	-
Due to Micro and Small Enterprises (refer Note 33)	-	-	-
Others	22,787	2,528	234
	22,787	2,528	234
18. Other current liabilities			
Statutory remittances (Including Provident fund and Tax deducted at source)	409	128	75
	409	128	75

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)

Notes forming part of the financial statements

(₹ in Lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
19. Revenue from operations		
Revenue from Power supply (net)	61,877	-
Other operating revenue	2,340	-
	64,217	-
20. Other income		
a. Interest income- (Interest income earned on financial assets that are not designated at fair value through profit or loss)		
Interest on advances	211	4,270
Interest from Banks on deposits	2,006	850
Interest on Security deposits	9	10
Interest from Banks on Margin money deposits	1,160	847
b. Net foreign exchange gain	2,279	-
c. Other non-operating income		
Miscellaneous Income	121	13
	5,786	5,990
ii. Less : Income transferred to Pre-Operative Expenditure (refer note 26)	3,362	5,613
	2,424	377
21. Purchase of Stock in Trade		
Fuel	2,340	-
Electricity	6,754	-
	9,094	-
22. Employee benefits expense		
Salaries and other benefits	4,694	2,639
Contribution to Provident and Other funds	196	71
Gratuity Expense	29	12
Staff welfare expenses	426	142
	5,345	2,864
Less : Expense transferred to Pre-Operative Expenditure (refer note 26)	4,033	2,847
	1,312	17
23. Finance costs		
Interest expense on		
Borrowings	84,313	69,865
Cash Credit	334	-
Buyers Credit	41	-

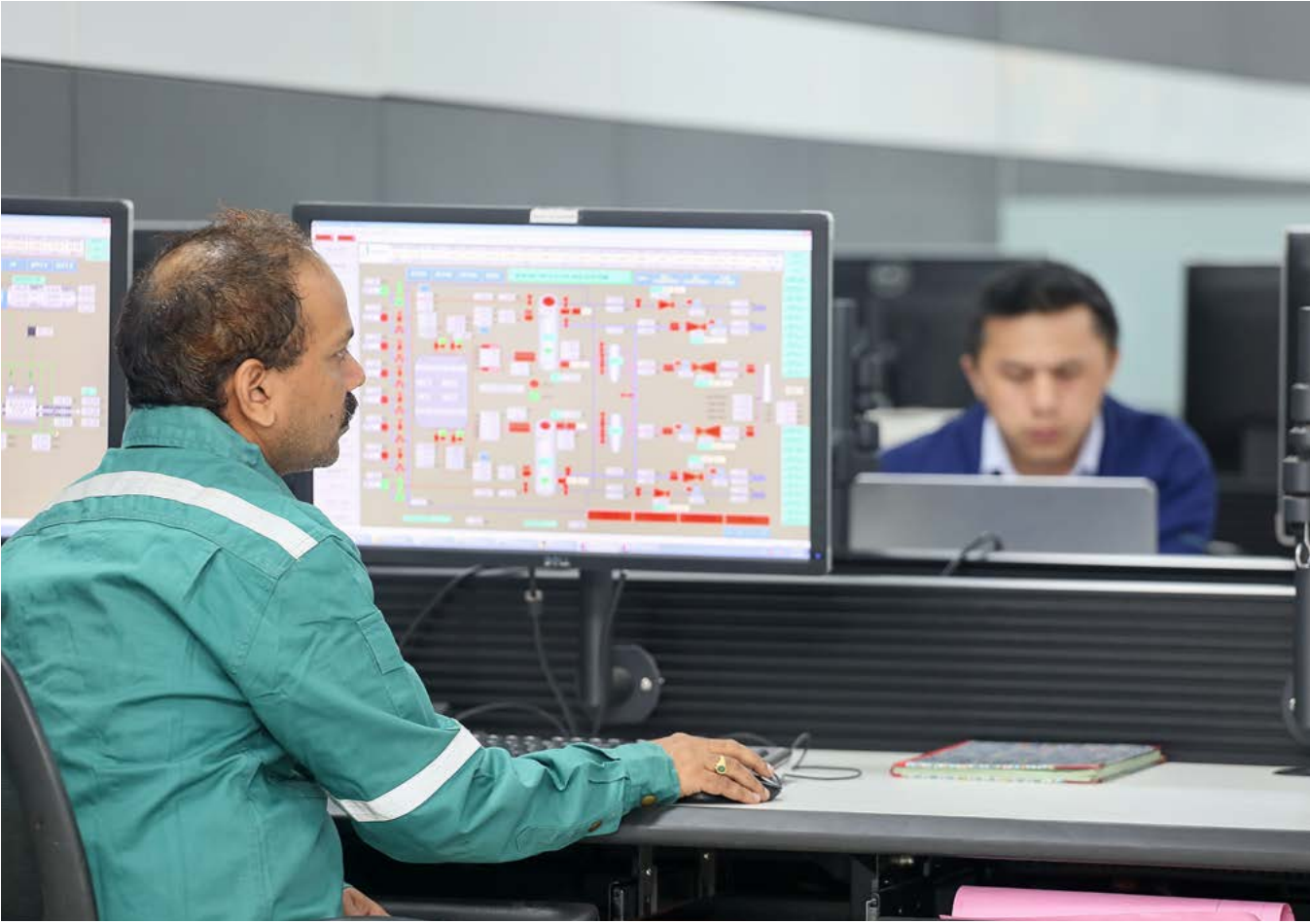
SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)
Notes forming part of the financial statements

	Year ended March 31, 2017	Year ended March 31, 2016
(₹ in Lakhs)		
Others		
Commission on bank guarantee	938	1,542
Bank and other financial charges	3,325	1,292
	88,951	72,699
Less : Expenses transferred to Pre-Operative Expenditure (refer note 26)	62,439	72,368
	26,512	331
24. Depreciation and amortisation expense		
Depreciation on tangible assets	10,456	134
Amortisation on intangible assets	88	52
	10,544	186
Less : Expenses transferred to Pre-Operative Expenditure (refer note 26)	187	186
	10,357	-
25. Other expenses		
Rent (Including lease rental)	45	13
Rates and taxes	115	64
Office maintenance	1,019	865
Travelling and conveyance	814	674
Postage, telegrams and telephones	99	69
Printing and stationery	23	22
Advertisements / Brochures	20	61
Insurance charges	2,058	1,413
Repairs and maintenance	4	3
Professional & Consultancy charges	5,033	4,050
Auditors' Remuneration (refer note 34)	70	34
Books , periodicals and subscriptions	1	*
Stamp papers	8	16
Filing fee	1	*
Business development expenses	3	22
Loss on Insurance claim	25	48
Corporate social responsibility expenses#	540	873
Loss on foreign currency transaction and translation	-	319
Loss on foreign currency forward contracts	977	-

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)
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	Year ended March 31, 2017	Year ended March 31, 2016
(₹ in Lakhs)		
Pre-commissioning Expenses	14,460	1,324
Commitment charges	2,967	1,901
Loss on disposal of asset	*	-
Other maintenance expenses	2,475	-
Miscellaneous expenses	2	5
	30,759	11,776
Less : Expenses transferred to Pre-Operative Expenditure (refer note 26)	23,154	9,544
	7,605	2,232

#Represent monies spent on need based assessment for the near by villages for the upliftment of poor section of the society such as Vocational trainings, community development activities and Income generating programme's etc.
*Less than a lakh



SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)

Notes forming part of the financial statements

26. Expenses transferred to pre-operative expenditure and capitalised during the year (₹ in Lakhs)

	Upto March 31, 2016	Incurred during the year	Upto March 31, 2017	Capitalised during the year	Closing Balance
A. Employee benefits expense					
Salaries and other benefits	6,843	3,564	10,407	10,407	-
Contribution to Provident fund	276	148	424	424	-
Staff welfare expenses	239	321	560	560	-
Total (A)	7,358	4,033	11,391	11,391	-
B. Finance cost					
Interest on Borrowings	150,049	61,245	211,294	211,294	-
Commission on Bank guarantee	3,224	886	4,110	4,110	-
Bank and other financial charges	3,185	308	3,493	3,493	-
Total (B)	156,458	62,439	218,897	218,897	-
C. Depreciation and amortisation expenses					
Depreciation on tangible assets	212	139	351	351	-
Amortisation on intangible assets	79	48	127	127	-
Total (C)	291	187	478	478	-
D. Other expenses					
Rent (including lease rentals)	377	42	419	419	-
Rates and taxes	186	15	201	201	-
Office maintenance	1,582	833	2,415	2,415	-
Travelling and conveyance	1,917	633	2,550	2,550	-
Postage, Telegrams and Telephones	236	67	303	303	-
Printing and stationery	77	19	96	96	-
Insurance charges	3,603	1,664	5,267	5,267	-
Professional & consultancy charges	12,645	3,803	16,448	16,448	-
Auditors' remuneration	20	2	22	22	-
Stamp papers	33	4	37	37	-
Filing fee	98	-	98	98	-
Business development expenses	239	-	239	239	-
Corporate social responsibility expenses	4,715	540	5,255	5,255	-
Loss /(Gain) on foreign currency transaction and translation	1,722	-	1,722	1,722	-
Pre commissioning expenses	1,324	14,460	15,784	15,784	-
Other maintenance expenses	-	1,072	1,072	1,072	-
Miscellaneous expenses	35	-	35	35	-
Total (D)	28,809	23,154	51,963	51,963	-
Total E= (A+B+C+ D)	192,916	89,813	282,729	282,729	-
F. Other Income					
Dividend on Mutual funds	200	-	200	200	-
Interest and Miscellaneous income	12,716	3,362	16,078	16,078	-
Total (F)	12,916	3,362	16,278	16,278	-
Grand Total (E-F)	180,000	86,451	266,451	266,451	-

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Notes forming part of the financial statements

27 Operating lease

- The Company has taken office premises on cancelable operating lease. The lease agreements provide for an increase in the lease payments by 7% for every completion of 12 months from September 1, 2016. The total lease rental incurred under this agreement during the year amounted to ₹40 Lakhs (March 31, 2016: ₹10 Lakhs).
- The Company has taken on operating lease of 37.37 acres of vacant land for a period of 14 Years. The lease arrangement may be renewed for a further period of 15 years based on mutual agreement of the parties, with an escalation in lease rent not exceeding 25% . The total lease rental incurred under this agreement during the year amounted ₹4 Lakhs (March 31, 2016: Nil).

28. Employee Benefit plans

- Defined contribution plan:**
The Company makes provident fund contribution for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹172 Lakhs (March 31, 2016: ₹71 Lakhs) for Provident Fund contributions in the Statement of Profit and Loss."
- Defined benefit plan:**
The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund. Liability for retiring gratuity as at March 31, 2017 is ₹149 Lakhs (March 31, 2016: ₹91 Lakhs). The liability for gratuity has been actuarially determined and provided for in the books.

Disclosure	(₹ in Lakh)		
Particulars	Gratuity		
	March 31, 2017	March 31, 2016	April 1, 2015
Amounts recognized in statement of profit and loss in respect of defined benefit plan			
Current service cost	24	8	8
Net Interest cost on defined benefit obligations	7	4	2
Premium charges	1	-	-
Expected return on plan assets	(3)	-	-
	29	12	10
Amounts recognized in Other Comprehensive Income in respect of defined benefit plan			
Actuarial loss arising from changes in financial assumptions	36	33	22
Components of defined benefit costs recognised in Other Comprehensive Income	36	33	22
Change in present value of the defined benefit obligations			
Present value of defined benefit obligation at the beginning of the year	91	49	23
Expenses Recognised in Profit and Loss Account			
Current Service Cost	24	9	8
Net Interest cost on defined benefit obligations	7	4	2
Recognised in Other Comprehensive Income			
Actuarial loss arising from Financial Assumption	36	33	22
Benefit settled	(9)	(4)	(5)

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Disclosure	(₹ in Lakh)		
Particulars	Gratuity		
	March 31, 2017	March 31, 2016	April 1, 2015
Present value of defined benefit obligation at the end of the year	149	91	50
Change in fair value of plan assets			
Fair value of plan assets at the beginning of the year	-	-	-
Expected return on plan assets	3	-	-
Contributions by employer	192	-	-
Premium Charges	(1)	-	-
Fair value of plan assets at the end of the year	193	-	-
Net Asset/(Liability) recognised in the Balance Sheet			
Present value of defined benefit obligation	(149)	(91)	(50)
Fair value of plan assets	193	-	-
Surplus / (Deficit)	44	(91)	(50)
Actuarial assumptions			
Discount rate	8.00%	8.00%	8.00%
Rate of return of plan assets	7.55%	-	-
Salary escalation	5.00%	5.00%	5.00%
Attrition rate (Age : 18-30, 31-40, 41-60)	10% , 6% ,1%	10% , 6% ,1%	3.50%
Sensitivity Analysis- Effect on Defined benefit Plan		March 31, 2017	
		Increase	Decrease
Effect of 1% Change in the Assumed Discount Rate		136	166
Effect of 1% Change in the Assumed Salary Rate		153	144
Effect of 1% Change in the Assumed Attrition Rate		136	166
The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.			
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.			

29 Earnings per share

	Year ended March 31, 2017	Year ended March 31, 2016
Loss after tax (₹ in Lakhs)	(32,826)	(4,276)
Weighted average number of equity shares for Basic EPS (No's)	2,68,48,16,462	1,60,52,77,940
Weighted average number of equity shares for Diluted EPS (No's)	2,68,48,16,462	2,60,91,57,721
Face value per share (₹)	10.00	10.00
Basic EPS (₹)	(1.22)	(0.27)
Diluted EPS(₹)*	(1.22)	(0.27)

* The effect of dilution on account fully and compulsorily convertible debentures being anti-dilutive, "Diluted EPS" is restricted to "Basic EPS" .

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)
Notes forming part of the financial statements

30. Financial instruments

30.1 Capital management

The Company's capital management is intended to maximise the return to its shareholders for meeting by long-term and short-term goals of the Company through the optimization of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual and long term-term operating plans and strategic investments plans. The funding requirements are met through equity and short term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital and all other reserves attributable to the equity shareholders of the Company. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital structure of the Company:

(₹ in Lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Total equity attributable to the share holders of the company	287,628	160,528	160,528
As percentage of total capital	29%	22%	28%
Current borrowings	77,475	14,587	-
Non-current borrowings	641,014	555,572	418,309
Total borrowings	718,489	570,159	418,309
As percentage of total capital	71%	78%	72%
Total capital (borrowings and equity)	1,006,117	730,687	578,837
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
30.2 Categories of financial instruments			
Financial assets			
Measured at amortised cost			
(a) Cash and Bank balances	30,650	39,259	10,384
(c) Trade receivables	27,923	-	-
(b) Other financial assets	27,257	13,949	12,064
Financial liabilities			
Measured at amortised cost			
(a) Borrowings	718,489	570,159	418,309
(b) Trade payables	22,787	2,528	234
(c) Other Financial liabilities	77,202	67,215	72,654
Measured at fair value through profit or loss (FVTPL)			
Foreign currency forward contracts	857	-	-

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30.3 Financial risk management objectives

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures and appropriate risk management policies as detailed below. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk and the investment of excess liquidity. The Company does not enter into trade financial instruments, including derivative financial instruments, for speculative purposes."

30.3.1 Market risk

The Company's financial instruments are exposed to market rate changes. The Company is exposed to the following significant market risks:

- Foreign currency risk
- Interest rate risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

a) Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposed to exchange rate fluctuations. Exchange rate exposures are managed within approved policy parameters utilising Derivative contract . Depending on the future outlook on currencies, the Company may keep the exposures hedged or hedge only a part of the total exposure inline with the approved policies.

The carrying amounts of the Company's foreign currency denominated monetary liabilities based on gross exposure at the end of the reporting year is as under:

Currency	Liabilities (in Lakhs)		
	2016-17	2015-16	2014-15
USD	748	55	465
SGD	3	-	-
UK Pound	-	*	-

*Less than a lakh

The foreign currency risk on above exposure is mitigated by derivative contracts. The outstanding contracts as at the Balance Sheet date are as follows:

Forward contracts	Buy/Sell	Currency	No. of contracts	Foreign cur- rency in Lakhs	₹ in Lakhs Amount
As at March 31, 2017	Buy	USD	14	486	32,698
As at March 31, 2016	-	-	-	-	-
As at April 1, 2015	-	-	-	-	-

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The year end foreign currency exposures, that have not been hedged by a derivative instrument or otherwise, are given below:

	Foreign Currency in Lakhs	₹ in Lakhs
As at March 31, 2017		
USD		
Foreign Letter of Credit on suppliers	175	11,330
Payable towards other services/Mat	82	5,300
Payable towards other services/Mat(RPT)	4	270
Payable towards Capital works (Inc. Retention)	1	41
SGD		
Payable towards other services/Mat(RPT)	3	147
As at March 31, 2016		
USD		
Foreign Letter of Credit on suppliers	44	2,909
Payable towards Capital works (Inc. Retention)	11	719
UK POUND		
Payable towards Capital works (Inc Retention)	*	30
As at April 1, 2015		
USD		
Foreign Letter of Credit on suppliers	332	20,788
Payable towards Capital works (Inc Retention)	133	8,325

*Less than a lakh

Foreign currency sensitivity analysis

The Company is mainly exposed to US Dollar. The following table details the Company's sensitivity to a ₹ 1 increase and decrease against the US Dollar. ₹ 1 is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net (gross - hedges) outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a ₹ 1 change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rs. strengthens by ₹ 1 against the US Dollar. For a ₹ 1 weakening of the ₹ against the US Dollar, there would be a comparable impact on the profit or equity.

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(₹ in Lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
Currency USD impact on:		
₹ 1 Increase		
Profit or loss	261	55
Equity	261	55
₹ 1 Decrease		
Profit or loss	(261)	(55)
Equity	(261)	(55)

30.3.2. Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company's borrowings majorly consists of Project funding loans, having fixed rate of interest (re-stated at every 3 years interval)

30.3.3. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to the customer credit risk management. Credit quality of a customer is assessed based on their past performance. Outstanding customer receivables are regularly monitored and taken up on case to case basis.

The Company has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the creditworthiness of its customers are continuously monitored.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)
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30.3.4 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, 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 financial liabilities including estimated interest payments as at March 31, 2017: (₹ in Lakhs)

	Carrying amount	upto 1 year	1-3 year	More than 3 years	Total Contracted cash flows
Financial liabilities					
Long Term Borrowings	6,84,928	43,914	87,828	5,53,186	6,84,928
Short Term Borrowings	33,561	33,561	-	-	33,561
Other financial liabilities					
Interest Cost	10,145	10,145	-	-	10,145
Security Deposits	20	20	-	-	20
Retention monies	63,616	63,616	-	-	63,616
Creditors for capital supplies/services	3,421	3,421	-	-	3,421
Foreign currency forward contracts	857	857	-	-	857
Trade payables	22,787	22,787	-	-	22,787

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2016: (₹ in Lakhs)

	Carrying amount	upto 1 year	1-3 year	More than 3 years	Total Contracted cash flows
Financial liabilities					
Long Term Borrowings	5,70,159	14,587	1,16,696	4,38,876	5,70,159
Other financial liabilities					
Interest Cost	7,081	7,081	-	-	7,081
Retention monies	54,643	-	54,643	-	54,643
Creditors for capital supplies/services	5,491	5,491	-	-	5,491
Trade payables	2,528	2,528	-	-	2,528

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at April 1, 2015: (₹ in Lakhs)

	Carrying amount	upto 1 year	1-3 year	More than 3 years	Total Contracted cash flows
Financial liabilities					
Long Term Borrowings	4,18,309	-	1,16,696	3,01,613	4,18,309
Other financial liabilities					
Interest Cost	5,417	5,417	-	-	5,417
Retention monies	42,804	90	42,714	-	42,804
Creditors for capital supplies/services	24,433	24,433	-	-	24,433
Trade payables	234	234	-	-	234

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)
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The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at March 31, 2017: (₹ in Lakhs)

	Carrying amount	upto 1 year	1-3 year	More than 3 years	Total Contracted cash flows
Other financial assets					
Margin money deposits	10,602	-	10,602	-	10,602
Interest receivable	1,394	77	1,317	-	1,394
Trade receivables	27,923	27,923	-	-	27,923
Other receivables	15,261	15,261	-	-	15,261

The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at March 31, 2016: (₹ in Lakhs)

	Carrying amount	upto 1 year	1-3 year	More than 3 years	Total Contracted cash flows
Other financial assets					
Margin money deposits	11,984	-	11,984	-	11,984
Interest receivable	1,908	1,099	809	-	1,908
Other receivables	57	57	-	-	57

The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at April 1, 2015: (₹ in Lakhs)

	Carrying amount	upto 1 year	1-3 year	More than 3 years	Total Contracted cash flows
Other financial assets					
Margin money deposits	6,483	-	6,483	-	6,483
Interest receivable	5,581	4,638	943	-	5,581

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30.4 Fair value of financial assets and financial liabilities

(₹ in Lakhs)

	Fair value Hierarchy	As at March 31,2017		As at March 31,2016		As at April 1, 2015	
		Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets							
Financial assets at amortised cost:							
Cash and bank balances	Level - 3	30,650	30,650	39,259	39,259	10,384	10,384
Trade receivables	Level - 3	27,923	27,923	-	-	-	-
Other financial assets	Level - 3	27,257	27,257	13,949	13,949	12,064	12,064
Financial liabilities							
Financial liabilities at amortised cost:							
Borrowings	Level - 3	718,489	718,489	570,159	570,159	418,309	418,309
Trade payables	Level - 3	22,787	22,787	2,528	2,528	234	234
Other Financial liabilities	Level - 3	77,202	77,202	67,215	67,215	72,654	72,654
Measured at fair value through profit or loss (FVTPL)							
Foreign currency forward contracts	Level - 2	-	857	-	-	-	-

Note : In case of trade receivables, cash and cash equivalents, trade payables, borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.

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Notes forming part of the financial statements

31 Related parties details and transactions

a) Details of Related parties :

Name of the related parties	Description of Relationship
M/s. NCC Limited	Ultimate Holding Company (till March 15, 2016)
M/s. Sembcorp Industries Limited	Penultimate Holding Company
M/s. Sembcorp Utilities Pte Ltd	Holding Company
Mr. Atul Mohan Nargund	Managing Director (Up to April 16, 2017)
Mr. Vipul Tuli	Director (From April 17, 2017)
Mr. T V Sandeep Kumar Reddy	Director and Vice chairman
Mr. Tang Kin Fei	Chairman (Up to March 31, 2017)
Mr. Neil McGregor	Director (From April 1, 2017)
M/s. Sembcorp India Private Limited	Entity under common control
M/s. Thermal Powertech Corporation India Limited	Entity under common control
M/s. NCC Infrastructure Holdings Limited	Key Management Personnel having significant influence
M/s. Gayatri Energy Ventures Private Limited	Key Management Personnel having significant influence
M/s. Gayatri Hi-Tech Hotels Limited	Key Management Personnel having significant influence
M/s. Gayatri Projects Limited	Key Management Personnel having significant influence
M/s. Capital Fortunes Private Limited.	Key Management Personnel having significant influence
M/s. Deep Corporation Private Limited	Key Management Personnel having significant influence

b) Details of related party transactions :

(₹ in Lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
i) Allotment of INR denominated notes		
M/s. Sembcorp Utilities Pte Ltd	168,939	-
ii) Share application money refunded		
M/s. NCC Infrastructure Holdings Limited	-	*
M/s. Gayatri Energy Ventures Private Limited	-	*
iii) Debenture application money received		
M/s. Sembcorp Utilities Pte Ltd	-	59,000
iv) Allotment of Debentures		
M/s. Sembcorp Utilities Pte Ltd	-	59,000
v) Mobilisation/Capital /Other Advances paid		
M/s. NCC Limited	-	1,000
M/s. Gayatri Projects Limited	106	1,050
vi) Mobilisation/Capital Advances recovered/adjusted		
M/s. NCC Limited	-	24,483
M/s. Gayatri Projects Limited	455	1,884

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b) Details of related party transactions : (₹ in Lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
vii) Retention Money released		
M/s. Gayatri Projects Limited	-	936
viii) Retention Money recovered		
M/s. NCC Limited	-	12,307
M/s. Gayatri Projects Limited	26	498
ix) Project works executed		
M/s. NCC Limited	-	105,002
M/s. Gayatri Projects Limited	631	10,542
x) Interest expense on INR Denominated notes		
M/s. Sembcorp Utilities Pte Ltd	3,056	-
xi) Conversion of fully and compulsory convertible debenture into equity shares		
M/s. Sembcorp Utilities Pte Ltd	127,100	-
xii) Interest Income on Advances		
M/s. NCC Limited	-	4,070
xiii) Interest Income on Advances- Realised		
M/s. NCC Limited	-	8,170
xiv) Lease Rental Received		
M/s. Thermal Powertech Corporation India Limited	3	-
xv) Lease Rental Paid		
M/s. Thermal Powertech Corporation India Limited	4	-
xvi) Reimbursement of expenses to		
M/s. NCC Limited	-	61
M/s. Thermal Powertech Corporation India Limited	-	2
M/s. Sembcorp Utilities Pte Ltd	205	109
M/s. Gayatri Projects Limited	-	146
M/s. Gayatri Energy Ventures Private Limited	-	16
M/s. Deep Corporation Private Limited	14	-
M/s. Sembcorp India Private Limited	*	-
xvii) Services received		
M/s. Sembcorp India Private Limited	3,256	2,128
M/s. Sembcorp Utilities Pte Ltd	502	280
M/s. Capital Fortunes Private Limited.	-	407
M/s. Gayatri Hi-Tech Hotels Limited	2	-

SEMBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited)
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(₹ in Lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
xviii) Rent expense		
M/s. Deep Corporation Private Limited	40	10
xix) Purchase of Electricity		
M/s. Thermal Powertech Corporation India Limited	5,418	-
xx) Sale of Coal		
M/s. Thermal Powertech Corporation India Limited	2,340	-
xxi) Reimbursement of expense from		
M/s. NCC Infrastructure Holdings Limited	-	57
xxii) Reimbursement of expense received		
M/s. NCC Infrastructure Holdings Limited	57	-
xxiii) Corporate Guarantees- received		
M/s. Sembcorp Utilities Pte Ltd	272,745	120,031
xxiv) Corporate Guarantees - reduction		
M/s. NCC Infrastructure Holdings Limited & M/s. Gayatri Energy Ventures Private Limited (Jointly)	164,757	120,031

SENBCORP GAYATRI POWER LIMITED (formerly NCC Power Projects Limited) Notes forming part of the financial statements

b) Details of related party transactions :

(₹ in Lakhs)

Balance as at year end	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
INR denominated Notes			
M/s. Sembcorp Utilities Pte Ltd	168,939	-	-
Interest accrued but not due on INR Denominated Notes			
M/s. Sembcorp Utilities Pte Ltd	3,056	-	-
Fully and Compulsorily Convertible Debentures			
M/s. Sembcorp Utilities Pte Ltd	-	127,100	68,100
Capital Advances			
M/s. NCC Limited	-	18,046	41,529
M/s. Gayatri Projects Limited	515	865	1,699
Other Advances			
M/s. Gayatri Projects Limited	347	347	347
Payables			
M/s. NCC Limited (including retention money)	-	58,591	64,897
M/s. Gayatri Projects Limited (including retention money)	1,282	1,025	2,236
M/s. Sembcorp Utilities Pte Ltd	426	55	15
M/s. Sembcorp India Private Limited	650	7	-
M/s. Thermal Powertech Corporation India Limited	128	-	-
Interest Receivable			
M/s. NCC Limited	-	121	4,629
Other Receivable			
M/s. NCC Infrastructure Holdings Limited	-	57	-
Corporate Guarantees received from			
M/s. NCC Infrastructure Holdings Limited & M/s. Gayatri Energy Ventures Private Limited (Jointly)	97,812	262,569	382,600
M/s. Sembcorp Utilities Pte Ltd	760,372	487,627	367,596

*Less than a lakh



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32 Contingent liabilities and commitments (not provided for) (₹ in Lakhs)

Particular	As at March 31, 2017	As at March 31, 2016=
a) Pending litigations:		
i) Claims against the company not acknowledged as debt: Company is contesting legal cases in the local courts against the claims made on certain portion of the project lands, under dispute.	Amount Not ascertainable	Amount Not ascertainable
ii) Disputed Income tax liability against which company preferred appeal.		
For the Assessment year 12-13	-	238
For the Assessment year 13-14	513	-
For the Assessment year 15-16	220	-
iii) The Company is in receipt of notice from Regional Vigilance and 'Enforcement Office, Nellore for payment of ₹ 670,000,000 towards insufficient stamp duty on Agreement of construction contract, which has been disputed by the Company before the District Registrar, Gudur at the behest of its Contractor NCC Limited. Based on the NCCL Warranty and Indemnity agreement dated 1 February, 2014 entered between the Company, NCC Limited and other counterparts, the liability, if any arising on account of dispute, would be to the account of NCC Limited. Accordingly, there would not be any impact on the financial position of the Company.	-	-
iv) Company is contesting before Court on applicability of BOCW Act, Since the Companies is covered under Factories Act. Interim stay order from the Proceedings initiated by the Joint Commissioner of Labour (Guntur) has been obtained.. Based on the NCCL Warranty and Indemnity agreement dated February 1, 2014 entered between the Company, NCC Limited and other counterparts, the liability, if any arising on account of dispute, would be to the account of NCC Limited. Accordingly, there would not be any impact on the financial position of the Company.	-	-
v) Charges levied by the lender	976	-
b) Bank Guarantees	83,819	81,717
1) Bank Guarantees for Customs and Excise	18,726	-
2) Bank Guarantees for PPA and Other commitments		
c) Commitments : The estimated amount of contracts remaining to be executed on capital account (net of Contractual advances)	10,449	31,062

33 Disclosure requirement under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at year end together with interest paid/payable as required under the said Act, have not been given.

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34 Auditors' remuneration (including Service tax) (₹ in Lakhs)

Particular	Year Ended March 31, 2017	Year Ended March 31, 2016
Fee for		
Statutory Audit	24	8
Certification and other services	46	26
	70	34

35 Income tax

a) The Company does not have taxable profits, hence no provision is made for current tax.

b) Deferred Tax Asset / (Liability) (net):
The company is eligible for a deduction of an amount equal to hundred percent of the profits for ten consecutive assessment years out of fifteen years beginning from FY 2016-2017 (the year in which Company commenced its commercial operations) accordingly the Company has not recognised any deferred tax liability as the same will get reversed during the tax holiday period available under aforesaid section of Income Tax Act 1961.

36 “During the current year, the Company raised claims for an amount of ₹28,825 Lakhs and of US\$ 9.04 Million on February 23, 2017 towards liquidated damages on its EPC contractor, NCC Limited (NCCL), towards the delays in execution of the project, as per the provisions of the EPC Contract. Also a claim of US\$ 40.97 Million was raised on China National Technical I&E Corporation and Tianjin Electric Power Construction Company (CTC) CONSORTIUM towards the delay in agreed delivery schedule and non non achievement of Project Provisional Acceptance.

As against this, NCCL, on March 14, 2017, issued a notice of disputes under the contracts and amongst other things, had counter claimed payment of additional costs of ₹68,478 Lakhs, alleged to have been incurred by them, with interest. The Company vide its letter dated April 12, 2017 had refuted all these claims of NCC Ltd as baseless and untenable. Hence no adjustments have been made in the accounts of the company.

NCCL filed petitions under Section 9 of the Arbitration and Conciliation Act, 1996, before the Hon’ble Court of the XXIV Additional Chief Judge cum Commercial Court, City Civil Courts, Hyderabad (“Commercial Court”), and seeking injunction restraining the Company from invoking the Performance Bank Guarantees issued in favour of the Company, pursuant to the terms of the EPC Contracts.

On April 18, 2017, the Commercial Court dismissed the petition filed by NCCL. NCCL filed an appeal before the High Court to set aside the Order passed by Commercial Court until the disputes are adjudicated and settled between the parties through arbitration as per the terms of the contract and restraining the Company from invoking or encashing the bank guarantee(s). In the interim, the demand notices for the bank guarantees had already been presented to the respective banks by the Company and the bank guarantee for ₹5,160 Lakhs issued by the Syndicate Bank was honoured and its corresponding payment was released to the Company.

The matter is pending disposal as of date and accordingly, no related adjustments have been made in the financial statements.

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37 Transition to Ind-AS

The effect of the Company’s transition to Ind AS is summarized as follows:

- (i) Transition election
- (ii) Reconciliation of equity as previously reported under Indian GAAP to Ind-AS
- (iii) Reconciliation of profit or loss as previously reported under Indian GAAP to Ind-AS
- (iv) Reconciliation of other comprehensive income as previously reported under Indian GAAP to Ind-AS
- (v) Reconciliation of cash flow as previously reported under Indian GAAP to Ind-AS

(i) Transition election

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

(ii) Reconciliation of equity as previously reported under Indian GAAP (IGAAP) to Ind-AS

(₹ in Lakhs)

Particulars	As at March 31, 2016	As at April 1, 2015
Equity as reported under IGAAP	1,54,630	1,58,907
Ind-AS adjustments that lead to increase in equity:		
Employee future benefits – actuarial losses	(70)	(38)
Equity component of financial instruments	1,27,100	68,100
Equity as reported under Ind-AS	2,81,660	2,26,969

(iii) Reconciliation of profit or loss as previously reported under Indian GAAP to Ind-AS

(₹ in Lakhs)

Particulars	Year ended March 31, 2016
Loss as reported under IGAAP	4,276
Increase (decrease) in net income for:	
Actuarial (gain)/ loss on defined benefit obligation recognised in other comprehensive income	-
Profit as reported under Ind AS	4,276

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(iv) Reconciliation of other comprehensive income as previously reported under Indian GAAP to Ind-AS

(₹ in Lakhs)

Particulars	Year ended March 31, 2016
Comprehensive income as reported under IGAAP	-
Increase (decrease) in other comprehensive income for:	
Employee benefits – actuarial losses	(33)
Comprehensive income as reported under Ind AS	(33)

(v) Reconciliation of Adjustments to the statement of cash flows.

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

(₹ in Lakhs)

	Previous IGAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	(6,577)	-	(6,577)
Net cash flows from investing activities	(108,118)	(867)	(107,251)
Net cash flows from financing activities	140,682	867	139,815
Net increase (decrease) in cash and cash equivalents	25,987	-	25,987
Cash and cash equivalents at the beginning of the year	10,384	-	10,384
Cash and cash equivalents at the end of the year	36,371	-	36,371

Notes:

- The Company recognises costs related to its post-employment defined benefit plan on an actuarial basis both under Indian GAAP and Ind AS. Under Indian GAAP, the entire cost including actuarial gains and losses are capitalised as the Company was in pre-operative stage. Under Ind AS, remeasurements are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI.
- Fully and Compulsorily Convertible Debentures amounting ₹127,100 Lakhs as at March 31, 2016 and ₹68,100 Lakhs as at April 1, 2015, considered as part of Long term borrowing in IGAAP has been considered as part of Other Equity under Ind AS."

For and on behalf of the Board of Directors

Vipul Tuli
Managing Director
DIN:07350892

V. Rajaram Trivedi
Chief Financial Officer

Place: Hyderabad
May 31, 2017

T.V. Sandeep Kumar Reddy
Vice Chairman
DIN:00005573

A.Narendra
Company Secretary

AGM

Notice is hereby given that Ninth Annual General Meeting of the members of Sembcorp Gayatri Power Limited (Earlier known as NCC Power Projects Limited) will be held on Thursday, September 28, 2017, at 3.30 P.M. at 6-3-1090, A-5, T.S.R Towers, Rajbhavan Road, Somajiguda, Hyderabad – 500 082, for the purpose of transacting the following business;

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited financial statements for the financial year ended March 31, 2017 together with Auditors Report and the Report of the Board of Directors thereon.
2. To re-appoint Mr. T.V. Sandeep Kumar Reddy (DIN: 00005573) director who retires by rotation and being eligible offers himself for reappointment.
3. To re-appoint Mr. Ng Meng Poh (DIN: 03274824) director who retires by rotation and being eligible offers himself for reappointment.
4. **Approval of appointment of statutory auditors and fixing their remuneration.**

RESOLVED THAT, pursuant to Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and the Rules made thereunder, as amended from time to time and pursuant to the recommendation made by the Audit Committee of the Board, M/s B S R & Associates LLP, Chartered Accountants, Hyderabad (ICAI Reg. No

116231W/W-100024) be and are hereby appointed as the Auditors of the Company in place of the resigned joint Auditors M/s. M. Bhaskara Rao & Co. Chartered Accountants (Firm Registration No. 000459S and M/s Deloitte Haskins & Sells, Chartered Accountants, Hyderabad (Firm Registration No.008072S), who shall hold office from the conclusion of this Ninth Annual General Meeting for term of consecutive 5 years till conclusion of the 14th Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting as may be required) and that the Board be and is hereby authorised to fix such remuneration as may be approved by the Board of Directors in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds or things as may be necessary to give effect to the

above resolution.”

SPECIAL BUSINESS

5. **Appointment of Mr. Neil Garry McGregor (DIN: 07754310) as Director of the Company.**

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

RESOLVED THAT pursuant to the provisions of section 160 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Rules made thereunder, as amended from time to time Mr. Neil Garry McGregor (DIN: 07754310), who was appointed as an Additional Director of the Company by the Board of Directors with effect from April 01, 2017, in terms of Section 152, 161(1) of the Companies Act, 2013 and applicable provisions of the Articles of Association of the Company and whose term of office expires at this Annual General Meeting 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 a Director of the Company, whose period of office shall be liable to determination by retirement of directors by rotation.

FURTHER RESOLVED THAT the Board of Directors of the Company (“the Board”) be and is hereby authorized to do all such acts, deeds and things as it may, in its absolute discretion, deem fit, necessary, desirable, incidental and/or consequential to give effect to the above resolutions and further any acts, deeds or things done in this regard by and/or with authority of the Board, be and are hereby ratified.”

6. **Appointment of Mr. Vipul Tuli (DIN: 07350892) as Director of the Company.**

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

RESOLVED THAT pursuant to the provisions of section 160 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Rules made thereunder, as amended from time to time Mr. Vipul Tuli (DIN: 07350892), who was appointed as an Additional Director of the Company by the Board of Directors with effect from April 17, 2017, in

terms of Section 152, 161(1) of the Companies Act, 2013 and applicable provisions of the Articles of Association of the Company and whose term of office expires at this Annual General Meeting 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 a Director of the Company, whose period of office shall not be liable to determination by retirement of directors by rotation as long as he holds the position of Managing Director.

FURTHER RESOLVED THAT the Board of Directors of the Company (“the Board”) be and is hereby authorized to do all such acts, deeds and things as it may, in its absolute discretion, deem fit, necessary, desirable, incidental and/or consequential to give effect to the above resolutions and further any acts, deeds or things done in this regard by and/or with authority of the Board, be and are hereby ratified.”

7. **Appointment of Ms. Comal Ramachandran Gayathri (DIN: 02872723) as Director of the Company.**

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

RESOLVED THAT subject to the approval of members and pursuant to the provisions

of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 (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) read with Schedule IV to the Act, Ms. Comal Ramachandran Gayathri (DIN: 02872723), who was appointed as an Additional Director of the Company by the Board of Directors with effect from February 17, 2017, in terms of Section 161(1) of the Act and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby recommended for appointment as an Independent Director of the Company to hold office for a term of 5 (five) years commencing from February 17, 2017, whose period of office shall not be liable to determination by retirement of directors by rotation.

FURTHER RESOLVED THAT in pursuance to the provisions the Companies Act, 2013, Ms. C.R. Gayathri will retire from the position of director on and from the expiry of her tenure as Independent Director of the Company.

FURTHER RESOLVED THAT the Board of Directors of the Company (“the Board”) be and is hereby authorized to

do all such acts, deeds and things as it may, in its absolute discretion, deem fit, necessary, desirable, incidental and/or consequential to give effect to the above resolutions and further any acts, deeds or things done in this regard by and/or with authority of the Board, be and are hereby ratified.	applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the members of the Company hereby consider, approve and ratify the remuneration of Rs.2,00,000/- (Rupees Two Lakhs only) excluding out of pocket expenses and service tax payable to M/s. Narasimha Murthy & Co., Cost Accountants, who have been appointed as Cost auditors to conduct the audit of cost records maintained by the Company for the financial year from 2017-18."	FURTHER RESOLVED THAT the Board of Directors of the Company ("the Board") be and is hereby authorized to do all such acts, deeds and things as it may, in its absolute discretion, deem fit, necessary, desirable, incidental and/or consequential to give effect to the above resolutions and further any acts, deeds or things done in this regard by and/or with authority of the Board, be and are hereby ratified."
8. Ratification of Cost Auditor's Remuneration		
To consider and if thought fit, to pass, with or without modifications the following resolution as an Ordinary Resolution;		
RESOLVED THAT pursuant to Section 148 and other		

By order of the Board of Directors

A.NARENDRA
COMPANY SECRETARY
M. No. A 14603

Place: Hyderabad
Date: September 13, 2017

Registered Office:
A Block, 5th Floor, TSR Towers, Rajbhavan Road,
Somajiguda, Hyderabad 500 082
CIN: U40103TG2008PLC057031
Phone: 040-49048300,
Fax: 040-23370360
Email: cs.india@sembcorp.com

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and, on a poll, to vote instead of himself. Such a proxy need not be a member of the Company. Proxies, in order to be valid and effective, must be received at the Company's Registered Office on or before the commencement of the meeting. A proxy form is enclosed.
2. The relative explanatory statement pursuant to section 102 of the Companies Act, 2013, relating to special business to be transacted at the meeting is annexed.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of board resolution on the letterhead of the company, signed by one of the directors or company secretary or any other authorized signatory named in the resolution, authorizing their representatives to attend and vote their behalf at the meeting.
4. Members/Proxies are requested to hand over the enclosed Attendance Slip duly filled in, at the entrance for attending the meeting.
5. Documents referred to in the Notice and Explanatory Statement are available for inspection at the Registered Office of the Company during Office hours between 11.00 A.M. and 1.00 A.M on all working days prior to the Annual General Meeting.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

Members are informed that Mr. Neil Garry McGregor was appointed as Additional Director of the Company on April 01, 2017 by the Board of Directors of the Company and in accordance with the provisions of Section 161 (1) of the Companies Act, 1956, he holds office as Additional Director upto the date of ensuing Annual General meeting. The Company has received a notice from a member with requisite deposit proposing him to be appointed as Director of the Company in terms of Section 160 of the Companies Ac, 2013.

Mr. McGregor is Group President & CEO of Sembcorp Industries. He is member of the board's Executive Committee and Technology Advisory Panel. He also sits on the board of Sembcorp Marine, a listed subsidiary of Sembcorp Industries, as a non-executive director.

Mr. McGregor brings to the Board a unique and varied background spanning business, operations and investment in the energy and infrastructure sectors across Europe, USA, Asia and Oceania. His rich international experience includes over a decade spent in Singapore serving markets in the region. Previously, he also headed companies in India and Singapore as CEO, including Singapore LNG Corporation and PowerSeraya Group. Most recently, Mr. McGregor was the Head of Temasek International's Energy and

Resources Group, Head of Australia and New Zealand and Senior Managing Director of the Enterprise Development Group.

Memorandum of interest

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Neil Garry McGregor, are concerned or interested (financially or otherwise) in this resolution. The Board commends the Ordinary Resolution set out at Item no. 5 for approval of the Members.

Item No. 6

Members are informed that Mr. Vipul Tuli was appointed as Additional Director of the Company on April 17, 2017 by the Board of Directors of the Company and in accordance with the provisions of Section 161 (1) of the Companies Act, 1956, he holds office as Additional Director upto the date of ensuing Annual General meeting. The Company has received a notice from a member with requisite deposit proposing him to be appointed as Director of the Company in terms of Section 160 of the Companies Ac, 2013.

Mr. Vipul Tuli is the CEO & Country Head India & Global Head of Strategy at Sembcorp Industries. In his present role, Mr. Tuli is focused upon growth and governance, managing Sembcorp's investments and key stakeholder relationships within India. Before joining Sembcorp, Mr. Vipul Tuli was a senior partner with McKinsey & Company, where he worked across the energy sector and helped build and lead the Asian

energy practice. Mr. Tuli's experience spans power generation, fuel management, upstream oil and gas, refining, marketing and distribution, petrochemicals and speciality chemicals.

Mr. Vipul Tuli received his MBA from the Indian Institute of Management, Calcutta, and his B.Tech degree in Chemical Engineering from the Indian Institute of Technology in New Delhi.

Memorandum of interest

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Vipul Tuli, are concerned or interested (financially or otherwise) in this resolution. The Board commends the Ordinary Resolution set out at Item no. 6 for approval of the Members.

Item No. 6 is recommended to the members for their approval.

Item No. 7

Members are informed that Ms. C.R. Gayathri was appointed as Additional Director of the Company, under independent category on February 17, 2017 by the Board of Directors of the Company and in accordance with the provisions of Section 161 (1) of the Companies Act, 1956, She holds office as Additional Director upto the date of ensuing Annual General meeting. The Company has received a notice from a member with requisite deposit proposing to be appointed as Director of the Company in terms of Section 160 of the Companies Ac, 2013.

Ms. Gayathri Ramachandran was Special Chief Secretary to the Government of Andhra Pradesh and the Director General of The Environment Protection Training and Research Institute EPTRI A leading organization with an accredited Laboratory and known for its National and International programs and World Bank and USEPA projects as well as Energia an organization dedicated to outreach of poor households across the globe.

She has held important positions in the Government of India in the Ministries of Power, Petroleum, Industries, Chemicals & Fertilizers and Civil Aviation. In a career spanning over 36 years, she had held top national and international positions and with the Government of India and the State Government of Andhra Pradesh.

Ms. Gayathri holds Master’s degree in Economics from Delhi University, India and Master’s Degree in Development Economics from Williams College, Massachusetts, USA

The Members are further informed that Ms. C.R. Gayathri has given a certificate that she fulfils the criteria of independence and qualifications in terms of Section 149(6) read with

Schedule IV and other applicable conditions under the Companies Act 2013. In opinion of the Board, Ms. C.R. Gayathri fulfils the conditions specified in the in the Companies Act, 2013 for appointment as independent director of the Company. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day.

Memorandum of interest

None of the Directors or Key Managerial Personnel and their relatives, except Ms. C.R. Gayathri, are concerned or interested (financially or otherwise) in this resolution. The Board commends the Ordinary Resolution set out at Item no. 7 for approval of the Members.

Item No. 7 is recommended to the members for their approval.

Item No. 8

Members are informed that pursuant to Section 148 of the Act, the Company is required to get its cost records audited by a cost accountant in practice. On the recommendation

of the Audit Committee, the Board of Directors has approved the re-appointment of M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year 2017-18, at a remuneration of Rs 2,00,000 plus Service tax and actual out-of-pocket expenses.

M/s. Narasimha Murthy & Co., Cost Accountants have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company having vast experience in the field of cost audit.

The Board commends the Resolution at Item No.8 of the accompanying Notice for ratification of the Cost Auditors’ remuneration by the Members of the Company.

Memorandum of concern or interest:

None of the Directors or Key Managerial Personal of the Company or their respective relatives are concerned or interested in the Resolution at Item No. 8 of the accompanying Notice.

By order of the Board of Directors

A.NARENDRA
COMPANY SECRETARY
M. No. A 14603

Place: Hyderabad
Date: September 13, 2017

Registered Office:
A Block, 5th Floor, TSR Towers, Rajbhavan Road,
Somajiguda, Hyderabad 500 082
CIN: U40103TG2008PLC057031
Phone: 040-49048300,
Fax: 040-23370360
Email: cs.india@sembcorp.com

Form No. MGT-11
Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	U40102AP2008PLC059628
Name of the Company	Sembcorp Gayatri Power Limited
Registered Office	6-3-1090, A-5, T.S.R Towers, , Rajbhavan Road, Somajiguda, Hyderabad – 500 082
Name of the Member(s)	
Registered Address	
E-mail id	
Folio No/ Client Id	
DP Id	

I/We, being the member (s) of shares of the above named company, hereby appoint:

Name	
Address	
E-mail ID	
Signature	

Or failing him;

Name	
Address	
E-mail ID	
Signature	

Or failing him;

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 Annual General Meeting of the Company, to be held on Thursday, September 28, 2017 at 3.30 PM at 6-3-1090, A-5, T.S.R Towers, Rajbhavan Road, Somajiguda, Hyderabad – 500 082 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

- 1 _____
- 2 _____
- 3 _____

Signed this _____ day of _____ 2017 _____

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, on or before the commencement of the Meeting.



Sembcorp Gayatri Power Limited
(Formerly NCC Power Projects Limited)
CIN: U40102AP2008PLC059628
6-3-1090, A - 5, TSR Towers, Rajbhavan Road,
Somajiguda, Hyderabad 500082, India
Tel (91) 040 4904 8300. Fax (91) 040 2337 0360
www.sembcorp.com
Email: cs.india@sembcorp.com