
Table of Contents**Bank guarantee commission**

In order to facilitate the term debt facility from Industrial and Commercial Bank of China Limited ('ICBC') an affiliate company had provided a counter guarantee to ICBC. Against such guarantee the affiliate charged a fee of INR 43,981,334 during the year 2013 and the same has been reported as part of general and administrative expenses in the statement of operations.

Parent and affiliates

As of December 31, 2014 and 2013, the Company owed affiliates INR 286,181,602 and INR 638,795,302 respectively. Depending on the nature of the activity, amounts are either reflected in operating activities or as a non-cash addition to property and equipment included in due to affiliates.

8. Commitments and contingencies**Legal proceedings**

There are certain pending litigations relating to the appropriateness of title of certain portions of land held by the Company, on which the solar energy systems are installed, since the date of purchase of the said land. The Company believes that there are no irregularities in its ownership title and based on the opinion of its legal counsel believes that the likelihood of an unfavourable outcome of its ownership of the said land is not probable. In addition, the Company believes that no further settlement or any significant additional liability is expected on account of such disputes pending resolution.

Apart from this case from time to time, we are notified of possible claims or assessments arising in the normal course of business operations. Management continually evaluates such matters with legal counsel and believes that, although the ultimate outcome is not presently determinable, these matters will not result in a material adverse impact on our financial position or operations.

Commitment

The Company has entered into a Power Purchase Agreement ('PPA') with NTPC Vidyut Vyapar Nigam Limited, ('NTPC') on 27 January 2012 for implementation of a 23.9 MW Solar Photovoltaic Power Generation Unit ('Project') in the State of Rajasthan under which it has a commitment to sell electricity for a period of 25 years. If the minimum prescribed units of electricity is not generated and supplied, the Company is liable to pay compensation in accordance with the power purchase agreement.

9. Segment information

The Company is engaged in one reportable segment that operates a portfolio of solar energy generation assets. The Company operates as a single reportable segment based on a "management" approach. This approach designates the internal reporting used by management for making decisions and assessing performance as the source of the reportable segments.

Revenue for the years ended December 31, 2014 and 2013 was earned from one customer located in India namely, NTPC Vidyut Vyapar Nigam Limited.

10. Subsequent events

The Company has evaluated subsequent events from the balance sheet date through April 3, 2015, the date the financial statements were available to be issued.

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