

TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED



**GOVIND AGARWALA & ASSOCIATES
CHARTERED ACCOUNTANTS**

Room No. 204, 2nd Floor, Gajraj Mansion,
Bistupur, Jamshedpur-831001
Phone : 0657-6576121, 2321199 (O), 2225433 (R)

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED** ("The Company") which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Director's is responsible for the matters specified in section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 standalone financial statements based on our audit.

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

We conducted our audit 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 financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2016, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to note 19.5 to the financial statements which indicate that the Company has yet to commence commercial operations and the accumulated losses of the Company as at 31st March, 2016 has fully eroded its networth. Notwithstanding this, financial statements of the Company have been prepared on a going concern basis for the reasons stated in Note 19.5.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those book.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - 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 amount which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Jamshedpur

Date: 17/05/2016

**FOR, GOVIND AGARWALA & ASSOCIATES
CHARTERED ACCOUNTANTS**

(FRN : 001694C)

G.P. Agarwala
(G.P. AGARWALA)

(PARTNER)

M.NO. 070743



ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

Having regard to the nature of the Company's business/activities/ results during the year, clauses (vi) and (xi) of paragraph 3 of the Order are not applicable to the Company.

- (i) In respect of its fixed assets:
 - (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 discrepancy were noticed on such verification.
- (ii) The nature of the Company's operations is such that stocking of inventory (including stores) is not involved. Accordingly, clause (ii) of paragraph 3 of the Order is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. The Company does not have unclaimed deposits as at 31st March, 2016, and accordingly, provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act are not applicable to the Company
- (vi) According to 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, sales tax, wealth tax,



service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities.

- (b) There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues in arrears as at 31st March, 2016 for a period of more than six months from the date they became payable.
- (c) There are no dues of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited as on 31st March, 2016 on account of disputes.
- (d) There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
- (vii) The accumulated losses of the Company at the end of the financial year are not less than fifty percent of its net worth and the Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (viii) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks and financial institutions.
- (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 has been noticed or reported during the year.

**FOR, GOVIND AGARWALA & ASSOCIATES
CHARTERED ACCOUNTANTS**

(FRN : 001694C)

G.P. Agarwal

(G.P. AGARWALA)

(PARTNER)

M.NO. 070743



17/05/2016.

TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
BALANCE SHEET AS AT March 31, 2016

| | Notes | As at March 31, 2016 Rupees | As at March 31, 2015 Rupees |
|-----------------------------------|-------|-----------------------------------|-----------------------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1 Shareholders' funds | | | |
| (a) Share capital | 3 | 80,500,000 | 500,000 |
| (b) Reserves and surplus | 4 | (94,768,760) | (90,168,236) |
| | | <u>(14,268,760)</u> | <u>(89,668,236)</u> |
| 2 Non current liabilities | | | |
| (a) Long-term provisions | 5 | 1,524,342 | 1,525,344 |
| | | <u>1,524,342</u> | <u>1,525,344</u> |
| 3 Current liabilities | | | |
| (a) Short term borrowings | 6 | | 79,200,000 |
| (b) Trade payables | 7 | 13,753,997 | 12,646,537 |
| (c) Other current liabilities | 8 | 12,898,340 | 10,396,654 |
| (d) Short-term provisions | 9 | 1,756,482 | 1,766,726 |
| | | <u>28,408,818</u> | <u>1,04,009,917</u> |
| Total | | <u><u>15,664,400</u></u> | <u><u>15,867,025</u></u> |
| II. ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Fixed assets | | | |
| Tangible assets | 10 | 1,480,143 | 2,206,211 |
| Capital work-in- progress | | 11,735,020 | 10,531,002 |
| (b) Long-term loans and advances | 11 | 487,940 | 487,940 |
| | | <u>13,703,103</u> | <u>13,225,153</u> |
| 2 Current assets | | | |
| (a) Cash and bank balances | 12 | 280,589 | 959,164 |
| (b) Short-term loans and advances | 13 | 100,200 | 102,200 |
| (c) Other current assets | 14 | 1,580,508 | 1,580,508 |
| | | <u>1,961,297</u> | <u>2,641,872</u> |
| Total | | <u><u>15,664,400</u></u> | <u><u>15,867,025</u></u> |

See accompanying notes forming part of the condensed financial statements

G. Agarwal
Partner
M.No - 070743
Firm Reg. No - 001694C
Jamshedpur - 17/05/2016.



For and on behalf of the Board

Praveer Sinha
Praveer Sinha
Director - 01785164

Arup Ghosh
Arup Ghosh
Director - 06711047

NEW DELHI, May 17, 2016

TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
STATEMENT OF PROFIT AND LOSS 'For the period ended March 31, 2016

| | Notes | 'For the period ended | For the period ended |
|---|-------|-----------------------|----------------------|
| | | March 31, 2016 | March 31, 2015 |
| | | Rupees | Rupees |
| I. Other Income | 15 | | 65,629 |
| Total Revenue | | | 65,629 |
| II. Expenses | | | |
| (a) Employee benefits expense | 16 | 262,132 | 5,951,882 |
| (b) Finance costs | 17 | 2,511,717 | 7,298,149 |
| (c) Depreciation | 10 | 726,068 | 725,075 |
| (d) Other expenses | 18 | 1,100,607 | 6,704,563 |
| Total Expenses | | 4,600,524 | 20,679,669 |
| III. Loss before tax | | (4,600,524) | (20,614,040) |
| IV. Loss for the period | | (4,600,524) | (20,614,040) |
| V. Earnings per equity share Basic and Diluted not annualised (face value of Rs. 10 each) | 19.6 | (0.57) | (412.28) |

See accompanying notes forming part of the condensed financial statements

For and on behalf of the Board

G. Prasad
Partner
M-NO - 070743
Firm Regⁿ No- 001694C
Jamshedpur - 17/05/2016



Praveer Sinha
Praveer Sinha
Director - 01785164

Arup Ghosh
Arup Ghosh
Director - 06711047

NEW DELHI, May 17, 2016

TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
CASH FLOW STATEMENT For the period ended March 31, 2016

| | For the period ended March 31, 2016 | | For the period ended March 31, 2015 | |
|---|--|--------------|--|--------------|
| | Rupees | | Rupees | |
| A. Cash Flow from Operating Activities | | | | |
| Loss before Tax | | (4,600,524) | | (20,614,041) |
| Adjustment for : | | | | |
| Depreciation | 726,068 | | 725,075 | |
| Interest Income | | | (65,629) | |
| Finance cost | 2,511,717 | | 7,298,149 | |
| | | 3,237,785 | | 7,957,595 |
| Adjustments for change in working capital : | | | | |
| Adjustments for increase / (decrease) in operating liabilities: | | | | |
| Trade payables | 1,107,459 | | (1,472,469) | |
| Other current liabilities | (10,031) | | (739,843) | |
| Long-term provisions | (1,003) | | (132,826) | |
| Short-term provisions | (10,243) | | (3,239) | |
| Adjustments for (increase) / decrease in operating assets: | | | | |
| Long-term loans and advances | | | 401,652 | |
| Other current Assets | | | (659,042) | |
| Short-term loans and advances | 2,000 | | -487,800 | |
| | | 1,088,182 | | (2,417,968) |
| Cash generated from operations | | (274,557) | | (15,074,413) |
| Taxes paid (Net) | | | | (378,833) |
| Net Cash used in Operating Activities | | (274,557) | | (15,453,246) |
| B. Cash Flow from Investing Activities | | | | |
| Purchase of Fixed Assets | | (1,204,017) | | (980,211) |
| Interest Income | | | | 84,109 |
| Net Cash used in Investing Activities | | (1,204,017) | | (896,102) |
| C. Cash Flow from Financing Activities | | | | |
| Interest paid | | | | (729,815) |
| Proceeds from issue of Equity shares | | 80,000,000 | | |
| Inter corporate deposit received | | (79,200,000) | | 10,200,000 |
| Net Cash generated from Financing Activities | | 800,000 | | 9,470,185 |
| Net (decrease)/increase in Cash and Cash Equivalents | | (678,574) | | (6,879,163) |
| Cash and Cash Equivalents at the beginning of the year | | 959,164 | | 7,838,327 |
| Cash and Cash Equivalents at the end of the period | | 280,590 | | 959,164 |
| Cash and Cash Equivalents include : | | | | |
| Cash on hand | | 4,892 | | 4,892 |
| Balance with banks | | | | |
| (i) in current accounts | | 275,697 | | 954,272 |
| (ii) in deposit accounts | | | | |
| Total Cash and Cash Equivalents | | 280,589 | | 959,164 |
| See accompanying notes forming part of the financial statements | | | | |

G. Agarwala
Partner



M.No- 070743
 Firm Regⁿ No - 001694c
 Jamshedpur - 17/05/2016

For and on behalf of the Board

Praveer Sinha
 Praveer Sinha
 Director - 01785164

Arup Ghosh
 Arup Ghosh
 Director - 06711047

NEW DELHI, May 17, 2016

TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 CORPORATE DISCLOSURES

Tata Power Jamshedpur Distribution Limited was originally incorporated on 6th November, 2012 under the Companies Act, 1956 as TP Power Distribution Limited. Subsequently the name of the company has been changed as Tata Power Jamshedpur Distribution Limited on 25th March, 2013.

The principal business of the Company is to carry on the business of distribution and retail supply of electricity in Jamshedpur Circle.

The Company has entered in to distribution franchisee agreement with Jharkhand State Electricity Board on December, 5 2012. The operations have yet to commence.

Its registered office is at Corporate Centre, A Block, 34, Sant Tukaram Road, Carnac Bunder, Mumbai-400009.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis for accounting and preparation of financial statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(b) Use of estimates:

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

(c) Cash flow statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before 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.

(d) Fixed Assets:

All fixed assets are stated at cost less depreciation. Cost comprises the purchase price and any other applicable costs and also includes borrowing costs as estimated to be attributable to the acquisition and construction of fixed assets upto the date the asset is ready for use.



(e) Depreciation:

Depreciation on all tangible fixed assets is provided on straight line basis at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

(f) Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

(g) Borrowing Cost:

Borrowing costs that are attributable to the acquisition, construction of qualifying assets are capitalized as part of the cost of such assets till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the Statement of Profit and Loss in the period in which they are incurred.

(h) Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity fund the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences when the absences occur

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

(i) Earnings Per Share:

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

(j) Taxes on Income

Current Taxes

Provision for Current tax is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred Taxes

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. 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 realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

(k) Provision and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. A contingent asset is neither recognized nor disclosed in the financial statements.



TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3 SHARE CAPITAL

| | As at March 31, 2016 | | As at March 31, 2015 | |
|---|-------------------------|-------------------|-------------------------|-------------------|
| | Numbers | Rupees | Numbers | Rupees |
| Authorized | | | | |
| Equity shares of Rs. 10/- each | 9,000,000 | 90,000,000 | 9,000,000 | 90,000,000 |
| | <u>9,000,000</u> | <u>90,000,000</u> | <u>9,000,000</u> | <u>90,000,000</u> |
| Issued, subscribed and fully paid-up | | | | |
| Equity shares of Rs. 10/- each | 8,050,000 | 80,500,000 | 50,000 | 500,000 |
| Total issued, subscribed and fully paid-up | <u>8,050,000</u> | <u>80,500,000</u> | <u>50,000</u> | <u>500,000</u> |

4 RESERVES AND SURPLUS

| | As at March 31, 2016 | As at March 31, 2015 |
|--|-------------------------|-------------------------|
| | Rupees | Rupees |
| (Deficit) in Statement of Profit and Loss | | |
| Opening Balance | | (90,168,236) |
| Loss for the year | | (4,600,524) |
| (Deficit) at the end of the year | | <u>(94,768,760)</u> |

5 LONG TERM PROVISIONS

| | As at March 31, 2016 | As at March 31, 2015 |
|---------------------------------|-------------------------|-------------------------|
| | Rupees | Rupees |
| Provision for employee benefits | | |
| (i) Compensated absences | 522,995 | 523,997 |
| (ii) Gratuity | 1,001,347 | 1,001,347 |
| | <u>1,524,342</u> | <u>1,525,344</u> |

6 SHORT TERM BORROWINGS

| | As at March 31, 2016 | As at March 31, 2015 |
|--|-------------------------|-------------------------|
| | Rupees | Rupees |
| Unsecured | | |
| Inter corporate deposit from Related party The Tata Power Company Limited - Holding Company | - | 79,200,000 |
| | <u>-</u> | <u>79,200,000</u> |

Note :

Inter corporate deposit received from The Tata Power Company Limited is repayable on call.



7 TRADE PAYABLES

- (i) Creditors for Supply and Services
- (ii) Creditors for Accrued Wages and Salaries

| As at March 31, 2016 Rupees | As at March 31, 2015 Rupees |
|-----------------------------------|-----------------------------------|
| 13,833,046 | 12,627,339 |
| (79,049) | 19,198 |
| 13,753,997 | 12,646,537 |

8 OTHER CURRENT LIABILITIES

- (i) Interest accrued but not due on borrowings
- (ii) Other payables
Statutory liabilities

| As at March 31, 2016 Rupees | As at March 31, 2015 Rupees |
|-----------------------------------|-----------------------------------|
| 12,414,514 | 10,153,969 |
| 483,825 | 242,685 |
| 12,898,340 | 10,396,654 |

9 SHORT TERM PROVISIONS

- Provision for employee benefits
- (i) Compensated absences
- (ii) Gratuity

| As at March 31, 2016 Rupees | As at March 31, 2015 Rupees |
|-----------------------------------|-----------------------------------|
| 1,740,291 | 1,740,291 |
| 16,192 | 26,435 |
| 1,756,482 | 1,766,726 |

TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

10 FIXED ASSETS

| Description | GROSS BLOCK (at cost) | | | | DEPRECIATION | | | NET B |
|--------------------------|-----------------------|---------------------------|----------------------------|----------------------|---------------------|---------------------------|----------------------------|----------------------|
| | As at April 1, 2015 | Additions during the year | Deductions during the year | As at March 31, 2016 | As at April 1, 2015 | Additions during the year | Deductions during the year | As at March 31, 2016 |
| Tangible assets- Own use | | | | | | | | |
| Plant and equipment | 1,742,347 | - | - | 1,742,347 | 678,256 | 586,288 | - | 1,264,544 |
| Furniture & fixtures | 1,151,028 | - | - | 1,151,028 | 121,311 | 109,960 | - | 231,271 |
| Office equipment | 146,611 | - | - | 146,611 | 34,208 | 29,820 | - | 64,028 |
| Total | 3,039,986 | - | - | 3,039,986.0 | 833,775 | 726,068 | - | 1,559,843 |
| Previous Year | 2,195,177 | 844,809 | - | 3,039,986 | 108,700 | 725,075 | - | 833,775 |
| | | | | | | | | 1,480,143 |
| | | | | | | | | 2,206,211 |

TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

11 LONG TERM LOANS AND ADVANCES

| | As at March 31, 2016 Rupees | As at March 31, 2015 Rupees |
|---|-----------------------------------|-----------------------------------|
| Unsecured, considered good | | |
| Security deposits | | |
| Advance income tax (net of provisions Nil (As at 31 March, 2014 Nil)) | 487,940 | 487,940 |
| | 487,940 | 487,940 |

12 CASH AND BANK BALANCES

| | As at March 31, 2016 Rupees | As at March 31, 2015 Rupees |
|--|-----------------------------------|-----------------------------------|
| (a) Cash on hand | 4,892 | 4,892 |
| (b) Balance with banks | | |
| (i) in current accounts | 275,697 | 954,272 |
| (ii) in deposit accounts - original maturity of 3 months or less | - | - |
| | 280,589 | 959,164 |
| Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statement | 280,589 | 959,164 |

13 SHORT TERM LOANS AND ADVANCES

| | As at March 31, 2016 Rupees | As at March 31, 2015 Rupees |
|-----------------------------------|-----------------------------------|-----------------------------------|
| Unsecured, considered good | | |
| Security deposits | 50,000 | 50,000 |
| Others | 50,200 | 52,200 |
| | 100,200 | 102,200 |

14 OTHER CURRENT ASSETS

| | As at March 31, 2016 Rupees | As at March 31, 2015 Rupees |
|---|-----------------------------------|-----------------------------------|
| Interest accrued but not due on Fixed Deposit with Bank | | |
| Contractually reimbursable expenses from Tata Power Company - Holding Company | 1,580,508 | 1,580,508 |
| | 1,580,508 | 1,580,508 |



TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

15 OTHER INCOME

| | For the period ended March 31, 2016 | For the period ended March 31, 2015 |
|--------------------------|--|--|
| | Rupees | Rupees |
| Interest income | | |
| Interest on bank deposit | - | 65,629 |
| Miscellaneous income | - | - |
| | <u>-</u> | <u>65,629</u> |

16 EMPLOYEE BENEFITS EXPENSE

| | For the period ended March 31, 2016 | For the period ended March 31, 2015 |
|---|--|--|
| | Rupees | Rupees |
| (a) Salary and wages | 247,541 | 5,423,157 |
| (b) Contribution to provident fund and super annuation fund | 13,314 | 528,725 |
| (c) Gratuity | 1,277 | - |
| (d) Compensated absences | - | - |
| (e) Staff welfare expenses | - | - |
| | <u>262,132</u> | <u>5,951,882</u> |

17 FINANCE COSTS

| | For the period ended March 31, 2016 | For the period ended March 31, 2015 |
|----------------------------|--|--|
| | Rupees | Rupees |
| Interest expenses | | |
| On Inter corporate deposit | 2,511,717 | 7,298,149 |
| | <u>2,511,717</u> | <u>7,298,149</u> |

18 OTHER EXPENSES

| | For the period ended March 31, 2016 | For the period ended March 31, 2015 |
|--|--|--|
| | Rupees | Rupees |
| (a) Rent | 51,975 | 1,189,991 |
| (b) Cost of services | - | 3,105,884 |
| (c) Consultancy fees | 65,900 | 919,721 |
| (d) Legal Fees | - | - |
| (e) Guest house expenses | - | 207,694 |
| (f) Travelling expenses | 17,173 | 504,673 |
| (g) Administration Expenses | 847,736 | 394,860 |
| (h) Inspection Charges | 11 | 56,686 |
| (i) Payments to auditors (including service tax) | | |
| (i) As auditors - statutory audit | 57,250 | 56,180 |
| (ii) For other services | - | - |
| (k) Miscellaneous expenses | 60,562.00 | 268,874 |
| | <u>1,100,607</u> | <u>6,704,563</u> |



TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 19 Additional information

19.1 Contingent liabilities and commitments (to the extent not provided for)

| | As at March 31, 2016 Rupees | As at March 31, 2015 Rupees |
|--|-----------------------------------|-----------------------------------|
| (a) Contingent liabilities | | |
| Claims against the company not acknowledged as debts | Nil | Nil |
| (b) Commitments | | |
| Other commitments | Nil | Nil |



TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 19 (contd)

19.2 SEGMENT DISCLOSURES

As the Company has not commenced commercial operations, Accounting Standard 17 on "Segment Reporting" is not applicable for the current period.

19.3 RELATED PARTY DISCLOSURE

Disclosure as required by Accounting Standard 18 (AS-18) "Related Party Disclosures" are as follows:

(a) Names of the related parties and description of relationship:

(i) Name of the Holding Company:

| Name of the related party | Nature of relationship | Country of origin |
|--------------------------------|------------------------|-------------------|
| The Tata Power Company Limited | Holding Company | India |

(ii) Other related party (where transactions exist):

| Name of the related party | Nature of relationship | Country of origin |
|------------------------------------|------------------------|-------------------|
| Tata Power Delhi Distribution Ltd. | Fellow Subsidiary | India |

(b) Details of Transactions:

| | The Tata Power Company Limited Rupees | Tata Power Delhi Distribution Ltd. Rupees |
|---|--|--|
| Receiving of services | 794,409 | 2,043,080 |
| Receiving of Capital goods | - | - |
| Rendering of services | 4,218,447 | - |
| Inter corporate deposit received | 4,200,000 | - |
| Inter corporate deposit converted into Equity | 80,000,000 | - |
| Interest expenses on Inter corporate deposit | 2,511,717 7,298,149 | - |
| Payable relating to Inter corporate deposit at the period/year end including interest | 12,414,514 89,353,969 | - |
| Other payables at the period/year end | 12,492,110 12,650,600 | 4,326,984 |
| Other receivables at the year end | 1,580,508 | - |

Note: Previous year's / period figures are in italics

TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 19 (contd.)

19.4 EARNINGS PER SHARE (EPS)

| | For the period ended March 31, 2016 | For the period ended March 31, 2015 |
|---|--|--|
| Loss attributable to equity shareholders (Rupees)- (A) | (4,600,524) | (20,614,040) |
| The weighted average number of equity shares for the period (Nos.)- (B) | 8,050,000 | 50,000 |
| The nominal value per equity shares (Rupees) | 10 | 10 |
| Basic earnings per share= (A)/(B) | (0.57) | (412.28) |

19.5 The company was incorporated on 6th November, 2012. The Company had entered in to distribution franchisee agreement with Jharkhand State Electricity Board on December, 5 2012. The operations have yet to commence however, the company has been informed in July 2014, that the Government recommended for cancellation of DFA on the grounds of irregularity in the process, against which the High Court of Jharkhand has issued an interim order asking JBVNL NOT to cancel the agreement on the basis of this recommendation. Case is pending with High Court.

The Company has incurred a loss of Rs. 1,81,04,551/- during the period ended 30th September, 2014 and as of that date the accumulated losses amounting to Rs. 8,76,58,746/- has fully eroded the net-worth of the Company. In view of the management and supported by legal opinion that the said order can be successfully contested and the support of the holding company, the financial statements of the company have been prepared on a going concern basis.

19.6 Previous period's / year's figures have been regrouped/reclassified wherever necessary to correspond with the current period's / year's classification/disclosure.

J. Jaganmohanty