

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 AUDITOR'S REPORT

**To The Members of Tata Power Jamshedpur Distribution Limited
Jojobera, Jamshedpur**

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, 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.

Auditor's 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.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on 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, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid 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, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the 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 its Ind AS financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company did not have any holdings or 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.
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.

For GOVIND AGARWALA & ASSOCIATES
Chartered Accountants
(Firm's Registration No. 001594C)


Govind Prasad Agarwala
Partner
Membership Number: 070743



JAMSHEDPUR, 23rd April, 2018



**GOVIND AGARWALA & ASSOCIATES
CHARTERED ACCOUNTANTS**

Room No. 204, 2nd Floor, Gajraj Mansion,
Bistupur, Jamshedpur-831001

Phone : 0657-6576121, 2321199 (O), 2225433 (R)

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 Ind AS financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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 March 31, 2018.

For GOVIND AGARWALA & ASSOCIATES

Chartered Accountants
(Firm's Registration No. 001694C)


Govind Prasad Agarwala
Partner

Membership Number 70743

JAMSHEDPUR, 23rd April, 2018



**GOVIND AGARWALA & ASSOCIATES
CHARTERED ACCOUNTANTS**

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

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)

Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of Tata Power Jamshedpur Distribution Limited ('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 (including fixed assets transferred to lease receivable).
- (b) The Company has a program of verification of fixed assets (including fixed assets given on Finance Lease) to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations 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 deeds / transfer deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land which are freehold, are held in the name of the Company as at the balance sheet date

In respect of immovable properties of land that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreements.

- (ii) 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.
- (iii) 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.
- (iv) The Company has not granted any loans, made investments or provided guarantees which are covered under section 185 and 186 of the Companies Act, 2013, and hence reporting under clause 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have unclaimed deposits as at 31st March, 2018 and



accordingly, provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act are not applicable to the Company.

- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income-tax, sales 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, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.
- (c) There are no dues of provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as on 31st March, 2018 on account of disputes.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- (x) 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.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.



- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of 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 Ind AS financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For GOVIND AGARWALA & ASSOCIATES
Chartered Accountants
(Firm's Registration No. 0016946)




Govind Prasad Agarwala
Partner

Membership Number: 070743

JAMSHEDPUR, 23rd April, 2018

TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
BALANCE SHEET as at 31st March 2018

	Notes	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
ASSETS			
1. NON-CURRENT ASSETS			
a. Property, plant and equipment	3	76,381	9,49,679
b. Capital work-in-progress	3	68,55,372	1,17,35,022
c. Non-current tax assets (net)	4	4,87,940	4,87,940
Total non-current assets		74,19,693	1,31,72,641
2. CURRENT ASSETS			
a. Financial assets			
i. Cash and cash equivalents	5	16,58,650	66,580
ii. Other financial assets	6	50,000	50,000
b. Other current assets	7	16,30,708	16,30,708
Total current assets		33,39,358	17,47,288
TOTAL ASSETS		1,07,59,051	1,49,19,929
EQUITY AND LIABILITIES			
1. EQUITY			
a. Equity share capital	8	8,05,00,000	8,05,00,000
b. Other equity	9	(9,54,59,449)	(9,53,28,660)
Equity attributable to owners of the Company		(1,49,59,449)	(1,48,28,660)
2. NON-CURRENT LIABILITIES			
a. Provisions	12	15,24,342	15,24,342
Total non-current liabilities		15,24,342	15,24,342
3. CURRENT LIABILITIES			
a. Financial liabilities			
i. Trade payables	10	98,00,408	1,37,27,997
ii. Short term borrowings	11	-	1,00,000
b. Provisions	12	17,56,483	17,56,483
c. Other current liabilities	13	1,26,37,267	1,26,39,767
Total current liabilities		2,41,94,158	2,82,24,247
Total liabilities		2,57,18,500	2,97,48,589
Total equity and liabilities		1,07,59,051	1,49,19,929

See accompanying notes financial statements

1- 23

In terms of our report attached

For GOVIND AGARWALA & ASSOCIATES
Chartered Accountants

Govind Prasad Agarwala
Membership No - 070743
(Partner)
Firm Regn No - 001694C
Place - Jamshedpur



For and on behalf of the Board of Directors,

Arup Ghosh
Arup Ghosh
Director - 06711047

Bhupinderjeet kaur
Bhupinderjeet kaur
Company Secretary
Place: Delhi
Date: 23rd April 2018

Puneet Munjal
Puneet Munjal
Director - 06710641

TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
PROFIT AND LOSS FOR THE PERIOD ENDED 31st March 2018

	Notes	For the period ended 31.03.2018 Rupees	For the period ended 31.03.2017 Rupees
1. Revenue from operations	14	7,12,420	-
2. Other income		-	-
3. Total income		7,12,420	-
4. Expenses			
a. Employee benefits expense	15	-	-
c. Finance costs	17	-	-
c. Depreciation and amortisation expense	3, 4 and 5	7,97,679	5,30,464
d. Administration and other expenses	16	45,530	29,437
5. Total expenses		8,43,209	5,59,901
6. Profit before tax		(1,30,789)	(5,59,901)
7. Tax expense:			
a. Current tax expenses		-	-
b. Taxation Excess Provision: Earlier Years		-	-
c. Net current tax expense		-	-
d. Deferred tax		-	-
8. Profit for the year		(1,30,789)	(5,59,901)
9. Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurement of Defined Benefit Plans		-	-
10. Total comprehensive income for the year ended attributable to			
-Owners of the company		(1,30,789)	(5,59,901)
-Non-controlling interests		-	-
		(1,30,789)	(5,59,901)
Earnings per equity share:			
(Face value Rs. 10 per share)			
- Basic and diluted (Rupees)	21	(0.02)	(0.07)

See accompanying notes to the financial statements 1-23

In terms of our report attached

For **GOVIND AGARWALA & ASSOCIATES**
Chartered Accountants

Govind Prasad Agarwala
Membership No - 070743
(Partner)
Firm Regn No - 001694C
Place - Jamshedpur



For and on behalf of the Board of Directors,

Arup Ghosh
Director - 06711047

Puneet Munjal
Director - 06710641

Bhupinderjeet kaur
Company Secretary
Place: Delhi
Date: 23rd April 2018

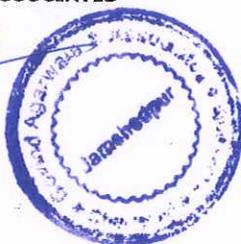
TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st March 2018

	For the period ended	
	31.03.2018	31.03.2017
	Rupees	Rupees
A. Cash flow from operating activities		
Net Profit before tax	(1,30,789)	(5,59,901)
<u>Adjustments for:</u>		
Depreciation and amortisation expense	7,97,679	5,30,464
Profit on sale of assets	(7,12,420)	-
Finance cost	-	-
Operating profit before working capital changes	(45,530)	(29,437)
<u>Changes in working capital:</u>		
Adjustments for decrease in operating assets:		
Other current assets	-	-
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	(39,27,589)	(26,000)
Other current liabilities	(2,500)	(2,58,572)
Provisions-Short term	-	-
Provisions-Long term	-	-
Cash generated from operations	(39,75,619)	(3,14,009)
Income tax paid	-	-
NET CASH FROM OPERATING ACTIVITIES	A (39,75,619)	(3,14,009)
B. Cash flow from investing activities		
Proceeds from sale of assets	56,67,689	-
NET CASH USED IN INVESTING ACTIVITIES	B 56,67,689	-
C. Cash flow from financing activities		
Interest paid	-	-
Proceeds from issue of Equity shares	-	-
Inter corporate deposit received	(1,00,000)	1,00,000
NET CASH USED IN FINANCING ACTIVITIES	C (1,00,000)	1,00,000
Net Decrease in Cash and cash equivalents	(A+B+C) 15,92,070	(2,14,009)
Cash and cash equivalents at the beginning of the year (See note 5)	66,580	2,80,589
Cash and cash equivalents at the end of the year	16,58,650	66,580

In terms of our report attached

For GOVIND AGARWALA & ASSOCIATES
Chartered Accountants

Govind Prasad Agarwala
Membership No - 070743
(Partner)
Firm Regn No - 001694C
Place - Jamshedpur



For and on behalf of the Board of Directors,

Arup Ghosh
Director - 06711047

Puneet Munjal
Director - 06710641

Bhupinderjeet kaur
Company Secretary
Place: Delhi
Date: 23rd April 2018

TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
Notes forming part of the financial statements

1 Corporate information

Tata Power Jamshedpur Distribution Limited is a wholly owned subsidiary of The Tata Power Company Limited (TPCL). The principal business of the company is to carry on the business of distribution and retail supply of electricity in Jamshedpur Circle.

2 Significant accounting policies

2.1 Statement of Compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards ("IND AS") prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Upto the year ended March 31, 2018, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. This is the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Refer note 28 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position and financial performance.

2.2 Basis of preparation:

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, as explained in the accounting policies below.

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 measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised 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

2.3 Use of estimates

The preparation of financial statements in conformity with the recognition and measurement principles of IND AS requires the management of the Company to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of property, plant and equipment, useful lives of property, plant and equipment, valuation of deferred tax assets and provisions and contingent liabilities.

2.4 Revenue Recognition

NA

2.5 Cost recognition:

NA



Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.14.1 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.15 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Cost includes the cost of replacing parts and borrowing cost for long term construction projects if the recognition criteria are met. When significant parts of the property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in profit or loss in the period of derecognition.

2.16 Financial instruments

Financial assets and financial liabilities are recognised when an entity 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.

2.16.1 Financial Assets

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

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets 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.

Financial assets 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.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (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 debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for financial assets other than those financial assets classified as at fair value through profit or loss. Interest income is recognised in the Statement of profit and Loss and is included in the "Other income" line item.

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 of the asset to another party.

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 is recognised in the Statement of Profit and Loss.



TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
Notes forming part of the financial statements

3 Property, plant and equipment

	Plant and equipment		Furniture and fixtures		Office equipment		Total		Capital work-in-progress	
	Rupees		Rupees		Rupees		Rupees		Rupees	
Gross Carrying Amount										
Balance at 31.03.2016	17,42,347		11,51,028		1,46,611		30,39,986		1,17,35,022	
Additions	-		-		-		-		-	
Disposals	-		-		-		-		-	1
Balance at 31.03.2017	17,42,347		11,51,028		1,46,611		30,39,986		1,17,35,021	
Additions	-		-		-		-		-	
Disposals	15,12,397		-		-		15,12,397		48,79,649	
Balance at 31.03.2018	2,29,950		11,51,028		1,46,611		15,27,589		68,55,372	
Accumulated depreciation										
Balance at 31.03.2016	16,55,230		3,41,230		93,847		20,90,307		-	
Depreciation expense	-		-		-		-		-	
Elimination on disposals of assets	-		-		-		-		-	
Balance at 31.03.2017	16,55,230		3,41,230		93,847		20,90,307		-	
Depreciation expense	-		7,52,246		45,433		7,97,679		-	
Elimination on disposals of assets	14,36,778		-		-		14,36,778		-	
Balance at 31.03.2018	2,18,452		10,93,476		1,39,280		14,51,208		-	
Net Carrying Amount										
Balance at 31.03.2016	87,117		8,09,798		52,764		9,49,679		1,17,35,022	
Balance at 31.03.2017	87,117		8,09,798		52,764		9,49,679		1,17,35,021	
Balance at 31.03.2018	11,498		57,552		7,331		76,381		68,55,372	



TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
Notes forming part of the financial statements

	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
4 Non-current tax assets		
a. Advance Income-tax (Net)	4,87,940	4,87,940
	4,87,940	4,87,940
5 Cash and cash equivalents		
Cash and cash equivalents		
a. Balance with banks - in current accounts	16,53,758	61,688
b. Cash in hand	4,892	4,892
Cash and Cash Equivalents	16,58,650	66,580
6 Other financial assets - considered good for recovery		
Current		
Security deposits	50,000	50,000
	50,000	50,000
7 Other current assets		
a. Contractually reimbursable expenses from Tata Power	15,80,508	15,80,508
d. Others	50,200	50,200
	16,30,708	16,30,708



TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
Notes forming part of the financial statements

	As at 31.03.2018		As at 31.03.2017	
	Number of shares	Amount	Number of shares	Amount
8 Equity share capital				
(a) Authorised share capital				
Equity shares of Rs. 10 each with voting rights	90,00,000	9,00,00,000	90,00,000	9,00,00,000
(b) Issued, Subscribed and fully paid up share capital				
Equity shares of Rs. 10 each with voting rights	80,50,000	8,05,00,000	80,50,000	8,05,00,000
	80,50,000	8,05,00,000	80,50,000	8,05,00,000

See notes (i) to (v) below

- (i) The Company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
- (ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31.03.2018		As at 31.03.2017	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
The Tata Power Company Limited and individuals jointly	80,50,000	100	80,50,000	100
	80,50,000	100	80,50,000	100

- (iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening Balance	Movement	Closing Balance
Equity shares with voting rights			
As at 30.09.2017			
- Number of shares	80,50,000	-	80,50,000
As at 31.03.2017			
- Number of shares	80,50,000		80,50,000

- (iv) Details of shares held by The Tata Power Company Limited, the holding Company

Particulars	Aggregate number of shares	
	As at 31.03.2018	As at 31.03.2017
Fully paid up equity shares with voting rights		
The Tata Power Company Limited and individuals jointly	80,50,000	80,50,000

- (v) Aggregate number of shares bought back for the period of 5 years immediately preceding the Balance Sheet Date

Particulars	Aggregate number of shares	
	As at 31.03.2018	As at 31.03.2017
Equity shares bought back by the Company in aggregate	Nil	Nil



TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
Notes forming part of the financial statements

	<u>As at 31.03.2018 Rupees</u>	<u>As at 31.03.2017 Rupees</u>
9 Other equity		
b. Retained earnings		
i. Opening balance	(9,53,28,660)	(9,47,68,759)
ii. Transferred from Other Comprehensive Income	-	-
iii. Add: Profit for the year	<u>(1,30,789)</u>	<u>(5,59,901)</u>
	<u>(9,54,59,449)</u>	<u>(9,53,28,660)</u>
	<u>(9,54,59,449)</u>	<u>(9,53,28,660)</u>



TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
Notes forming part of the financial statements

	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees
10 Trade payables		
Trade Payables		
(a) total outstanding dues of creditors other than micro enterprises and small enterprises	98,79,457	1,38,07,046
(b) Creditors for Accrued Wages and Salaries	(79,049)	(79,049)
	98,00,408	1,37,27,997
11 Short term borrowings		
Inter corporate deposit from Related party The Tata Power Company Limited -Holding Company	-	1,00,000
	-	1,00,000
12 Provisions		
i. Non-current		
Provision for employee benefits		
- Compensated absences	5,22,995	5,22,995
- Gratuity	10,01,347	10,01,347
	15,24,342	15,24,342
ii. Current		
Provision for employee benefits		
- Compensated absences	17,40,291	17,40,291
- Gratuity	16,192	16,192
	17,56,483	17,56,483
Total	32,80,825	32,80,825
13 Other liabilities		
Other current liabilities		
Interest accrued but not due on borrowings	1,24,14,514	1,24,14,514
Statutory dues	2,22,753	2,25,253
	1,26,37,267	1,26,39,767
Total	1,26,37,267	1,26,39,767



TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED

	For the period ended 31.03.2018	For the period ended 31.03.2017
	Rupees	Rupees
14 a. Revenue from Operations		
Sale of services		
Sale of Power		
	-	-
b. Other Operating Revenue		
Profit on sale of Fixed assets	7,12,420.00	
	7,12,420.00	-
Total Revenue from Operations	7,12,420.00	-

Note:

Sale of services comprises:

- (i) Storage
- (ii) Other Terminalling Income
- (iii) Fly Ash Management fees
- (iv) Fly Ash Management - Business Auxiliary
- (iv) Deputation Charges
- (v) License fees and allied charges

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TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
Notes forming part of the financial statements

	For the period ended 31.03.2018 Rupees	For the period ended 31.03.2017 Rupees
15 Employee benefits expense		
a. Salaries and wages	-	-
b. Contribution to provident and other funds	-	-
c. Retiring gratuities	-	-
d. Staff welfare expenses	-	-
	<u>-</u>	<u>-</u>
16 Administration and other expenses		
a. Rent	-	-
b. Cost of services	16,030	-
c. Consultancy fees	-	-
d. Legal Fees	-	-
e. Guest house expenses	-	-
f. Travelling expenses	-	-
g. Administration Expenses	-	-
h. Inspection Charges	-	-
i. Payments to auditors (including service tax)		
(i) As auditors - statutory audit	29,500	28,750
(ii) For other services	-	-
k. Miscellaneous expenses		687
	<u>45,530</u>	<u>29,437</u>
17 Finance costs		
Interest expenses		
On Inter corporate deposit	-	-
	<u>-</u>	<u>-</u>



TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED**Notes forming part of the financial statements**

18 As the Company has not commenced commercial operations, IND AS 108 on "Operating Segments" is not applicable for the reporting years.

19 Related party transactions:

The Company's material related party transactions and outstanding balances are with its Holding Company with whom the Company routinely enters into transactions in the ordinary course of business.

19.1a Details of related parties

Description of relationship
Holding Company

Names of related parties
The Tata Power Company Limited

Related party disclosures where transactions have taken place

Fellow Subsidiary

Tata Power Delhi Distribution Limited

Note: Related parties have been identified by the Management

19.1b Details of related party transactions during period ended 31st March, 2018 and balances outstanding as

	Holding Company	Fellow Subsidiary (Tata Power Delhi Distribution Limited)
Transactions during the period:		
Advance receipt against sale of assets	5,951,073	-
Sale of assets	5,979,412	-
Rendering of services	-	-
Inter corporate deposit received	(100,000)	100,000
Interest expenses on Intercompany deposit received	-	2,511,717
Payables related to Inter corporate deposit at the period/year end including interest	12,414,514	12,414,514
Other payables at the period /year end	8,642,820	12,466,110
Other receivables at the year end	-	-
Equity received	-	-

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

19.1c The sale of assets was done at a fair value as determined by a third party valuer. The transaction has been done at arms length.



TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
Notes forming part of the financial statements

	<u>As at</u> 31.03.2018 <u>Rupees</u>	<u>As at</u> 31.03.2017 <u>Rupees</u>
20 Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent liabilities Claims against the company not acknowledged as debts	NIL	NIL
(ii) Commitments Other Commitments	NIL	NIL



TATA POWER JAMSHEDPUR DISTRIBUTION LIMITED
Notes forming part of the financial statements

21 Earnings per Share

		For the period ended 31.03.2018	For the period ended 31.03.2017
Net profit for the year attributable to equity shareholders (` in)	(A)	(1,30,789)	(5,59,901)
Weighted Average number of equity shares	(B)	80,50,000	80,50,000
Par value per share		10	10
Basic and Diluted Earnings Per Share	(A) / (B)	(0.02)	(0.07)

- 22 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.

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

