

JHAJJAR POWER LIMITED
CIN No.: U40104HR2008SGC037809

Board of Directors:

1. Mr. Rajiv Mishra (DIN: 00131207) – Managing Director
2. Mr. Samir Ashta (DIN: 01957618) – Director & CFO
3. Mr. Naveen Munjal (DIN: 00230313) – Director
4. Mr. Ian Tuft (DIN: 06899871) – Director
5. Mr. Mohammed Shahid Aftab (DIN: 01363518) – Independent Director
6. Ms. Nishita Bakshi (DIN: 07238597) – Independent Director

Auditors:

M/s. BSR & Co. LLP,
Chartered Accountants
(ICAI Firm Registration No. 101248W/W-100022)

Registered office:

Village Khanpur, Tahsil Matenhail,
Jhajjar - 124142, Haryana

Corporate office:

7th Floor, Fulcrum, Sahar Road,
Andheri (East), Mumbai – 400 099, India

Bankers:

IDFC Bank Limited
State Bank of India
Bank of America
India Infrastructure Finance Company (UK) Limited
India Infrastructure Finance Company Limited
Aditya Birla Finance Limited
HSBC Bank (Mauritius) Limited
The Bank of Tokyo-Mitsubishi UFJ Limited
Standard Chartered Bank, UK
China Development Bank Corporation
The Export Import Bank of China
Deutsche Bank

JHAJJAR POWER LIMITED

Reg. Office: Village Khanpur, Tahsil Matenhail, District Jhajjar, Haryana – 124 142
CIN No.: U40104HR2008SGC037809 Telephone with STD – 01251 – 305000, Fax Number – 01251 – 305005, Email Address – jayant.patil@clpindia.in

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 10th Annual General Meeting of the Company will be held on Monday, 17 September 2018 at 3.00 p.m. at the Registered Office of the Company at Village Khanpur, Tahsil Matenhail, District Jhajjar, Haryana – 124 142 to transact following Business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements for the financial year ended 31 March 2018 and the Reports of the Directors and Auditors thereon.
2. Re-appointment of Mr. Ian Tuft as Director retiring by rotation.

To appoint a Director in place of Mr. Ian Tuft (DIN: 06899871), Director who retires by rotation and being eligible offers himself for re-appointment;

SPECIAL BUSINESS

3. To ratify the appointment of Cost Auditors and their remuneration for the financial year 2018-19:

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

“RESOLVED THAT in accordance with the provisions of section 148 of the Companies Act, 2013 Read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and The Companies (cost records and audit) Rules, 2014 and other applicable provisions, if any, the appointment of M/s Kiran J. Mehta & Co., Cost Accountants in practice, be and is hereby ratified for auditing the cost accounting records of the company for the financial year 2018-19 on a remuneration of INR 400,000/- per annum plus applicable tax and out of pocket expenses that may be incurred.

**BY ORDER OF THE BOARD OF DIRECTORS OF JHAJJAR
POWER LIMITED**

**MUMBAI
16 AUGUST 2018**



**SAMIR ASHTA
DIRECTOR
DIN: 01957618**



NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding 50 (Fifty) and holding in aggregate not more than 10 (Ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (Ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The instrument appointing proxy in order to be effective must be deposited at the Registered Office of the Company not less than 48 (Forty Eight) hours before commencement of this Annual General Meeting of the Company.
3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the aforesaid items of Ordinary / Special Business is enclosed herewith.
4. All documents specifically stated to be open for inspection in the Explanatory Statement, if any, are open for inspection at the Registered Office of the Company on all working days up to the date of this Annual General Meeting. Such documents shall also be available for inspection at the venue till the conclusion of this Annual General Meeting.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

The Board of Directors, on recommendation of the Audit committee has approved the appointment of M/s. Kiran J. Mehta & Co., Cost Accountants as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31 March 2019.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Board recommends remuneration of INR 400,000 for the financial year 2018-19.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

Registered Office:
Village Khanpur,
Tahsil Matenhail,
District Jhajjar,
Haryana – 124 142

**BY ORDER OF THE BOARD OF DIRECTORS OF
JHAJJAR POWER LIMITED**

Samir Ashta

ms
**SAMIR ASHTA
DIRECTOR
DIN: 01957618**



**DATE: 16 AUGUST 2018
PLACE: MUMBAI**

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 10th Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report for the financial year ended 31 March 2018.

1. FINANCIAL HIGHLIGHTS

Particulars	(Amount in INR Million)	
	Standalone	
	2017-18	2016-17
Gross Income	30,851	17,987
Profit Before Interest and Depreciation	7,262	6,604
Finance Charges	2,952	3,249
Profit Before Depreciation and Tax	4,309	3,555
Provision for Depreciation	2,504	2,584
Net Profit Before Tax	1,805	772
Provision for Tax [including deferred tax (expense)/ saving]	(404)	1,390
Net Profit After Tax	1,401	2,162
Other Comprehensive Income (net of tax)	105	(70)
Total Comprehensive Income (A)	1,506	2,092
Balance of Profit/(loss) brought forward (B)	(7,464)	(9,262)
Balance available for appropriation (A+B)	(5,958)	(7,170)
Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Transfer to General Reserve	-	-
Transfer to debenture redemption reserve ('C)	(294)	(294)
Retained Earnings+ Other Reserve (A+B+C)	(6,252)	(7,464)

2. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

During the year company has achieved commercial availability of 81% (previous year 92%) and PLF of 63% (previous year 25%).

3. APPROPRIATIONS

- a) **Transfer to reserves:** During the financial year under review, the Company was not required to transfer any amount to any reserves except to Debenture Redemption Reserve amounting to INR 293.50 Million.
- b) **Dividend:** In view of the losses incurred by the Company during the previous years, the Board of Directors expresses its inability to recommend any dividend for the financial year under review.

4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

5. CHANGES DURING THE YEAR UNDER REVIEW AND OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

- a) **Nature of Business** - During the financial year under review, there was no change in the nature of business of the Company.
- b) **Capital** – During the financial year under review, there was no change in the Authorised and Paid up Share Capital of the Company
- c) **Others** - No material changes and commitments affecting the financial position of the Company occurred after the end of the financial year 2017-18. The company is in dispute with off takers in relation to commercial operation date, coal transit loss and unscheduled charges. The matter has been decided in favor of the company by CERC vide order dated January 25, 2016 and April 18, 2016. The Haryana Discom & Tata Power Trading Company Limited has appealed to the Appellate Tribunal for Electricity ('APTEL') against the said CERC orders. Accordingly, no adjustment has been made in the books of accounts till the case is finally decided.

6. CORPORATE GOVERNANCE

a) Extract of Annual Return

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith for your kind perusal and information. **(Annexure – 1)**

b) Meetings of the Board of Directors

During the financial year under review, the Board of Directors met 5 (five) times on 4 May 2017, 18 May 2017, 11 August 2017, 9 November 2017 and 23 February 2018. The names of Directors and their attendance record during the financial year under review are noted below:

Name of Director	Number of Meetings which Director was entitled to attend	No. of Board meetings attended
Mr. Rajiv Mishra	5	4
Mr. Samir Ashta	5	5
Mr. Ian Tuft	5	2
Ms. Naveen Munjal	5	5
Mr. Mohammed Shahid Aftab	5	5
Ms. Nishita Bakshi	5	5

c) Compliance Officer

The Board had appointed Mr. Mitesh Trivedi as Compliance Officer of the Company from 9 April 2015.

d) Details of adequacy of Internal Financial Controls

The internal control systems of the company are adequate and well-established which enables the company to maintain adequate control on its performance.

e) Significant and material orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

f) Subsidiaries and Joint Venture

The Company does not have any subsidiaries, joint ventures or associate companies.

g) Vigil Mechanism

As per Section 177(9) and (10) of the Companies Act, 2013, the company has established Vigil Mechanism for directors and employees to report genuine concerns and has made provisions for direct access to the chairperson of the Audit Committee. The Company has formulated the present policy for establishing the Vigil Mechanism/ Whistle Blower Policy to safeguard the interest of its stakeholders, Directors and employees to freely communicate to the company their genuine concerns in relation to any illegal or unethical practices being carried out in the company.

7. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company to the best of their knowledge and ability confirm that-

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had 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 that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and

- (e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

8. **AUDITORS AND AUDITORS' OBSERVATION**

a) **AUDITORS**

I. Statutory Auditors:

M/s. BSR & Co. LLP, Chartered Accountants (FRN 101248W/W-100022) have been appointed as the Statutory Auditors of the Company to hold office from the conclusion of the Ninth Annual General Meeting till the conclusion of the Fourteenth annual general meeting of the company to be held in the year 2022, i.e. for a period of 5 (Five) years. A provision for ratification of Statutory Auditors at every annual general meeting is omitted by the Companies (Amendment) Act, 2017 with effect from 7th May 2018. Accordingly, ratification of appointment of M/s. BSR & Co. LLP as the Statutory Auditors of the Company is not required.

II. Secretarial Auditor:

As required under Section 204 of the Companies Act, 2013 and rules thereunder, the Board has appointed M/s Nilesh Shah & Associates, Practicing Company Secretaries, as secretarial auditor of the Company for the financial year ending 31 March 2019.

III. Cost Auditor:

As per section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. In this connection, the Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of M/s. Kiran J. Mehta & Co. as the Cost Auditors of the Company for the year ending 31 March 2019 at a remuneration of INR 400,000 plus out of pocket expenses, which shall be subject to ratification / approval by the shareholders at the ensuing Annual General Meeting.

M/s. Kiran J. Mehta & Co. has vast experience in the field of cost audit and has conducted the audit of the cost records of the Company for the past several years.

IV. Internal Auditor:

As required under Section 138 of the Companies Act, 2013 and Rule 13 of the Companies (Accounts) Rules, 2014, the Board has appointed Mr. Surender Nagarajan, who is an employee of a group company and is a 'Chartered Accountant', as the internal auditor of the Company.

b) Audit Reports:

- The Auditors' report for financial year ended 31 March 2018 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed herewith as **Annexure – 2**.
- The Secretarial Auditors' Report for the financial year ended 31 March 2018 does not contain any qualification, reservation or adverse remark. The Secretarial Auditors' Report is enclosed as **Annexure – 3**.
- The Cost Auditors' Report for the financial year ended 31 March 2018 does not contain any qualification, reservation or adverse remark. The Cost Auditors' Report is enclosed as **Annexure – 4**.

In terms of the Companies (Cost Accounting Records and Compliance) Rules, 2011, the due date for filing the Cost Audit report of the Company for the financial year ended 31 March 2017 was 30 September 2017 and the Cost Audit Report was filed in XBRL mode on 6 September 2017.

9. LOANS, GUARANTEES AND INVESTMENTS

- a) The Company is engaged in the business of providing infrastructural facilities as defined in Schedule VI of the Companies Act, 2013 and therefore, Section 186 of Companies Act, 2013 is not applicable to the Company.

b) Loan Repayment

The loans repaid during the year by your Company to the banks and financial institutions are as under:

Bank	Opening Balance as on 01/04/2017	Loans Availed During the Year	Loan repaid during the year ended 31/03/2018	Restatement impact of Foreign Currency Loan	Loans outstanding as on 31/03/2018
IDBI	3,379	-	(3,379)	-	-
ADITYA BIRLA FINANCE LTD	-	2,934	(256)	-	2,678
ADITYA BIRLA SUN LIFE INSURANCE CO. LTD.	-	350	(30)	-	320
IDFC	779	-	(88)	-	691
IIFCL INR	2,956	-	(438)	-	2,518
SERIES I – 9.99% BONDS	2,380	-	-	-	2,380
SERIES II – 9.99% BONDS	2,380	-	-	-	2,380
SERIES I - 9.91% BONDS	900	-	-	-	900
SERIES II - 9.91% BONDS	1,300	-	-	-	1,300
SERIES I – 8.70% BONDS	1,800	-	-	-	1,800
SERIES II – 8.70% BONDS	900	-	-	-	900
CHINA DEVELOPMENT BANK	2,375	-	(595)	4	1,784
IIFCL USD LOAN	6,363	-	(366)	12	6,009
SCB (UK)	950	-	(237)	1	714

CHINA EXIM	2,090	-	(523)	3	1,570
THE BANK OF TOKYO MI	475	-	(119)	0.7	357
HSBC BANK (MAUR) LTD	950	-	(237)	1	714
SCB (REFINANCE)	3,085	-	(242)	6	2,849
Total	33,060	3,284	(6,510)	28	29,864

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

a) Conservation of Energy and Technology absorption

Annexure – 5

b) Foreign exchange Earnings and Outgo

Earnings	Nil
Outgo	INR 25 Million

11. PARTICULARS OF CONTRACTS / ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts / arrangements with related parties referred to in Section 188(1) entered into during the financial year under review as required to be given in Form AOC-2, have been provided in an Annexure which forms part of the Directors' Report.

12. RISK MANAGEMENT

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan. The risks are classified as financial risks, operational risks and market risks. The risks are taken into account while preparing the annual business plan for the year. The Board is also periodically informed of the business risks and the actions taken to manage them. The Company has formulated a policy for Risk management.

13. DIRECTORS and KEY MANAGERIAL PERSONNEL ("KMPs")

a) During the financial year under review, there is no change in the constitution of directors and KMPs of the company.

Mr. Ian Tuft (DIN: 06899871), the Director retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

b) Independent Directors and Declaration:

Mr. Mohammed Shahid Aftab and Ms. Nishita Bakshi have been appointed as the independent directors ("INDs") of the company as per Section 149(10) of the Companies Act, 2013 on 22 July 2015 for a term of 3 consecutive years on the Board of the Company. Appointment period of INDs has been completed in July 2018 and they have been re-appointed with effect from 1st

August 2018 for a period of two years and shall not be liable to retire by rotation. All other Directors, will retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-election.

The Board of Directors of the Company hereby confirm that all the Independent directors duly appointed by the Company have given the declaration of independence and they meet this criteria of independence as provided under section 149(6) of the Companies Act, 2013.

14. PARTICULARS OF EMPLOYEES / DIRECTORS

a) **Statement showing details of employees drawing remuneration exceeding the limits specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014** – The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is annexed herewith as **Annexure – 7**.

b) **Disclosures pertaining to remuneration of directors as required under Schedule V to the Companies Act, 2013** –

Name of the Director	Salary (Rs.)	Retirement benefits (Rs.)	Gratuity (Rs.)	Bonus / Commission / Stock options	Total (Rs.)	Service Contract	Notice Period
The Company does not fall under (Section II) (Part II) of Schedule V of the Companies Act, 2013.							

c) **Details of Employees Stock Option Plans (ESOPs) in terms of Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014** - The Company has not issued any ESOPs.

15. BOARD COMMITTEES

Currently, the Board has 4 Committees:

1. Audit committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee
4. Project Committee

Sr. No.	Name	Board	Audit Committee	Corporate Social Responsibility Committee	Nomination and Remuneration Committee
1	Mr. Rajiv Mishra	✓		✓	
2	Mr. Samir Ashta	✓		✓	
3	Mr. Naveen Munjal	✓	✓	✓	
4	Mr. Ian Tuft	✓			✓
5	Mr. Mohammed Shahid Aftab	✓	✓	✓	✓
6	Mr. Nishita Bakshi	✓	✓	✓	✓

16. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135(5) of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and schedule VII of the Companies Act, 2013, the company has a duly constituted CSR Committee. The committee has decided the activities to be undertaken by the company and the expenditure to be incurred on the same and recommended the same to the board as per CSR policy. Annual Report on CSR activities is enclosed herewith as **Annexure – 6**.

17. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (Prevention, Prohibition and Redressal) Act, 2013:

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line in line with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the rules thereunder.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the Financial Year 2017-18, the Company has not received any complaint of sexual harassment.

18. OTHER DISCLOSURES

- a) **Details of Deposits in terms of Rule 8(5) of the Companies (Accounts) Rules, 2014** - During the financial year under review, the Company did not accept any deposits falling within the purview of Section 73 of the Companies Act, 2013.
- b) **Details of equity shares with differential voting rights in terms of Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014** - During the financial year under review, the Company has not issued equity shares with differential voting rights as to dividend, voting or otherwise.
- c) **Details of Sweat equity shares in terms of Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014** - During the financial year under review, the Company has not issued any sweat equity shares.
- d) **Detailed reasons for revision of financial statements and report of the Board in terms of Section 131(1) of the Companies Act, 2013** - The Company was not required to revise its financial statements or report of the Board during the financial year under review.
- e) **Details of payment of commission from subsidiaries in terms of Section 197(14) of the Companies Act, 2013** - The Company does not have subsidiaries.
- f) **Disclosures pertaining to compliance with Secretarial Standards** - During the year under review, the Company has complied with applicable Secretarial Standards.

19. ACKNOWLEDGEMENT

The Directors place on record their appreciation for the contribution made by the employees of the company to enable the company in achieving its goals during the year.

The Directors also take this opportunity to place on record the valuable cooperation and continued support extended by shareholders, banks and financial institutions, business associates, suppliers and other stakeholders.

**FOR & ON BEHALF OF THE BOARD OF
DIRECTORS OF JHAJJAR POWER LIMITED**



**RAJIV MISHRA
MANAGING DIRECTOR
DIN: 00131207**



**SAMIR ASHTA
DIRECTOR
DIN: 01957618**

**DATE: 16 AUGUST 2018
PLACE: MUMBAI**

ANNEXURE TO DIRECTORS' REPORT

Form No. AOC-2

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

Disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

I. Details of contracts or arrangement or transactions not at arm's length basis: **None**

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

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

S. N.	Particulars		
a)	Name(s) of the related party and nature of relationship	CLP Business Management and Support Limited ("CLPBMSL")/ Subsidiary	CLP India Private Limited, CLP Power India Private Limited, CLP Wind Farms (India) Private Limited, CLP Wind Farms (Khandke) Private Limited, CLP Wind Farms (Theni – Project II) Private Limited, CLP Wind Farms (Theni – Project III) Private Limited, CLP Wind Farms (Theni – Project IV) Private Limited, Fellow Subsidiary companies
b)	Nature of contracts / arrangements / transactions	Information Technology Support Agreement	Cost Sharing Agreement



c)	Duration of the contracts / arrangements / transactions	3 years	No specific period
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	CLPBMSL agrees to provide the Company with IT support as and when required and amount spent during the year under review is INR 31.59 Million	Agreement for allocation of common expenses and salaries of certain employees and amount involved during the year is **INR 147.30 Million
e)	Date(s) of approval by the Board / shareholders, if any:	#Not Applicable	Not Applicable
f)	Amount paid as advances, if any:	#Not Applicable	Not Applicable


* In absence of clarity on "materiality" threshold, and as a matter of good corporate governance, the materiality threshold has been taken as 10% of the total annual turnover or 10% of the total assets as per the audited financial statements for the year under review, subject to a minimum amount of INR 10,000,000/-, which criteria and amount may be reviewed from time to time.

**Includes INR 48.23 Million towards reimbursement of salary of key management personnel in accordance with cost sharing agreement with CLP India Private Limited.

#The Company has entered in to these transactions under the agreements and board approval is not required for these transactions.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF JHAJJAR POWER LIMITED

Rajiv Mishra
Samir Ashta


RAJIV MISHRA
MANAGING DIRECTOR
DIN: 00131207


SAMIR ASHTA
DIRECTOR
DIN: 01957618

DATE: 16 AUGUST 2018
 PLACE: MUMBAI

Annexure – 1

FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31 March 2018

[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:

1.	CIN	U40104HR2008SGC037809
2.	Registration Date	9 th April 2008
3.	Name of the Company	JHAJJAR POWER LIMITED
4.	Category/Sub-category of the Company	Public Limited Company
5.	Address of the Registered office & contact details	Village Khanpur, Tahsil Matenhail, Jhajjar - 124142, Haryana, Telephone with STD – 01251 – 305000, Fax Number – 01251 – 305005, Email Address – jayant.patil@clpindia.in
6.	Whether listed company (Yes / No)	Yes, listed under debt listing agreement
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Mr. S P Venugopal, General Manager - Corporate Registry - Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032. Telephone Number – 040 - 6716 2222 email : einward.ris@karvy.com

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:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Electric power generation by coal based thermal power plants	35102	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN	HOLDING	% of shares held	Applicable Section
1	CLP INDIA PRIVATE LIMITED	U40100GJ1992PTC0182	Ultimate Holding	100% of Compulsory	Section 2(87)(i) of the

	Address: 6th Floor, "Chanakya", Off Ashram Road, Ahmedabad - 380009, Gujarat	84	Company	Convertible Preference Shares Holding 100% Equity Shares of CLP Power India Private Limited	Companies Act, 2013
2	CLP POWER INDIA PRIVATE LIMITED Address: 6th Floor, "Chanakya", Off Ashram Road, Ahmedabad - 380009, Gujarat	U40100GJ1995PTC042939	Holding Company	100% of Equity Shares	Section 2(87)(ii) of the Companies Act, 2013

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

(i) Category-wise shareholding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	20,000,000	-	20,000,000	100	20,000,000	-	20,000,000	100	No Change
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	20,000,000	-	20,000,000	100	20,000,000	-	20,000,000	100	No Change
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)									
Total shareholding of Promoter [(A) = (A)(1) + (A)(2)]	20,000,000	-	20,000,000	100	20,000,000	-	20,000,000	100	No Change
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)									
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital up to Rs.1 Lac	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lac	-	-	-	-	-	-	-	-	-
c) Others- (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding [(B) = (B)(1)+ (B)(2)]	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	20,000,000	-	20,000,000	100	20,000,000	-	20,000,000	100	No Change

(ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Equity Shareholding at the beginning of the year			Equity 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 / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	CLP Power India Private Limited	19,999,940	100%	100%	19,999,940	100%	100%	No Change
2	Mr. Rajiv Mishra (Nominee of CLP Power India Pvt. Ltd.)	10	0.00		10	0.00		No Change
3	Mr. Naveen Munjal (Nominee of CLP Power India Pvt. Ltd.)	10	0.00		10	0.00		No Change
4	Mr. Samir Ashta (Nominee of CLP Power India Pvt. Ltd.)	10	0.00		10	0.00		No Change

Sr. No.	Shareholder's Name	Equity Shareholding at the beginning of the year			Equity 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 / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
5	Mr. Gopinath Govindan (Nominee of CLP Power India Pvt. Ltd.)	10	0.00		10	0.00		No Change
6	Ms. Sudipta Ghosh (Nominee of CLP Power India Pvt. Ltd.)	10	0.00		10	0.00		No Change
7	Mr. Mitesh Trivedi (Nominee of CLP Power India Pvt. Ltd.)	10	0.00		10	0.00		No Change
	Total	20,000,000	100%	100%	20,000,000	100%	100%	

(iii) Change in Promoters' Shareholding (please specify, if there is no change) – Not Applicable as there is no change in promoters' shareholding during the year

Sr. No.		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				
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):				
	At the End of the year				

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable

Sr. No.	Shareholding at the beginning of the year	Cumulative Shareholding during the year
---------	---	---

	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase/Decrease in Shareholding during the year Specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc.):				
	At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel: **Not Applicable**

Sr. No.	For Each of the Directors and KMP	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				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the End of the year				

V. INDEBTEDNESS

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

Amount in INR Million

Particulars	Secured Loans excl. Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	33,060	-	-	33,060
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	487	-	-	487
Total (i+ii+iii)	33,547	-	-	33,547
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	(3,215)	-	-	(3,215)
Net Change	(3,215)	-	-	(3,215)
Indebtedness at the end of the financial year				
i) Principal Amount	29,864	-	-	29,864
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	468	-	-	468
Total (i+ii+iii)	30,332	-	-	30,332

*VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Amount in INR Million

Sr. No	Particulars of Remuneration	Name of director	Total Amount
		Mr. Rajiv Mishra, Managing Director	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (Rs.)	35.70	35.70
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961 (Rs.)	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 (Rs.)	-	-
2.	Stock Option (live as on date) (Nos.)	-	-
3.	Sweat Equity (Nos.)	-	-
4.	Commission (Rs.)		
	- as % of profit	-	-
	- others, specify	-	-
5.	Others, please specify	-	-
	Total (A) (Rs.)	35.70	35.70
	Ceiling as per the Act	~198.55	

B. Remuneration to other directors:

Amount in INR Million

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
1.	Independent Directors	Mr. Mohammed Shahid Aftab	Ms. Nishita Bakshi	
a.	Fee for attending board / committee meetings	0.64	0.70	1.34
b.	Commission	-	-	-
c.	Others, please specify	-	-	-
	Total (1)	0.64	0.70	1.34
2.	Other Executive/Non-Executive Directors	-	-	-
a.	Fee for attending board / committee meetings	-	-	-
b.	Commission	-	-	-
c.	Others, please specify	-	-	-
	Total (2)	-	-	-
	Total = (1 + 2)	0.64	0.70	1.34
	Total Managerial Remuneration			
	Overall Ceiling as per the Act	Not Applicable		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD –

Amount in INR Million

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO Mr. Samir Ashta	CS Mr. Jayant Patil	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (Rs.)		12.54	4.44	16.98
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961 (Rs.)		-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 (Rs.)		-	-	-
2.	Stock Option (live as on date)		-	-	-
3.	Sweat Equity (Nos.)		-	-	-
4.	Commission (Rs.)		-	-	-
	- as % of profit		-	-	-
	- others, specify		-	-	-
5.	Others, please specify		-	-	-
	Total (Rs.)		12.54	4.44	16.98

*Managerial Remunerations (except of Independent Directors) are in accordance with cost sharing agreement with group companies

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: Not Applicable

Type	Section of the Companies Act	Brief /description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

There were no penalties, punishment or compounding of offences during the financial year under review.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF JHAJJAR POWER LIMITED

DATE: 16 AUGUST 2018
PLACE: MUMBAI



RAJIV MISHRA
MANAGING DIRECTOR
DIN: 00131207



SAMIR ASHTA
DIRECTOR
DIN: 01957618

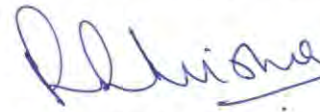
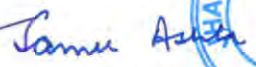

Annexure-5
Details of Technology Absorption during the year 2017-18

Sr. No.	Technology Absorption	Earlier/Existing system	New system	Benefits to the company
1	Upgrade of UPS (Uninterrupted power supply) in Unit 1	Existing system has become obsolete	Installation of New 2X100 kVA UPS (HI-PULSE)	Provides power supply to DCS and control supply to vital plant equipment's line valves, positioners etc. for unit's reliability
2	Upgrade of DCS from XP to Window 7 in Unit 1	Existing DCS operates on Window XP	New system will operate on Window 7	DCS system was becoming obsolete since it was on Window XP. Additionally upgrade was required from Cyber security enhancement perspective
3	Ash silo cleaning methodology by CARDOX & whip system	Presently manual cleaning is done which is highly risky	CARDOX system requires insertion of high carbon steel grade E8 sockets through designated holes created in the silo	The risk due to cleaning of silo through manual mode gets minimized. Also the silo volumetric capacity is increased.
4	Installation of chlorine dioxide generator for service and fire water	Fire and service water test results indicated microbiologically induced corrosion in the system	ClO ₂ (Chlorine dioxide generator) system was installed and dosing was	From this change the cooling water fed to critical equipment's will be free from microbiologically induced corrosion
5	Solar pumps installation in ash dyke for piezometer project	We didn't have any solar operated pumps	Solar pumps were installed in ash dyke for ground water monitoring	Usage of clean energy applications for better environment
7	New Locomotive procurement for JPL	JPL has hired a 1350 HP loco from M/S RITES for shunting of rakes. The annual cost of hiring the loco is at present INR 26.30 Mn.	Now JPL has its own locomotive for shunting of rakes. There is huge cost benefit and payback period is only 3 years	It leads to huge cost benefit, better trust with off-takers and better control over own asset
8	New Hot air gates installation in Unit 1 coal mills	Earlier in Unit 1, sliding gates were present for isolation of mill from hot primary air. These gates were prone for passing condition which lead to unsafe maintenance of coal mills	New twin seal flap type isolator (hot air gate) with double sealing arrangement gates were installed during Unit 1 outage	Provides safe environment for workers doing coal mill planned maintenance

9	Installation of E chain system in Wagon Tippler	Wagon tippler supply & feedback cables were laying in open condition resulting in failure of cables	E chain system applied in wagon tippler area and cables will be covered	Protection of cables from boulders and other external particle leading to ease of maintenance with increased reliability and safety
10	Rain water harvesting structure cum solar car parking shed in guest house	We didn't have any consolidated system of having both rain water harvesting cum solar powered car parking shed	A consolidated clean environment package applied near our guest house for car parking with solar aided illumination and rain water harvesting structure	Usage of clean energy applications for better environment
11	Auto coal sampling facility in belt conveyor 1A/B	Earlier the sample was collected from wagon top unscientifically	Auto coal sampling system was installed for coal sampling in a safe manner	For enhancing safety system
12	Automation of stator water alkalizer (pH correction) dosing system in both units	Earlier Manual dosing, consequent stator water test results indicated copper pickup	After installation of alkalizer copper pick up is maintained as per OEM standards	Reliability of Generator as well as unit enhanced after the installation

FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF JHAJJAR POWER LIMITED

DATE: 16 AUGUST 2018
PLACE: MUMBAI




RAJIV MISHRA
MANAGING DIRECTOR
DIN: 00131207

SAMIR ASHTA
DIRECTOR
DIN: 01957618

Annexure – 6**Annual Report on CSR Activities - FY 2017-2018****Jhajjar Power Limited****Education & Skill Development**

Under sports promotion program, 68 youth, including 10 girls have been enrolled for daily training at the Wrestling Academy. In addition, small gymnasium and an upgraded toilet facility are under construction at this academy. Further, local wrestling tournaments were supported in 4 villages. 65 trainees in the age group of 9 to 21 years have been enrolled for training at the Basketball academy. This year, 3 students of our basketball academy made it to Indian Army through basketball sports quota. A physical and academic training academy is being constructed in village Jhamri, to help youths aspiring to join armed forces.

School infrastructure project benefitted 4 schools from 3 villages; electrical supplies and power backup through inverter was arranged in 3 schools. Complete infrastructure revamp i.e. repairing of school building, flooring, ground leveling, interior & exterior white wash and classroom furniture was organized in Government Primary School for Girls in village Jharli. Boundary wall construction was carried out in Government Senior Secondary School village Jharli.

Additional teachers were provided by the company in 5 govt. schools, i.e. 3 secondary, 1 middle and 1 primary school, to facilitate teaching for the benefit of the students. Further, winter-gear kit was provided to 791 students of class 1st to 12th of 7 Schools from 4 villages. The kit consists of one pair of Shoe, 2 pairs of socks and one sweater.

CLP India Scholarship Scheme is CLP's flagship education intervention programme and is aimed primarily at providing financial support to aspiring students for their 10+2, vocational, graduation and further studies. In 2017, 21 students from 4 villages around Jhajjar plant were awarded with scholarship.

146 beneficiaries, including 60 girls and ladies were provided 2 month training on MS Office at JPL's Community Based Computer center. Similarly, a computer training project in two government schools of 2 villages benefitted 182 students.

Total spending INR 5.17 Million

Healthcare and Sanitation

School health promotion program was organized in 5 Schools from 3 villages. Various Health indices and general health observation were recorded of 492 children in the age group of 5 to 18 yrs. In addition, 163 children of 5 schools from 3 villages were provided support through counseling, guidance and nutritional supplements to address the issue of anemia in the area. Eye Screening Camps benefitted 192

children of Government Senior Secondary School Jhamri, out of which 76 children were found to have refractive error and they were provided with corrective glasses. Further, Mobile Medical Van catered to more than 20000 people from 5 villages. The program provided doorstep basic health services which include diagnosis and dispensing of basic medicines.

Clean drinking water was supplied to 6 schools and 12 Anganwadis from 4 villages benefitting 1250 children.

2 Toilet blocks were constructed in Village Choupal (facility used for social gatherings) in village Khanpur Khurd.

Total spending INR 3.18 Million

Sustainable Communities

50 bedded hospital constructed by CLP India in Matenhail village was handed over to the Health Department of Government of Haryana.

Veterinary camps were organized in 4 villages wherein guidance and counseling was provided by a Veterinary expert to 600 Farmers, while 844 cattle were treated through 8 veterinary camps.

In its second year, the horticulture subsidy program enabled 7 farmers to implement alternative farming by planting fruit bearing trees. 10 varieties of total 2304 saplings were planted. In addition, a Horticulture Expert provided onsite consultancy to 13 farmers.

Tree plantation and grass carpeting was conducted in 2 government schools. 80 RCC benches were installed in 5 villages.

Total spending INR 17.35 Million

2. COMPOSITION OF CSR COMMITTEE

Sr. No.	Name of the CSR Committee Member
1	Mr. Rajiv Mishra
2	Mr. Naveen Munjal
3	Mr. Samir Ashta
4	Ms. Nishita Bakshi

3. Financial Details

Sr. No.	Particulars	Amount in INR Million
1	Average Net Profit of the Company for the last 3 financial years	1,285.50
2	Prescribed CSR Expenditure (2% of the Average Net Profit)	25.71
3	Total Amount Spent	26.99
4	Amount unspent	Nil

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or other 2. Specify the state and district where project or programme was undertaken	Amount outlay (budget) project or programme wise (INR)	Amount spent on the projects or programs Subheads: 1) Direct expenditure on projects or programs 2) Overheads:	Cumulative expenditure up to the reporting period.(INR)	Amount spent: Direct or through implementing agency *
1	Mobile Medical Van	Healthcare & Sanitation	Program in local area - District Jhajjar, Haryana	15,00,000	Direct Expenditures	22,37,583	Wockhardt Foundation
2	RO Drinking Water for School & Anganwadi Children	Healthcare & Sanitation	Program in local area - District Jhajjar, Haryana	3,50,000	Direct Expenditures	2,97,202	Direct
3	Learning Enhancement Project for 6 Govt. Read India (learning camp), Libraries and Science Program - through NGO (Pratham)	Education & Skill Development	Program in local area - District Jhajjar, Haryana	15,00,000	Direct Expenditures	5,92,901	Pratham Education Foundation
4	Computer Literacy Program for School & village youth through NGO (Pratham)	Education & Skill Development	Program in local area - District Jhajjar, Haryana	5,00,000	Direct Expenditures	8,28,068	Pratham Info-tech Foundation
5	Veterinary Camp	Sustainable Communities	Villages in District Jhajjar, Haryana	1,50,000	Direct Expenditures	1,39,564	Direct

6	Health Camps - Eye, Dental & General Camps in villages	Healthcare & Sanitation	Villages in District Jhajjar, Haryana	4,70,000			
7	Sensitising people on various issues through days celebration	Education & Skill Development	Program in local area - District Jhajjar, Haryana	1,00,000	Direct Expenditures	20,485	Direct
8	Upliftment of Anganwadis - Providing Fun & Learn Toys and other materials.	Education & Skill Development	Villages in District Jhajjar, Haryana	1,00,000			
9	Promoting Education - "Education Enhancement at Primary level with K - YAN"	Education & Skill Development	Four Govt. Schools, District Jhajjar, Haryana	36,000			
10	School Enrolment Program - Kit for Nursery students	Education & Skill Development	Four Govt. Schools, District Jhajjar, Haryana	75,000			
11	Provision of Educational & Learning Assets/Dress Materials to school	Education & Skill Development	Four Govt. Schools, District Jhajjar, Haryana	1,00,000	Direct Expenditures	4,18,821	Direct
12	"Women Empowerment Program"- Beauticians Training	Sustainable Communities	Villages in District Jhajjar, Haryana	5,00,000	Direct Expenditures	49,574	Direct
13	Agriculture Training & Awareness program for farmers including Exposure Visit	Sustainable Communities	Villages in District Jhajjar, Haryana	90,000			
14	Supporting Sports in Villages/Schools - "Sports Tournaments"	Education & Skill Development	Village - Khanpur Khurd, District Jhajjar, Haryana	1,00,000			
15	Supporting Sports in villages - "Wrestling Tournament"	Education & Skill Development	Village - Khanpur Khurd, Khanpur Kalan, Jharli and Jhamri of District Jhajjar, Haryana	4,00,000	Direct Expenditures	7,20,000	Direct

16	Toilet construction & repair with bore well water supply for govt. schools., Misc. repair works like in schools, pump repair etc. , Water line in needy places	Healthcare & Sanitation	In govt. Schools/Panchayat buildings of nearby villages	12,40,000	Direct Expenditures	4,00,000	Direct
17	Supporting Sports in Villages - "Sports Items for village youth"	Education & Skill Development	Village - Khanpur Khurd, District Jhajjar, Haryana	1,20,000			
18	Wrestling Training Program	Education & Skill Development	Village - Khanpur Khurd, District Jhajjar, Haryana	3,12,000	Direct Expenditures	4,30,401	Direct
19	Basketball Training Program	Education & Skill Development	Village Jhamri, District Jhajjar, Haryana	2,89,600	Direct Expenditures	2,19,960	Direct
20	Other Infrastructure related work etc.; Bore well & water line, Boundary Wall etc.	Sustainable Communities	Village-Khanpur Khurd, District Jhajjar, Haryana	46,00,000	Direct Expenditures	50,63,361	Direct
21	School health camp; Anti-Anaemia Camps, Health Cards, Spectacles	Healthcare & Sanitation	Villages in District Jhajjar, Haryana	2,30,000	Direct Expenditures	2,44,050	Direct
22	Plantation of Trees and Grass Carpeting in Villages & Schools	Sustainable Communities	Villages in District Jhajjar, Haryana	1,00,000	Direct Expenditures	2,00,694	Direct
23	Horticulture Promotion Program; Subsidy scheme for plantation of fruit bearing trees and expert consultation	Sustainable Communities	Villages in District Jhajjar, Haryana	2,59,000	Direct Expenditures	1,40,351	Direct
24	Beti Bachao Beti Padhao program	Education & Skill Development	Villages in District Jhajjar, Haryana	85,000			
25	Sanitation Program for	Healthcare &	Villages in District Jhajjar, Haryana	40,000			

	adolescent girls in Govt. Schools	Sanitation					
26	Teaching faculties for needy Govt. Schools	Education & Skill Development	Villages in District Jhajjar, Haryana	-	Direct Expenditures	5,63,477	
27	Developing infrastructure for a Model School	Education & Skill Development	Villages in District Jhajjar, Haryana	10,00,000	Direct Expenditures	11,52,737	Direct
28	Electrification works, LED bulbs & furniture in school	Sustainable Communities	Villages in District Jhajjar, Haryana	-	Direct Expenditures	8,71,994	Direct
29	Vegetable and other cash crop Promotion Program including training	Sustainable Communities	Villages in District Jhajjar, Haryana	5,50,000			
30	Promotion of Dairying	Sustainable Communities	Villages in District Jhajjar, Haryana	2,50,000			
31	Coaching /Scholarship for needy students for further studies	Education & Skill Development	Villages in District Jhajjar, Haryana	8,00,000	Direct Expenditures	2,21,467	Direct
32	Volunteers in villages	Sustainable Communities	Villages in District Jhajjar, Haryana	20,000	Direct Expenditures	3,660	Direct
33	Honorarium cost of Extension Volunteers	Sustainable Communities	Villages in District Jhajjar, Haryana	1,44,000			
34	Construction of 50 bedded hospital at Matenhail	Sustainable Communities	Tehsil Headquarter Matenhail in District Jhajjar, Haryana	-	Direct Expenditures	1,08,83,814	Direct
			Total Budgeted Expenditure	15,990,600	Total Actual Expenditure	25,700,164	
Total Direct expenses of projects and programmes (A)						2,57,00,164	
Overhead Expenses (restricted to 5% of the total CSR expenditure) (B)						1,285,008	
Total (A+B)						26,985,172	




In accordance with Section 135 of the Companies Act, 2013 and rules thereunder the Company is required to incur expenditure towards Corporate Social Responsibilities ("CSR") amounting to INR 25.71 Million. The company has incurred CSR expenditure amounting to INR 26.99 Million.

The company believed in spending meaningfully and the projects that we undertook were with long term view and sustainable. The Company is committed to CSR projects and initiatives.

4. Responsibility Statement

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR Projects and activities in compliance with our CSR objectives.

**FOR & ON BEHALF OF THE BOARD OF
DIRECTORS OF JHAJJAR POWER LIMITED**

**DATE: 16 AUGUST 2018
PLACE: MUMBAI**

 **RAJIV MISHRA
MANAGING DIRECTOR
DIN: 00131207**

**SAMIR ASHTA
DIRECTOR
DIN: 01957618**

ANNEXURE - 7

Ratio of remuneration

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	None of directors are being paid remuneration from the company. Mr. Rajiv Mishra, Mr. Samir Ashta and Mr. Naveen Munjal are appointed by CLP India Private limited and their proportionate employment cost is being allocated to the Company which is shown in notes to accounts. So this ratio calculation is not applicable.
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	For Directors, refer note in point (i) above. For the Company Secretary the percentage increase in remuneration during the financial year was 8.0%
(iii) the percentage increase in the median remuneration of employees in the financial year;	8.04%
(iv) the number of permanent employees on the rolls of company;	246 employees in JPL as on 31 March 2018
(v) the explanation on the relationship between average increase in remuneration and company performance;	An independent survey of compensation in CLP India entities vis-à-vis the market is carried out every year. The salary increase is based on market projections and our positioning which is approved by the Human Resource & Remuneration Committee (HR &RC) of CLP Holdings. The Actual Annual Incentive for employees is a function of Individual and Organizational performance. The organization score is approved by the HR & RC for CLP India entities. The organization score is based on our performance targets for 2017 which is a combination of financial and operational measures.
(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	Refer note in point (v) above.
(vii), and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	Not Applicable
(viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out	The performance and positioning for all employees (including managerial personnel) is reviewed. Differentiation is made on performance and positioning as discussed and agreed by the IEX

if there are any exceptional circumstances for increase in the managerial remuneration;	within the overall approved budgets. There are no exceptional circumstances for increase in the managerial remuneration.
(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	Refer note in point (v) above.
(x) the key parameters for any variable component of remuneration availed by the directors;	Refer note in point (i)
(xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	Refer note in point (i). No employee has a remuneration which is more than that of the Director.
(xii) Affirmation that the remuneration is as per the remuneration policy of the company.	Yes

FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF JHAJJAR POWER LIMITED

DATE: 16 AUGUST 2018

PLACE: MUMBAI


 **RAJIV MISHRA**
MANAGING DIRECTOR
DIN: 00131207



SAMIR ASHTA
DIRECTOR
DIN: 01957618

Jhajjar Power Limited

Ind AS financial statements together with the Independent Auditors' Report

for the year ended 31 March 2018

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Independent Auditors' Report

Balance sheet

Statement of Profit and Loss (including other comprehensive income)

Statement of Cash Flows

Statement of Changes in Equity

Notes to the financial statements

B S R & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

Telephone +91 (22) 4345 5300
Fax +91 (22) 4345 5399

Independent Auditors' Report

To the Members of Jhajjar Power Limited

Report on the Audit of the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Jhajjar Power Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

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 state of affairs, profit / loss and other comprehensive income, changes in equity and cash flows 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.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS 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.



Independent Auditors' Report (Continued)

Jhajjar Power Limited

Auditors' Responsibility (Continued)

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 are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained 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 31 March 2018, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Other Matters

The audited Ind AS financial statements of the Company for the corresponding year ended 31 March 2017 prepared in accordance with Ind AS included in these Ind AS financial statements, have been audited by the predecessor auditors whose audit report dated 11 August 2017 expressed an unmodified opinion on those audited Ind AS financial statements.

Our opinion is not modified in respect of this matter.



Independent Auditors' Report (Continued)

Jhajjar Power Limited

Report on Other Legal and Regulatory Requirements

1. 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 A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 books;
 - c) The Balance Sheet, the Statement of Profit and Loss, 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 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 with reference to Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
 - 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, 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 as at 31 March 2018 on its financial position in its Ind AS financial statements; - Refer Note 36 A to the Ind AS financial statements.
 - ii. According to the information and explanation given to us, the Company do not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2018.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2018.

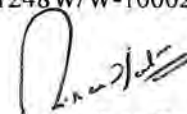
Independent Auditors' Report (Continued)

Jhajjar Power Limited

Report on Other Legal and Regulatory Requirements (Continued)

- iv. The disclosures in the Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited Ind AS financial statements for the period ended 31 March 2017 have been disclosed – Refer Note 40 to the Ind AS financial statements.

For **B S R & Co. LLP**
Chartered Accountants
(Firm's Registration No.: 101248W/W-100022)



Nirav Patel
Partner

Membership No.: 113327

Place: Mumbai
Date: 16 August 2018

Jhajjar Power Limited

Annexure A to the Independent Auditors' Report – 31 March 2018

(Referred to in 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 Company has a regular programme of physical verification of its Property, plant and equipment by which all the items are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment were physically verified during the year. As informed to us, no material discrepancies were noted on such verification.
 - (c) The title deeds of immovable properties, as disclosed in Note 3 on property, plant and equipment to the Ind AS financial statements, are held in the name of the Company.
- (ii) Inventories, except for goods-in-transit have been physically verified by the management during the year at reasonable intervals. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us, the procedures for physical verification of inventories followed by the management during the year are reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly adjusted in the books of account.
- (iii) According to the information and explanations given to us, 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. Accordingly, the provisions of paragraph 3(iii) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not given any loan, or provided any guarantee or security or made any investment as specified under Section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

Q.

Jhajjar Power Limited

Annexure A to the Independent Auditors' Report – 31 March 2018

(Continued)

- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, value added tax, sales tax, employees' state insurance, income tax, service tax, goods and services tax, duty of custom, duty of excise, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

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

- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of custom, duty of excise, goods & services tax and value added tax which have not been deposited by the Company with the appropriate authorities on account of any dispute as at 31 March 2018, other than those mentioned as follows:

Name of the Statute	Nature of the dues	Amount	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Proposed tax disallowance/additions: a) Disallowance of Tax Depreciation b) Addition of Trial Run Income	-	-	Assessment year 2012-2013 ¹	Commissioner of Income-Tax (Appeals)
Income-tax Act, 1961	Proposed tax disallowance: a) Disallowance of Tax Depreciation b) Disallowance of Provision for Penalty made as per Purchase Price Agreement with customer	-	-	Assessment year 2013-2014 ²	Commissioner of Income-Tax (Appeals)
Income-tax Act, 1961	Proposed tax disallowance: a) Disallowance of Tax Depreciation	-	-	Assessment year 2014-2015 ³	Commissioner of Income-Tax (Appeals)

2.

Jhajjar Power Limited

Annexure A to the Independent Auditors' Report – 31 March 2018 **(Continued)**

¹Assessing Officer ("AO") issued order u/s 143(3) of the Income Tax Act, 1961 pertaining to Assessment Year 2012-2013 wherein Tax Depreciation amounting to Rs. 19.98 million, was disallowed and Trial Run income amounting to Rs. 262.54 million was added back. There was no tax demand due to adjustment of the disallowance/addition with brought forward tax losses. Company filed an appeal to Commissioner of Income Tax (Appeals) ("CIT (A)") against this order. Subsequent to current year end, the Company received a favourable order dated 28 May 2018 from CIT (A) thereby setting aside the order of AO. As of the date of this report, AO have not filed an appeal to Income Tax Appellate Tribunal ("ITAT").

²AO issued order u/s 143(3) of the Income Tax Act, 1961 pertaining to Assessment Year 2013-2014 wherein Tax Depreciation amounting to Rs. 1,763.66 million and Provision for Penalty as per PPA amounting to Rs. 1,181.59 million were disallowed. There was no tax demand due to adjustment of the disallowance with brought forward tax losses. Company filed an appeal to CIT (A) against this order. Subsequent to current year end, the Company received a favourable order from CIT (A) dated 02 August 2018 thereby setting aside the order of AO in respect of disallowance pertaining to Tax Depreciation. As of the date of this report, AO have not filed an appeal to ITAT against this order. Moreover, Company received an unfavourable order from CIT (A) dated 02 August 2018 in respect of disallowance pertaining to Provision for Penalty, against which the Company is in the process of filing an appeal to ITAT.

³AO issued Order u/s 143(3) of the Income Tax Act, 1961 pertaining to Assessment Year 2014-2015 wherein Tax Depreciation amounting to Rs. 1,844.82 million was disallowed. There was no tax demand due to adjustment of the disallowance with brought forward tax losses. Company filed an appeal to CIT (A) against this order. Subsequent to current year end, the Company received a favourable order from CIT (A) dated 02 August 2018 thereby setting aside the order of AO. As of the date of this report, AO have not filed an appeal to ITAT.

- (viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to banks or financial institutions or dues to debenture holders. Further, no loans or borrowings were taken from Government as at 31 March 2018.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, provisions of paragraph 3(ix) of the Order are not applicable.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company and on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) According to information and explanations given to us and on the basis of our examination of the records of the Company, the managerial remuneration has been provided and paid by the Company in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.

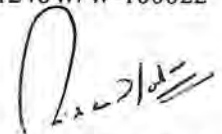


Jhajjar Power Limited

Annexure A to the Independent Auditors' Report – 31 March 2018 **(Continued)**

- (xii) According to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the standalone Ind AS financial statements as required by the accounting standards.
- (xiv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to information and explanations given to us and based on our examination of the records of Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-1A of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022



Nirav Patel
Partner
Membership No.: 113327

Place: Mumbai
Date: 16 August 2018

Jhajjar Power Limited

Annexure B to the Independent Auditors' Report – 31 March 2018 (Referred to in our report of even date)

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

We have audited the internal financial controls with reference to Ind AS financial statements of Jhajjar Power Limited ("the Company") as of 31 March 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 with reference to financial statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI.

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 with reference to the Ind AS financial statements 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 with reference to the Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the Ind AS financial statements included obtaining an understanding of internal financial controls with reference to the Ind AS financial statements, 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 with reference to the Ind AS financial statements.

12.

Jhajjar Power Limited

Annexure B to the Independent Auditors' Report – 31 March 2018 (Continued)

Meaning of Internal Financial Controls with reference to Ind AS Financial Statements

A company's internal financial control with reference to the Ind AS financial statements 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 with reference to the Ind AS financial statements 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 with reference to Ind AS Financial Statements

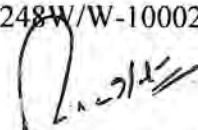
Because of the inherent limitations of internal financial controls with reference to the Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to the Ind AS financial statements 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, the Company has, in all material respects, an adequate internal financial controls system with reference to the Ind AS financial statements and such internal financial controls with reference to the Ind AS financial statements were operating effectively as at 31 March 2018, based on the internal control with reference to the Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

*For B S R & Co. LLP
Chartered Accountants*

Firm's Registration No. 101248W/W-100022



Nirav Patel
Partner

Place: Mumbai

Date: 16 August 2018

Membership No.: 113327

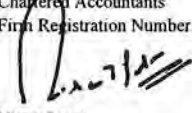
Jhajjar Power Limited
Balance Sheet as at 31 March 2018
(All amount in Rs. Million)

	Note	As at 31 March 2018	As at 31 March 2017
ASSETS			
Non-current assets			
Property, plant and equipment	3	44,538.35	46,948.90
Capital work-in-progress	3	318.05	157.58
Intangible assets	4	4.47	4.93
Financial assets			
i. Loans	5 (a)	15.34	11.77
ii. Other financial assets	5 (b)	2,375.09	2,855.35
Deferred tax assets (net)	6	1,729.48	1,720.16
Other tax assets (net)	7	77.66	48.95
Other non-current assets	8	296.81	182.48
Total non-current assets		49,355.25	51,930.12
Current assets			
Inventories	9	1,588.24	4,219.36
Financial assets			
i. Trade receivables	10(a)	7,483.01	3,806.40
ii. Cash and cash equivalents	10(b)	13.74	78.86
iii. Others	10(c)	772.80	647.79
Other current assets	11	2,412.98	1,414.96
Total current assets		12,270.77	10,167.37
Total assets		61,626.02	62,097.49
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	200.00	200.00
Instruments entirely equity in nature	12	23,248.82	23,248.82
Other equity	13	(1,501.44)	(3,007.91)
Total equity		21,947.38	20,440.91
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	14(a)	29,081.83	32,007.84
ii. Other financial liabilities	14(b)	263.58	190.16
Provisions	15	42.26	23.94
Total non-current liabilities		29,387.67	32,221.94
Current liabilities			
Financial liabilities			
i. Borrowings	16(a)	4,124.24	4,069.96
ii. Trade payables	16(b)	2,110.44	1,338.83
iii. Other financial liabilities	16(c)	4,008.00	3,929.49
Other current liabilities	17	24.28	20.74
Provisions	18	9.11	6.05
Current tax liabilities (net)	19	14.90	69.57
Total current liabilities		10,290.97	9,434.64
Total liabilities		39,678.64	41,656.58
Total equity and liabilities		61,626.02	62,097.49

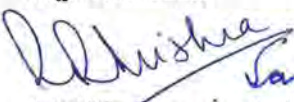
The accompanying notes form an integral part of these financial statements

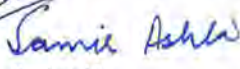
As per our report of even date attached.


For BSR & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022


Nirav Patel
Partner
Membership No : 113327
Place:
Date:

For and on behalf of the Board of Directors of
Jhajjar Power Limited


Rajiv Mishra
Managing Director
DIN : 00131207


Samir Ashta
Director & Chief financial officer
DIN : 01957618


Jayant Patil
Company secretary
Place:
Date:

Jhajjar Power Limited**Statement of Profit and Loss for the year ended 31 March 2018**

(All amount in Rs. Million)

	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
Income			
Revenue from operations	20	30,812.34	17,623.20
Other income	21	38.52	363.44
Total income		30,850.86	17,986.64
Expenses			
Cost of materials consumed	22	20,978.93	9,142.94
Employee benefits expense	23	523.85	441.13
Finance costs	24	2,952.19	3,248.56
Depreciation and amortisation expense	25	2,504.42	2,583.54
Other expenses	26	2,086.48	1,798.73
Total expenses		29,045.87	17,214.90
Profit before tax		1,804.99	771.74
Tax expense			
- Current tax	27	468.72	69.79
- Deferred tax credit	27	(64.99)	(1,459.57)
Total tax expense		403.73	(1,389.78)
Profit for the year		1,401.26	2,161.52
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		(8.60)	(3.70)
Income tax relating to items that will not be reclassified to profit or loss		2.98	1.28
Items that will be reclassified to profit or loss			
Effective portion of gains on hedging instruments in cash flow hedges		154.66	267.99
Effective portion of gains / (losses) on hedging instruments in cash flow hedges reclassified to profit or loss		(16.85)	206.70
Cost of hedging - changes in fair value		(427.98)	(1,142.65)
Cost of hedging - change in fair value reclassified to profit or loss		459.65	564.72
Income-tax relating to items that will be reclassified to profit or loss		(58.65)	35.73
Other comprehensive income/(loss) for the year, net of tax		105.21	(69.93)
Total comprehensive income for the year		1,506.47	2,091.59
Earnings per equity share of face value of Rs. 10 each (previous year Rs. 10 each):			
Basic earnings per share (Rs.)	28	0.60	0.92
Diluted earnings per share (Rs.)	28	0.60	0.92

The accompanying notes form an integral part of these financial statements

As per our report of even date attached.

For BSR & Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022

Nirav Patel

Partner

Membership No : 113327

Place:

Date:

For and on behalf of the Board of Directors of
Jhajjar Power LimitedRajiv Mishra
Managing Director
DIN : 00131207Samir Ashta
Director & Chief financial officer
DIN : 01957618Jayant Patil
Company secretary

Place:

Date:

Jhajjar Power Limited
Cash Flow Statement for the year ended 31 March 2018
(All amount in Rs. Million)

	For the year ended 31 March 2018	For the year ended 31 March 2017
(A) Cash flows from operating activities		
Profit before tax	1,804.99	771.74
Adjustments for:		
Depreciation and amortisation expense	2,504.42	2,583.55
Finance costs	2,952.19	3,248.56
Amortisation of forward premium	434.17	564.69
Interest Income	(10.77)	(0.58)
Net exchange differences	13.59	-
Loss on disposal of property, plant and equipment	0.02	1.50
Inventory write off	33.57	-
Impairment allowance for doubtful receivables	156.31	52.01
Derivative at FVTPL (Net)	85.23	335.78
Operating profit before working capital changes	7,973.72	7,557.25
Change in operating assets and liabilities		
Increase / (Decrease) in trade payables and provisions	784.39	(62.73)
Increase / (Decrease) in other current financial liabilities	70.79	(18.60)
Increase / (Decrease) in other non current financial liabilities	117.84	(84.24)
(Increase) / Decrease in trade receivables	(3,832.91)	708.21
(Increase) / Decrease in inventories	2,597.56	20.89
(Increase) / Decrease in other current assets	(998.02)	(289.76)
Increase / (Decrease) in other current liabilities	3.54	(158.54)
(Increase) / Decrease in other current financial assets	(125.01)	(447.96)
(Increase) / Decrease in other non current financial assets	125.21	735.59
(Increase) / Decrease in other non current assets	2.18	29.94
Cash generated from operations	6,719.29	7,990.05
Income tax paid	(552.10)	0.32
Net cash inflow from operating activities	6,167.19	7,990.37
(B) Cash flows from investing activities		
Purchase of property, plant & equipment	(338.39)	(169.13)
Proceeds from Sale of property, plant & equipment	1.25	-
Interest received	1.15	0.58
Net Cash outflow from investing activities	(335.99)	(168.55)
(C) Cash flow from financing activities		
Proceeds from non - current borrowings	-	4,868.56
Repayment of non - current borrowings	(3,225.06)	(8,299.12)
Repayment of current borrowings (net)	54.28	(1,360.68)
Finance costs paid	(2,725.54)	(2,984.42)
Net Cash outflow from financing activities	(5,896.32)	(7,775.66)
Net decrease in cash & cash equivalents	(65.12)	46.16
Cash and cash equivalents at the beginning of the financial year	78.86	32.70
Cash and cash equivalents at the end of the year	13.74	78.86

N.



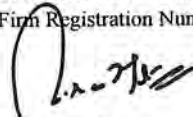
Notes:

- 1 Changes in liabilities arising from financing activities

	<u>For the year ended</u> <u>31 March 2018</u>
Opening balance as on April 1, 2017	
Non- Current Borrowings	35,744.78
Current Borrowings	4,069.96
Cash Flows	
Repayment of non - current borrowings	(3,225.06)
Repayment of current borrowings (net)	54.28
Finance costs paid	(2,725.54)
Non-cash changes	
Finance costs	2,952.19
Foreign currency exchange fluctuations	27.86
Closing Balance of Secured Loans	
Non- Current Borrowings	32,774.23
Current Borrowings	4,124.24

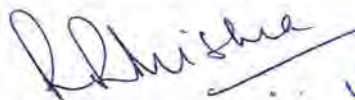
- 2 Figures in bracket indicate cash outflow.
3 The above Cash Flow Statement has been prepared under the "Indirect Method " as set out in the Indian Accounting Standard (Ind AS-7) Statement of Cash Flows notified under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder.
4 The accompanying notes form an integral part of these financial statements.

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022



Nirav Patel
Partner
Membership No : 113327
Place:
Date:

For and on behalf of the Board of Directors of
Jhajjar Power Limited



Rajiv Mishra
Managing Director
DIN : 00131207



Samir Ashta
Director & Chief financial officer
DIN : 01957618



Jayanti Patil
Company secretary
Place:
Date:

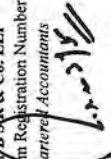
Jhajjar Power Limited
Statement of Changes in Equity for the year ended 31 March 2018
 (All amount in Rs. Million)



A. Equity share Capital		
	Note	Amount
As at 1 April 2016	12	20,000,000
Changes in equity share capital	12	-
As at 31 March 2017	12	20,000,000
Changes in equity share capital	12	-
As at 31 March 2018	12	20,000,000

B. Instruments entirely equity in nature (Compulsory Convertible Preference Shares)		
	Note	Amount
As at 1 April 2016	12	2,324,882,458
Changes in Compulsory Convertible Preference Shares	12	-
As at 31 March 2017	12	2,324,882,458
Changes in Compulsory Convertible Preference Shares	12	-
As at 31 March 2018	12	2,324,882,458

	Notes	Reserves and Surplus				Items of other comprehensive income				Total other equity	
		Retained earnings	Equity component of loan from parent company	Equity component of corporate guarantee	Cash flow hedging reserve	Cost of hedging reserve	Remeasurement of defined benefit plan	Total other equity			
Other Equity											
Balance as at 1 April 2016		(9,410.50)	2,345.74	198.01	(54.85)	203.07	-	(5,100.09)			
Profit for the year	13	2,162.10	-	-	-	-	-	2,162.10			
Other comprehensive income for the year	13	(2,41)	-	-	310.41	(377.92)	(2.41)	(69.92)			
Total comprehensive income for the year		(293.50)	-	-	310.41	(377.92)	(2.41)	2,092.18			
Transfer to retained earnings		293.50	-	-	-	-	-	-			
Transfer to debenture redemption reserve		(407.09)	-	-	-	-	-	-			
As at 31 March 2017		(7,544.31)	2,345.74	198.01	255.56	(174.85)	-	(3,007.91)			
Profit for the year	13	1,401.26	-	-	-	-	-	1,401.26			
Other comprehensive income	13	(5.62)	-	-	90.12	20.71	(5.62)	105.21			
Total comprehensive income for the year		(293.50)	-	-	90.12	20.71	(5.62)	1,506.47			
Transfer to retained earnings		293.50	-	-	-	-	-	-			
Transfer to debenture redemption reserve		(700.59)	-	-	-	-	-	-			
As at 31 March 2018		(6,442.17)	2,345.74	198.01	345.68	(154.14)	-	(1,501.44)			

The accompanying notes form an integral part of these financial statements
 As per our report of even date attached.

For & Co. LLP
 Firm Registration Number: 101248/W-100022
 Chartered Accountants

 Nirav Patel
 Partner
 Membership No : 113327
 Place:
 Date:

For and on behalf of the Board of Directors of Jhajjar Power Limited

 Samir Ashra
 Director & Chief financial officer
 DIN : 01957618
 Place:
 Date:

 Jayant Patil
 Company secretary

Jhajjar Power Limited
Notes forming part of the financial statements for the year ended 31 March 2018
(All amount in Rs. Million)

Note 1: Company Information

Jhajjar Power Limited ("Company") has been incorporated under the provisions of Indian Companies Act on 9 April 2008 (CIN U40104HR2008SGC037809) and its debentures are listed on the Bombay Stock Exchange. Jhajjar Power Limited is engaged in the business of generation and sale of electricity. The Company has set up 1320 MW thermal power plant at Jhajjar, Haryana. The first unit and second unit (660 MW each) has been commissioned on 29 March 2012 and 19 July 2012 respectively.

Note 2(a): Basis of preparation

(i) Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 (the "Act"), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, relevant provisions of the Act and other accounting principles generally accepted in India.

The Company had adopted Ind AS with effect from 1 April 2016, with transition date of 1 April 2015, pursuant to notification issued by Ministry of Corporate Affairs dated 16 February 2015, notifying the Companies (Indian Accounting Standard) Rules, 2015.

The financial statements for the year ended 31 March 2018 were authorised and approved for issue by the Board of Directors of the Company on 16 August 2018.

(ii) Basis of measurement

The financial statements have been prepared under the historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) - Measured at fair value;
- Net defined benefit (asset)/ liability - Fair value of plan assets less present value of defined benefit obligations

Note 2(b): Significant accounting policies

(i) Functional and presentation currency

These financial statements are presented in India Rupees (INR), which is also the Company's functional currency. All amounts have been rounded off to the nearest millions, unless otherwise stated.

(ii) Use of estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

Assumptions and estimation uncertainties

Information about significant areas of estimation/uncertainty and judgements in applying accounting policies that have the most significant effect on the financial statements are as follows:-

Note 29 & 2(b) (xvi): Measurement of defined benefit obligations: key actuarial assumptions;

Note 2 (b) (xii) & (xiii): Measurement of useful life and residual values of property, plant and equipment and useful life of intangible assets;

Note 2(b) (vii): Judgement required to determine probability of recognition of deferred tax assets and Minimum Alternative Tax ("MAT") credit entitlement and availability of future taxable profit against which tax losses carried forward can be used.

Note 2 (b) (iv): Fair value measurement of financial instruments;

Note 36: Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Note 2 (b) (vii): Judgement required to ascertain lease classification

(iii) Operating Cycle

Based on the nature of products/ activities of the Company and the normal time between acquisition of assets and their realization in cash or 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 noncurrent.

(iv) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirement of Ind AS, including the level in the fair value hierarchy in which the value the valuations should be classified.

Significant valuation issues are reported to the Company's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

-Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.

-Level 2 : inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

-Level 3 : inputs for the assets or liability that are not based on observable market data (unobservable inputs).

When measuring the fair values of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of fair value of hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfer between levels of the fair value hierarchy at the end of reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 31 (Financial instruments).



(v) **Foreign currency**

(A) **Foreign currency transactions**

Transactions in foreign currencies are translated into the functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rates when the fair value was measured. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rates at the dates of transactions. Exchange differences are recognised in profit or loss, except exchange difference arising from the translation of the following items which are recognised in other comprehensive income (OCI):

- qualifying cash flow hedge to the extent that the hedges are effective.

(B) **Financial instruments**

a. **Recognition and initial measurement**

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company become a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b. **Classification and subsequent measurement**

Financial assets:

On initial recognition, a financial asset is classified as measured at

- amortised cost;

- FVTPL.

Financial assets are not reclassified subsequently to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held with in a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirement to be measured at amortised cost as at FVTPL if doing so eliminate or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. However, see note 2(b)(v)(B)(c) for derivatives designated as hedging instruments.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost at effective interest rate. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairments are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities:

Financial liabilities are classified as measure at cost amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative and it is designated as such on initial recognition. For financial liabilities at FVTPL, any net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss. See note 2(b)(v)(c) for derivatives designated as hedging instruments.

c. **Derecognition**

Financial assets

The Company derecognises a financial asset when the contractual rights to cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfer assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not recognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

d. **Offsetting**

Financial asset and financial liabilities are offset and net amount presented in the balance sheet when and only when the group has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

e. **Derivative Financial Instruments and Hedge Accounting**

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with changes in foreign exchange rates and interest rates.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and hedging instrument, including whether the changes in cash flows of the hedged item and hedging instruments are expected to offset each other.

Cash Flow Hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'cash flow hedging reserve'. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Company designates only the change in the fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The changes in fair value of the forward element of forward exchange contracts is separately accounted for as a cost of hedging and recognized separately within equity.



vi. **Revenue recognition**

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates.

Sale of electricity

Revenue from sale of electricity is accounted for on the basis of billing to customers, in accordance with the Power Purchase Agreement ('PPA') entered into with respective customers. Amounts accrued under the terms of the PPA which are invoiced subsequent to year end on reconciliation/actualization basis are disclosed as unbilled revenue and are included under other current financial assets in the balance sheet. Revenue from sale of electricity is based on the tariff rate as specified in PPA, net of rebate offered.

Revenue from lease of plant

Revenue from lease of plant is recognized in accordance with the Power Purchase Agreement ('PPA') entered into with Haryana Power Purchase Centre. Revenue from lease of plant is based on the tariff rate (fixed charges) as specified in PPA entered into with Haryana Power Purchase Centre net of rebate offered.

Sale of fly ash

Revenue from sale of fly ash is recognized when the material is dispatched in accordance with the contracts entered into with respective customers. Fly ash sale is invoiced as per the price agreed with different customers.

vii. **Income taxes**

Income tax comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any relating to income taxes. It is measured using tax rates enacted for the relevant reporting period. Minimum Alternative Tax ('MAT') for the year is charged to the Statement of Profit and Loss as current tax.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised. Significant management judgement is required to determine the probability of deferred tax asset.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets levied by the same tax authorities.

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that it is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in balance sheet. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement.



viii. Leases

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.

(A) Lease payments - As a lessee

Lease payments in respect of assets taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the initial period for which the asset is expected to be used unless the payments are structured to increase in line with the expected general inflation to compensate the lessor's expected inflationary cost increases.

(B) Leased assets - As a lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

ix. Impairment of property, plant and equipment and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

Impairment losses are recognised in the statement of profit and loss.

Where impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

x. Cash and cash equivalents

Cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value

xi. Inventories

Inventories are measured at lower of cost and net realizable value. Cost for the purpose of valuation of fuel and stores & spares are determined on weighted average basis. Cost of inventories comprise all costs of purchase after deducting non refundable rebates and discounts and all other costs incurred in bringing the inventories to their present location and condition. Cost are assigned to individual items of inventory on the weighted average cost basis. Net realizable value ("NRV") is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. NRV for stores & spares and fuel used in generation of electricity, are not written down below cost except in cases where the price of such materials have declined and it is estimated that the cost of generating the electricity will exceed its selling price. Where necessary, due allowance is made for all damaged, obsolete and slow moving items.

xii. Property, plant and equipment

Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment loss, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

Capital work-in-progress

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives and is generally recognised in the statement of profit and loss. Depreciation on assets other than Plant & Machineries used in generation of electricity is provided on a pro-rata basis on 'Straight Line Method' over the estimated useful lives of the said assets which are similar to the rates prescribed under Schedule II to the Companies Act, 2013. The useful lives of plant & machinery have been determined based on technical evaluation done by the management's expert which are different than those specified under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual value are not more than 5% of the original cost of assets. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.



The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset Head	Management estimate of useful life	Useful life as per schedule II
Buildings	10-60 years	10-60 years
Plant & Machinery	5-30 years	10-40 years
Furniture & Fixtures	5-10 years	10 years
Computers & Office Equipment	3-6 years	3-6 years
Vehicles	8 years	8 years

xiii. Intangible assets

Recognition and measurement

Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of assets can be measured reliably. The intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated amortisation and impairment losses, if any.

Subsequent costs

Subsequent costs are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure intangible assets is recognised in the statement of profit and loss, as incurred.

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives of 5 years using the straight-line method. Amortisation is calculated on a pro-rata basis for assets purchased/ disposed off during the period.

Amortisation method, useful life and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

xiv. Borrowing costs

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing cost includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

xv. Provisions and contingent liabilities and assets

Provisions

Provisions for legal claims are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Contingent liabilities and assets

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.



xvi. Employee benefits

(A). Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(B). Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(C) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plan such as gratuity; and
- (b) defined contribution plan such as provident fund.

Defined benefit plans

The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in statement of profit and loss as past service cost.

Defined contribution plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

xvii. Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its equity shares.

Basic EPS is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS is determined by adjusting profit attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares.

xviii. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

xix. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest million upto two decimals as per the requirement of Schedule III, unless otherwise stated.



Jhajjar Power Limited

(All amount in Rs. Million)

Notes to the financial statements

2 (c) Recent accounting pronouncements (standards notified but not yet effective) :-

Ind AS 115, Revenue from Contract with Customers:-

On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. Ind AS 115, establishes a comprehensive framework for determining whether, how much and when revenue should be recognised.

It replaces existing revenue recognition guidance, including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and Guidance Note on Accounting for Real Estate Transactions. Ind AS 115 is effective for annual periods beginning on or after 1 April 2018 and will be applied accordingly.

The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach).

The Company has completed its preliminary evaluation of the possible impact of Ind AS 115. The Company will adopt the standard on 1 April 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended 31 March 2018 will not be retrospectively adjusted. The Company does not expect the impact of the adoption of the new standard to be material.



Jhujjar Power Limited

Notes forming part of the financial statements for the year ended 31 March 2018
(All amount in Rs. Million)

Note 3: Property, plant and equipment and capital work-in-progress

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at 1 April 2017	Additions during the year	Disposals/ capitalised during the year	As at 31 March 2018	As at 1 April 2017	Depreciation for the year	Disposals during the year	As at 31 March 2018	As at 31 March 2018	As at 31 March 2018
Tangible Assets										
Land (Freehold) (Note 1 below)	3,225.61	-	-	3,225.61	-	-	-	-	-	3,225.61
Building	6,316.79	7.67	-	6,324.46	479.05	239.14	-	718.19	5,606.27	
Plant & equipment	42,381.24	74.67	-	42,455.91	4,598.78	2,240.91	-	6,839.69	35,616.22	
Furniture & Fixtures	44.04	0.63	-	44.67	11.67	5.67	-	17.34	27.33	
Computers & Office Equipment	57.04	2.01	-	59.05	21.86	10.74	-	32.60	26.45	
Vehicles	47.12	9.70	2.30	54.52	11.58	7.50	1.03	18.05	36.47	
Total	52,071.84	94.68	2.30	52,164.22	5,122.94	2,503.96	1.03	7,625.87	44,538.35	
Capital work in progress	157.58	255.15	94.68	318.05	-	-	-	-	318.05	
Total	157.58	255.15	94.68	318.05	-	-	-	-	318.05	

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at 1 April 2016	Additions during the year	Disposals/ capitalised during the year	As at 31 March 2017	As at 1 April 2016	Depreciation for the year	Disposals during the year	As at 31 March 2017	As at 31 March 2017	As at 31 March 2017
Tangible Assets										
Land (Freehold) (Refer Note 1 below)	3,225.61	-	-	3,225.61	-	-	-	-	-	3,225.61
Building	6,310.62	8.87	2.70	6,316.79	242.24	239.45	2.64	479.05	5,837.74	
Plant & equipment	42,288.62	92.64	0.02	42,381.24	2,291.85	2,306.94	0.01	4,598.78	37,782.46	
Furniture & Fixtures	38.89	7.66	2.51	44.04	6.40	6.95	1.68	11.67	32.37	
Computers & Office Equipment	38.36	21.01	2.33	57.04	9.46	14.25	1.85	21.86	35.18	
Vehicles	39.41	8.62	0.91	47.12	5.55	6.70	0.67	11.58	35.54	
Total	51,941.51	138.80	8.47	52,071.84	2,555.50	2,574.29	6.85	5,122.94	46,948.90	
Capital work in progress	132.66	163.72	138.80	157.58	-	-	-	-	157.58	
Total	132.66	163.72	138.80	157.58	-	-	-	-	157.58	

Notes:

1. Original title deeds of freehold land is held by Power Finance Corporation Limited as security agent on behalf of lenders of the Company.
2. Refer note 14(a) for property, plant and equipment pledged as security for liabilities.
3. Refer note 36(B) for contractual commitments for the acquisition of property, plant and equipment.



Jhajjar Power Limited
Notes forming part of the financial statements for the year ended 31 March 2018
 (All amount in Rs. Million)

Note 4: Intangible assets

Particulars	Gross carrying amount				Accumulated amortisation				Net carrying amount As at 31 March 2018
	As at 1 April 2017	Additions during the year	Disposals/ capitalised during the year	As at 31 March 2018	As at 1 April 2017	Amortisation for the year	Disposals during the year	As at 31 March 2018	
Computer Software	26.00	-	-	26.00	21.07	0.46	-	21.53	4.47
Total	26.00	-	-	26.00	21.07	0.46	-	21.53	4.47

Particulars	Gross carrying amount				Accumulated amortisation				Net carrying amount As at 31 March 2017
	As at 1 April 2016	Additions during the year	Disposals/ capitalised during the year	As at 31 March 2017	As at 1 April 2016	Amortisation for the year	Disposals during the year	As at 31 March 2017	
Computer Software	25.54	0.46	-	26.00	11.82	9.25	-	21.07	4.93
Total	25.54	0.46	-	26.00	11.82	9.25	-	21.07	4.93



Jhajjar Power Limited
Notes forming part of the financial statements for the year ended 31 March 2018
(All amount in Rs. Million)

Note 5 (a) : Loans

	As at 31 March 2018	As at 31 March 2017
Unsecured, considered good		
Security deposit	15.34	11.77
Total	15.34	11.77

Note 5 (b) : Other non- current financial assets

	As at 31 March 2018	As at 31 March 2017
(i) Derivatives		
Options	86.26	230.53
Foreign exchange forward contracts	187.09	467.04
Interest rate swaps	414.00	334.41
Principal only swap	1,568.40	1,713.76
(ii) Others		
Other Receivables	119.34	109.61
Total	2,375.09	2,855.35



Jhajjar Power Limited

Notes forming part of the financial statements for the year ended 31 March 2018

(All amount in Rs. Million)

Note 6 : Deferred tax asset (net)

The balance comprises temporary differences attributable to:

	As at 31 March 2018	As at 31 March 2017
Deferred tax liabilities on account of:		
Property, plant and equipment and intangible assets (net)	6,474.72	6,117.73
Borrowings	587.00	284.82
Total deferred tax liabilities (A)	7,061.72	6,402.55
Deferred tax assets on account of:		
Tax losses	7,356.28	7,234.45
Employee benefits expenses	17.84	10.38
Derivatives	448.04	449.27
Trade receivables	410.85	352.81
MAT credit entitlement	538.51	69.79
Others	19.68	6.01
Total deferred tax asset (B)	8,791.20	8,122.71
Net deferred tax asset/(liability) (B)-(A)	1,729.48	1,720.16

Movement of temporary differences	As at 1 April 2017	Recognised in profit or loss	Recognised in other comprehensive income	As at 31 March 2018
Property, plant and equipment and intangible assets (net)	(6,117.73)	356.99	-	(6,474.72)
Borrowings	(284.82)	302.18	-	(587.00)
Tax losses	7,234.45	(121.83)	-	7,356.28
Employee benefits expenses	10.38	(4.48)	(2.98)	17.84
Derivatives	449.27	(57.42)	58.65	448.04
Trade receivables	352.81	(58.04)	-	410.85
MAT credit entitlement	69.79	(468.72)	-	538.51
Others	6.01	(13.67)	-	19.68
Total	1,720.16	(64.99)	55.67	1,729.48

Movement of temporary differences	As at 1 April 2016	Recognised in profit or loss	Recognised in other comprehensive income	As at 31 March 2017
Property, plant and equipment and intangible assets (net)	(6,167.26)	(49.53)	-	(6,117.73)
Borrowings	(464.74)	(179.92)	-	(284.82)
Tax losses	6,211.34	(1,023.11)	-	7,234.45
Employee benefits expenses	8.62	(0.48)	(1.28)	10.38
Derivatives	290.87	(122.67)	(35.73)	449.27
Trade receivables	334.81	(18.00)	-	352.81
MAT credit entitlement	-	(69.79)	-	69.79
Others	9.95	3.94	-	6.01
Total	223.59	(1,459.56)	(37.01)	1,720.16



Jhajjar Power Limited
Notes forming part of the financial statements for the year ended 31 March 2018
(All amount in Rs. Million)

Note 7 : Income tax assets (net)

	As at 31 March 2018	As at 31 March 2017
Advance Income Tax [net of provision of tax Rs. 489.03 (31 March 2017 : Rs. 20.31)]	77.66	48.95
Total	77.66	48.95

Note 8 : Other non- current assets

	As at 31 March 2018	As at 31 March 2017
Prepaid expenses	158.47	160.65
Capital advances	138.34	21.83
Total	296.81	182.48

Note 9 : Inventories

	As at 31 March 2018	As at 31 March 2017
<i>At lower of cost and net realisable value</i>		
Raw Material [Includes stock in transit Rs. 359.63 (31 March 2017 : Rs 100.15)]	752.68	3,590.37
Stores and spares	835.56	628.99
Total	1,588.24	4,219.36

Note 10(a) : Trade receivables

	As at 31 March 2018	As at 31 March 2017
Trade Receivables		
Unsecured, considered good	7,483.01	3,806.40
Doubtful	1,175.74	1,019.43
Less: Impairment allowance for doubtful receivables	(1,175.74)	(1,019.43)
Total	7,483.01	3,806.40

Note 10(b) : Cash and cash equivalents

	As at 31 March 2018	As at 31 March 2017
Cash on hand	0.23	0.32
Balance with banks in Current Accounts	13.51	78.54
Total	13.74	78.86

Note 10(c) : Other current financial assets

	As at 31 March 2018	As at 31 March 2017
(i) Derivatives		
Options	-	49.77
Foreign exchange forward contracts	83.73	99.57
Interest rate swaps	86.34	33.76
Principal only swap	120.45	103.64
(ii) Others		
Unbilled Revenue	482.28	361.05
Total	772.80	647.79

Note 11 : Other current assets

	As at 31 March 2018	As at 31 March 2017
Advance to suppliers	2,368.70	1,306.31
Balance with others	9.58	18.17
Prepaid expenses	34.70	90.48
Total	2,412.98	1,414.96



Jhajjar Power Limited
Notes forming part of the financial statements for the year ended 31 March 2018
(All amount in Rs. Million)

Particulars	As at 31 March 2018	As at 31 March 2017
Note 12: Share Capital		
a. Authorised :		
500,000,000 (31 March 2017: 500,000,000) Equity Shares of Rs.10 each	5,000.00	5,000.00
2,700,000,000 (31 March 2017: 2,700,000,000) Compulsory Convertible Preference Shares of Rs.10 each	27,000.00	27,000.00
	32,000.00	32,000.00
b. Issued and Subscribed and Paid up:		
20,000,000 (31 March 2017: 20,000,000) Equity Shares of Rs.10 each fully paid up	200.00	200.00
2,324,882,458 (31 March 2017: 2,324,882,458) Compulsory Convertible Preference Shares of Rs 10 each fully paid up	23,248.82	23,248.82
	23,448.82	23,448.82
c. Reconciliation of number of shares outstanding at the beginning and end of the year :		
Equity shares :		
Outstanding at the beginning of the year (nos)	20,000,000	20,000,000
Issued during the year (nos)	-	-
Outstanding at the end of the year (nos)	20,000,000	20,000,000
Compulsory Convertible Preference Shares :		
Outstanding at the beginning of the year (nos)	2,324,882,458	2,324,882,458
Issued during the year (nos)	-	-
Outstanding at the end of the year (nos)	2,324,882,458	2,324,882,458

d. Terms / rights attached to each classes of shares

(i) Terms / rights attached to Equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Terms / rights attached to Preference shares

The Compulsory Convertible Preference Shares ("CCPS") are convertible into fixed number of equity shares at any time before 20 years from the date of first allotment of CCPS at the option of the Company with a right to Investor to call for conversion at any time after 15 years. The CCPS on conversion into equity shares shall rank pari passu with existing equity shares in all respect.

e. Shares in respect of each class in the Company held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

	As at 31 March 2018		As at 31 March 2017	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares:				
Shares held by CLP Power India Private Limited (CLPPIPL), the holding company, and its nominees	20,000,000	200.00	20,000,000	200.00
Compulsory Convertible Preference Shares:				
CCPS held by CLP India Private Limited (CLPIPL), the holding company of CLP Power India Private Limited	2,324,882,458	23,248.82	2,324,882,458	23,248.82



f. Shareholders holding more than 5% shares in the Company is set out below:

	As at 31 March 2018		As at 31 March 2017	
	No. of Shares	% holding	No. of Shares	% holding
Equity Shares:				
Shares held by CLP Power India Private Limited (CLPPIPL), the holding company, and its nominees	20,000,000	100%	20,000,000	100%
Compulsory Convertible Preference Shares:				
CCPS held by CLP India Private Limited (CLPIPL), the holding company of CLP Power India Private Limited	2,324,882,458	100%	2,324,882,458	100%

g. No shares have been issued for consideration other than cash during the period of five years immediately preceding the reporting date.



Jhajjar Power Limited
Notes forming part of the financial statements for the year ended 31 March 2018
(All amount in Rs. Million)

Note 13 : Other Equity

	As at 31 March 2018	As at 31 March 2017
Securities premium	1,504.85	1,504.85
Debenture Redemption Reserve	700.59	407.09
Equity component of compound financial instrument	2,345.74	2,345.74
Equity component of Corporate Guarantee	198.01	198.01
Retained earnings	(6,442.17)	(7,544.31)
Cash flow hedging reserve	345.68	255.56
Cost of hedging reserve	(154.14)	(174.85)
Total	(1,501.44)	(3,007.91)

Nature and purpose of Reserves:

(i) Securities Premium

Securities Premium Reserve is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Debenture Redemption Reserve

The Company has issued debentures in India and as per the provisions of the Companies Act, 2013, is required to create debenture redemption reserve out of the profits of the Company available for payment of dividend.

(iii) Cash flow Hedging reserve

This comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

(iv) Cost of hedging reserve

The Company designates the spot component of foreign currency forward contracts and the intrinsic value of foreign currency option contracts as hedging instruments in cash flow hedge relationships. The Company defers changes in the forward element of foreign currency forward contracts and the time value element of foreign currency option contracts in the costs of hedging reserve, as permitted by Ind AS 109 'Financial Instruments'.

(v) Remeasurements of defined benefit liability /asset

Remeasurements of defined benefit liability/ (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).

Note 14 (a) : Non- Current Borrowings

	As at 31 March 2018 Non Current	As at 31 March 2018 Current	As at 31 March 2017 Non Current	As at 31 March 2017 Current
Secured				
Debentures	9,585.99	389.71	9,581.35	381.77
Term Loans-				
From banks				
Rupee Loan	597.45	87.15	2,960.47	468.28
Foreign Currency Loan	5,912.26	1,956.27	7,818.14	2,062.64
From financial institutions				
Rupee Loan	4,686.85	819.01	3,208.44	437.88
Foreign Currency Loan	5,526.26	440.26	5,942.79	386.37
Unsecured				
Loan from Related Party (Refer to Note 35)	2,773.02	-	2,496.65	-
Total	29,081.83	3,692.40	32,007.84	3,736.94
Less: shown as other current financial liability	-	(3,692.40)	-	(3,736.94)
Total	29,081.83	-	32,007.84	-

(A) Nature of Security and terms of secured borrowings

(i) (i) Nature of Security for non-current secured borrowings (debentures and term loans):-

- First ranking pari passu charge on movable assets, immovable fixed assets, current assets (both present and future).
- First ranking pari passu charge on all the rights title, interest, benefit, claims and demand whatsoever of the issuer in the project documents, clearances related to projects of the Company, any letter of credit, guarantee, performance bond provided by any party for the project, all insurance contracts and insurance proceeds relating to the project.
- First ranking pari passu charge on all intangible assets of the Company both present and future.

(ii) Nature of security specific for debentures:-

- First ranking pari passu charge on accounts established under the accounts agreement as defined under the debenture trust deed and any other bank accounts of the Company.
- First ranking pari passu pledge of atleast 51% of equity shares and CCPS of the Company held by the holding company, CLP Power India Private Limited (CLPPIPL) and by CLP India Private Limited (CPLIPL), holding company of CLPPIPL respectively.
- Corporate guarantee given by CPLIPL for Issue I debentures to the extent of 50% of issue size.

(iii) Nature of security specific for foreign currency loan from financial institution & rupee term loans:-

- First ranking pari passu charge in respect of the letter(s) of credit, escrow account, the trust and retention account, debt service reserve account and other reserves and any other bank accounts of the Company.
- First ranking pari passu pledge of 51% of the equity shares and CCPS of the Company held by the CLPPIPL & CPLIPL respectively at all times till the final settlement date. Provided that the percentage of equity shares and CCPS on which the pledge shall persist shall be reduced to 26% of the issued and paid up share capital of the Company upon repayment of 75% of the rupee facility, subject to there being no outstanding event of default.



(iv) Nature of security specific for foreign currency loan from banks:-

(a) First ranking pari passu charge in respect of the letter(s) of credit, Escrow Account, the Trust and Retention Account, Debt Service Reserve Account and other reserves and any other bank accounts of the Company.

(b) First ranking pari passu pledge of 100% of the equity shares and CCPs of the Company held by the CLPPIPL & CLPIPL at all times till the final settlement date.

As at 31 March 2018

(2) Terms of borrowing

Type of Debentures	Amount*	Interest rate	Repayable at	Period of maturity from balance sheet date
Issue 1 Series 1	2,380.00	Half yearly basis	30 April 2025	85 months
Issue 1 Series 2	2,380.00	at 9.99%	30 April 2026	97 months
Issue 2 Series 1	900.00	Annual basis at	28 April 2023	61 months
Issue 2 Series 2	1,300.00	9.91%	30 April 2024	73 months
Issue 3 Series 1	1,800.00	Annual basis at	30 April 2022	49 months
Issue 3 Series 2	900.00	8.70%	30 April 2023	61 months

* Amount represents current and non-current portion of the borrowings (gross of unamortised transaction cost of Rs. 74.01).

Term Loan	Amount*	Average interest rate	Repayment terms	Period of maturity from balance sheet date
Rupee term loan from financial institution	2,997.67	9.89%	82% of the principal amount in first 43 equal quarterly instalments and 18% of the principal amount in the last instalment from the date of first disbursement with maturity date of 1 November 2023	67 months
Rupee term loan from bank	690.66	10.16%	Repayable in 44 equal quarterly instalments from the date of first disbursement with maturity date of 31 December 2023	69 months
Rupee term loan from financial institution	2,517.79	9.35%	Repayable in 44 equal quarterly instalments from the date of first disbursement with maturity date of 31 December 2023	69 months

* Amount represents current and non-current portion of the borrowings (gross of unamortised transaction cost of Rs. 18.68).

Term Loan	Amount*	Interest rate	Repayment terms	Period of maturity from balance sheet date
Foreign currency term loan from financial institution	6,009.09	Monthly basis at 6 month libor + 220 bps p.a.	Repayable in 44 quarterly instalments from the date of first disbursement with maturity date of 1 November 2023	67 months
Foreign currency term loan from banks	5,139.23	(a) For few banks interest is at quarterly basis at 3 month libor + 350 bps p.a. (b) For other banks interest is at quarterly basis at 3 month libor + 215 bps p.a.	Initially loan was repayable in 44 equal quarterly instalments from the date of first disbursement with maturity date of 29 October 2023. Last 11 installements have been prepaid during the previous year.	34 months
Foreign currency term loan from bank	2,848.72	Quarterly basis at 3 month libor + 250 bps p.a.	Repayable in 44 quarterly instalments from the date of first disbursement with maturity date of 29 October 2023.	67 months

* Amount represents current and non-current portion of the borrowings (gross of unamortised transaction cost of Rs. 215.68).



(B) Terms of unsecured borrowings

Particulars	Amount*	Interest rate	Repayable at #	Period of maturity from balance sheet date
Tranche 1%	2,000.00	Interest free	31 March 2021	36 months
Tranche 2%	2,000.00		31 March 2022	48 months

* For equity component of loan from related party, refer to Note 13

* Amount represents amount of the borrowings received.

It is subject to financial arrangement/agreement with banks/financial institutions/debentureholders.

As at 31 March 2017

(2) Terms of borrowing

Type of Debentures	Amount*	Interest rate	Repayable at	Period of maturity from balance sheet date
Issue 1 Series 1	2,380.00	Half yearly basis	30 April 2025	97 months
Issue 1 Series 2	2,380.00	at 9.99%	30 April 2026	119 months
Issue 2 Series 1	900.00	Annual basis at	28 April 2023	73 months
Issue 2 Series 2	1,300.00	9.91%	30 April 2024	85 months
Issue 3 Series 1	1,800.00	Annual basis at	30 April 2022	61 months
Issue 3 Series 2	900.00	8.70%	30 April 2023	73 months

* Amount represents current and non-current portion of the borrowings (gross of unamortised transaction cost of Rs. 84.07).

Term Loan	Amount*	Average interest rate	Repayment terms	Period of maturity from balance sheet date
Rupee term loan from bank	3,379.07	10.65%	82% of the principal amount in first 43 equal quarterly instalments and 18% of the principal amount in the last installment from the date of first disbursement with maturity date of 1 November 2023.	79 months
Rupee term loan from bank	778.53	10.65%	Repayable in 44 equal quarterly instalments from the date of first disbursement with maturity date of 31 December 2023.	81 months

* Amount represents current and non-current portion of the borrowings (gross of unamortised transaction cost of Rs. 41.94).

Term Loan	Amount*	Interest rate	Repayment terms	Period of maturity from balance sheet date
Foreign currency term loan from financial institution	6,362.83	Monthly basis at 6 month libor + 220 bps p.a.	Repayable in 44 quarterly instalments from the date of first disbursement with maturity date of 1 November 2023.	79 months
Foreign currency term loan from banks	6,838.69	(a) For few banks interest is at quarterly basis at 3 month libor + 350 bps p.a. (b) For other banks interest is at quarterly basis at 3 month libor + 300 bps p.a.	Initially loan was repayable in 44 equal quarterly instalments from the date of first disbursement with maturity date of 29 October 2023. Last 11 instalments have been prepaid during the year.	46 months
Foreign currency term loan from bank	3,085.02	Quarterly basis at 3 month libor + 350 bps p.a.	Repayable in 44 quarterly instalments from the date of first disbursement with maturity date of 29 October 2023.	79 months

* Amount represents current and non-current portion of the borrowings (gross of unamortised transaction cost of Rs. 253.33).



(B) Terms of unsecured borrowings

Particulars	Amount*	Interest rate	Repayable at #	Period of maturity from balance sheet date
Tranche 1 [^]	2,000.00	Interest free	31 March 2021	36 months
Tranche 2 [^]	2,000.00		31 March 2022	48 months

[^] For equity component of loan from related party, refer to Note 13

* Amount represents actual amount of the borrowings received.

Repayment is subject to compliance with financial arrangement/agreement with banks/financial institutions/debentureholders.

Note 14 (b) : Other Non- Current Financial Liabilities

	As at 31 March 2018	As at 31 March 2017
(i) Derivatives		
Foreign exchange forward contracts	129.25	29.31
Options	4.01	58.44
Principal only swap	72.33	-
(ii) Others		
Premium payable on cancelled options	54.72	99.14
Capital Creditors	3.27	3.27
Total	263.58	190.16

Note 15 : Provisions (Non-Current)

	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits		
Provision for Gratuity (Refer to Note 29)	11.35	3.46
Provision for Compensated Absences (Refer to Note 29)	30.91	20.48
Total	42.26	23.94

Note 16 (a) : Current Borrowings

	As at 31 March 2018	As at 31 March 2017
Secured:		
Working Capital Loan from banks	2,006.08	2,507.27
Cash credit from banks repayable on demand	1,118.16	62.69
Unsecured:		
Commercial Paper	1,000.00	1,500.00
Total	4,124.24	4,069.96

Nature of Security and terms of borrowings

Nature of Security	Terms of Repayment
Working Capital Loan and cash credit from banks are secured by a first mortgage and charge in favour of the lenders of all the immovable properties both present and future of the Company on pari passu basis and a first charge by way of hypothecation on movable properties, machinery, machinery spares, tools and accessories present and future subject to prior charge created in favour of the bankers. They are also secured by hypothecation of inventories, book debts and receivables.	Cash credit is repayable on demand. Working capital loan is repayable within a period ranging from 5 to 180 days. Interest rate ranges from 7.75% to 11.25%.
Commercial papers are unsecured in nature	Repayable within a period ranges from 30 to 90 days with coupon rate ranging from 6.50% to 8.00%.

Note 16(b) : Trade payables

	As at 31 March 2018	As at 31 March 2017
Due to Micro and Small Enterprises (Refer to Note 37)	-	-
Due to others	2,110.44	1,338.83
Total	2,110.44	1,338.83



Note 16(c) : Other current financial liabilities

	As at 31 March 2018	As at 31 March 2017
(i) Derivatives		
Foreign exchange forward contracts	23.64	10.95
Options	7.78	7.00
Interest rate swaps	-	16.29
(ii) Others		
Current maturities of long term borrowings*	3,692.40	3,736.94
Book overdraft	34.37	-
Bonus payable	82.78	60.81
Premium payable on cancelled options	18.96	-
Payable to Capital Creditors	40.06	6.76
Others	108.01	90.74
Total	4,008.00	3,929.49

*includes accrued interest of Rs. 446.42 (31 March 2017 - Rs. 562.25)

Note 17 : Other current liabilities

	As at 31 March 2018	As at 31 March 2017
Statutory dues including provident fund & tax deducted at source	24.28	20.74
Total	24.28	20.74

Note 18 : Provisions (Current)

	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits		
Provision for Gratuity (Refer to Note 29)	6.99	4.93
Provision for Compensated Absences (Refer to Note 29)	2.12	1.12
Total	9.11	6.05

Note 19 : Current tax liabilities (net)

	As at 31 March 2018	As at 31 March 2017
Provision for tax [net of advance income tax Rs. 54.89 (31 March 2017 : Rs. 0.22)]	14.90	69.57
Total	14.90	69.57



Jhajjar Power Limited**Notes forming part of the financial statements for the year ended 31 March 2018**

(All amount in Rs. Million)

Note 20 : Revenue from operations

	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue from Sale of electricity [Including Rs. 7,800.46 (31 March 2017: Rs. 7,857.27) towards capacity charges which is in nature of operating lease income under Ind AS 17]	30,266.30	17,450.21
Other operating income:		
Sale of Fly Ash (inclusive of excise duty)	546.04	172.99
Total	30,812.34	17,623.20

Note 21 : Other income

	For the year ended 31 March 2018	For the year ended 31 March 2017
Other income		
Interest income under effective interest method on financial assets measured at amortised cost	10.77	0.58
Foreign Exchange Fluctuation (Net)	0.65	158.43
Miscellaneous income	16.45	189.19
Derivatives at FVTPL	10.65	15.24
Total	38.52	363.44

Note 22 : Cost of materials consumed

	For the year ended 31 March 2018	For the year ended 31 March 2017
Consumption of Coal	20,512.46	8,755.71
Consumption of high speed diesel	146.97	110.34
Consumption of Stores and Spares	256.09	242.68
Water Charges	61.36	30.65
Excise Duty	2.05	3.56
Total	20,978.93	9,142.94

Note 23 : Employee benefits expense

	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, Wages and Bonus	485.46	403.01
Contribution to Provident and Other Funds	17.90	12.81
Staff Welfare Expenses	20.49	25.31
Total	523.85	441.13

Note 24 : Finance costs

	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest expense on financial liabilities measured at amortised cost	2,873.28	3,185.72
Other borrowing cost	78.91	62.84
Total	2,952.19	3,248.56



Jhajjar Power Limited

Notes forming part of the financial statements for the year ended 31 March 2018

(All amount in Rs. Million)

Note 25 : Depreciation and amortisation expense

	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation of property, plant and equipment (Refer to Note 3)	2,503.96	2,574.29
Amortisation of intangible assets (Refer to Note 4)	0.46	9.25
Total	2,504.42	2,583.54

Note 26 : Other expenses

	For the year ended 31 March 2018	For the year ended 31 March 2017
Repairs and Maintenance		
- Plant	249.80	206.98
- Building	7.94	12.25
- Others	116.12	107.60
Unscheduled Intercharges	76.95	57.68
Rent	5.65	19.73
Insurance	109.82	90.34
Traveling and Conveyance	46.01	31.52
Legal and Professional	39.07	42.40
Impairment allowance for doubtful receivables	156.31	52.01
Auditors' Remuneration (Refer to Note 38)	4.45	9.35
Rates and Taxes	0.44	1.73
Expenditure towards Corporate Social Responsibilities (CSR) activities (Refer to Note 39)	25.70	23.00
Inventory Write off	33.57	-
Loss on Sale of Asset	0.02	1.50
Foreign Exchange Fluctuation (Net)	- 14.92	-
Derivatives at FVTPL	95.88	351.02
Premium/other cost on derivatives	725.20	381.80
Loss on cancellation of options	-	35.20
IT operating costs	40.67	30.04
Office expenses	37.07	35.36
Security Expenses	30.29	29.02
Contract staff	164.49	184.98
Miscellaneous Expenses	106.11	95.22
Total	2,086.48	1,798.73



Jhajjar Power Limited**Notes forming part of the financial statements for the year ended 31 March 2018**

(All amount in Rs. Million)

Note 27 : Income tax

	For the year ended 31 March 2018	For the year ended 31 March 2017
(a) Amount recognised in profit or loss		
Current tax		
Current tax on profits for the year (Minimum Alternate Tax)	468.72	69.79
Deferred tax		
Origination and reversal of temporary differences	167.31	205.25
Change in tax rate	(23.18)	-
Recognition of previously unrecognised deferred tax	(209.12)	(1,664.82)
Total	403.73	(1,389.78)
(b) Income tax recognised in other comprehensive income		
Deferred tax		
Remeasurements of defined benefit plan	(2.98)	(1.28)
Effective portion of gains/ (losses) on hedging instruments in cash flow hedges	53.52	92.74
Effective portion of gains/ (losses) on hedging instruments in cash flow hedges reclassified to profit or loss	(5.83)	71.53
Cost of hedging - changes in fair value	(148.12)	(395.44)
Cost of hedging - change in fair value reclassified to profit or loss	159.08	195.45
Total	55.67	(37.00)
(c) Reconciliation of effective tax rate		
	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit before tax	1,804.99	771.74
Tax at the Indian tax rate of 34.608% (2016-2017 – 34.608%)	624.67	267.08
Non-deductible expenses	11.36	7.96
Change in tax rate	(23.18)	-
Recognition of previously unrecognised deferred tax	(209.12)	(1,664.82)
Income tax expense reported in Statement of Profit & Loss	403.73	(1,389.78)



Jhajjar Power Limited**Notes forming part of the financial statements for the year ended 31 March 2018**

(All amount in Rs. Million)

Note 28 : Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Ordinary equity shares that will be issued upon the conversion of a compulsory convertible preference shares are included in the calculation of basic earnings per share from the date the contract is entered into.

i. Profit attributable to equity holders of the Company

	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit attributable to equity holders:	1,401.26	2,161.52
Earnings used in calculating earnings per share		
Basic earning per share		
Profit attributable to equity holders used in calculating basic earnings per share:	1,401.26	2,161.52
Diluted earning per share		
Profit attributable to equity holders used in calculating diluted earnings per share:	1,401.26	2,161.52

ii. Weighted average number of shares used as the denominator

	For the year ended 31 March 2018	For the year ended 31 March 2017
Weighted average number of equity shares used as the denominator in calculating EPS	20,000,000	20,000,000
Compulsory convertible preference shares	2,324,882,458	2,324,882,458
Weighted average number of equity shares & potential equity shares used as the denominator in calculating basic and diluted earnings per share	2,344,882,458	2,344,882,458

Basic and Diluted earnings per share

	For the year ended 31 March 2018	For the year ended 31 March 2017
Basic earnings per share	0.60	0.92
Diluted earnings per share	0.60	0.92



Jhajjar Power Limited
Notes forming part of the financial statements for the year ended 31 March 2018
(All amount in Rs. Million)

Note 29: Defined Benefit Obligation

The Company contributes to the following post employment benefit plan:

(i) Defined Contribution Plan:

The Company pays provident fund contributions to the appropriate government authorities at rate specified as per regulations. An amount of Rs. 13.21 (31 March 2017: Rs. 11.91) has been recognised as an expense in respect of the Company's contribution to Provident Fund deposited with the relevant authorities and has been shown under Employee benefits expense in the Statement of Profit and Loss.

(ii) Defined Benefit Plan:

A. Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. Every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. The Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2018. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Note	For the year ended 31 March 2018	For the year ended 31 March 2017
Present value of defined benefit obligation (A)	35.00	22.45
Fair value of plan assets (B)	16.66	14.06
Net liability arising from defined benefit obligation (A)- (B)	15, 18	8,39
Non-current	11.35	3.46
Current	6.99	4.93

B. Movement in net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (assets)/ liability and its components:

(a) Gratuity (Funded)

	Present value of obligation	Fair Value Of Plan Assets	Net Defined Benefit Obligation
As at 1 April 2016	18.37	12.21	6.16
Transfer in/ (out) obligation	(3.35)	-	(3.35)
Current Service cost	4.00	-	4.00
Interest cost/ (income)	1.38	1.13	0.25
Total amount recognised in statement of profit and loss	2.03	1.13	0.90
Remeasurement loss / (gain):			
Actuarial loss / (gain) arising from:			
-Due to change in demographic assumptions	-	-	-
-Due to change in financial assumptions	2.29	-	2.29
-Due to change in experience adjustment	1.09	-	1.09
Return on plan assets excluding amounts included in interest income	-	(0.32)	0.32
Total amount recognised in other comprehensive income	3.38	(0.32)	3.70
Benefits paid	(1.33)	(1.33)	-
Contributions	-	2.37	(2.37)
As at 31 March 2017	22.45	14.06	8.39
Transfer in/ (out) obligation	(0.67)	-	(0.67)
Service cost	4.93	-	4.93
Interest cost/ (income)	1.62	1.19	0.43
Total amount recognised in statement of profit and loss	5.88	1.19	4.69
Remeasurement loss / (gain):			
Actuarial loss / (gain) arising from:			
-Due to change in demographic assumptions	(0.43)	-	(0.43)
-Due to change in financial assumptions	7.57	-	7.57
-Due to change in experience adjustment	1.11	-	1.11
Return on plan assets excluding amounts included in interest income	-	(0.35)	0.35
Total amount recognised in other comprehensive income	8.25	(0.35)	8.60
Benefits paid	(1.58)	(1.58)	-
Contributions	-	3.34	(3.34)
As at 31 March 2018	35.00	16.66	18.34



Jhajar Power Limited
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 (All amount in Rs. Million)

C. Plan Assets

Plan assets comprise the following

	As at 31 March 2018	As at 31 March 2017
Investment made by insurance company	100%	100%

D. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted average)

	31 March 2018	31 March 2017
Discount rate	7.50%	7.30%
Return on plan assets	7.50%	7.30%
Retirement age	60 years	60 years
Salary escalation rate	10%	8%
Withdrawal rates	8% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages
In service mortality	Indian Assured Lives Mortality (2006-08) table	Indian Assured Lives Mortality (2006-08) table

Assumptions regarding future mortality have been based on standard public statistics and mortality tables.

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the related actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Change in Assumptions		Impact on defined benefit obligation			
	31 March 2018	31 March 2017	Increase in assumptions		Decrease in assumptions	
Discount rate	0.50%	0.50%	(2.30)	(1.61)	2.81	1.81
Future salary growth	0.50%	0.50%	2.73	1.79	(2.26)	(1.61)

The sensitivity analysis are based on a change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied, as has been applied when calculating the provision for defined benefit plan recognised in the Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

E. Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Credit risk : As the scheme is insured and fully funded on projected unit credit basis, there is a credit risk to the extent the insurer(s) is/are unable to discharge their obligations including failure to discharge in timely manner.

Discount rate risk: The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase in the ultimate cost of providing the above benefit thereby increasing the value of the liability.

Future salary increase risk: The scheme cost is very sensitive to the assumed future salary escalation rates for all final salary defined benefit schemes. If actual future salary escalations are higher than that assumed in the valuation actual scheme cost and hence the value of the liability will be the higher than that estimated.

Longevity Risk : The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

F. Asset-Liability matching study

The Gratuity benefits liabilities of the Company are funded. However, there are no minimum funding requirements for a Gratuity Benefits plan in India. The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

G. Other disclosures

The Company expects to make a contribution of Rs. 6.99 (31 March 2017 - Rs. 4.93) to the defined benefit plans during the next financial year.

The weighted average duration of the defined benefit obligation is 14.57 years (31 March 2017- 16 years). The expected maturity analysis of gratuity is as follows:

Defined benefit obligation (Gratuity)	Less than a year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
31 March 2018	0.79	0.87	3.82	11.20	16.68
31 March 2017	0.40	0.43	2.76	4.48	8.07



Jhajjar Power Limited
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(iii) Other long-term employee benefit obligations - Compensated absence

The leave obligation covers the Company's liability for sick and earned leave. The amount of the provision of Rs. 33.02 (31 March 2017; Rs. 21.60) is presented as current (leave obligations expected to be settled within the next 12 months) and non current. Based on the actuarial valuation obtained in this respect, the following table sets out the amounts recognised in the Company's financial statements as at balance sheet date:

(a) Leave Liability (Unfunded)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Opening balance	12.81	11.56
Current service cost	2.62	1.99
Net interest cost	0.93	0.92
Transfer in / (out) obligation	0.02	(1.86)
Remeasurement loss / (gain):		
Actuarial loss / (gain) arising from:		
-Due to change in demographic assumptions	1.01	-
-Due to change in financial assumptions	4.03	1.44
-Due to change in experience adjustment	(0.89)	(0.42)
Total amount recognised in statement of profit and loss	7.72	2.07
Benefits paid	(0.22)	(0.82)
Personal leave liability	20.31	12.81
Current	0.84	0.28
Non Current	19.47	12.53
Sick leave liability	12.71	8.79
Current	1.28	0.84
Non Current	11.43	7.95
Total leave liability	33.02	21.60
Current	2.12	1.12
Non Current	30.91	20.48



Jhajjar Power Limited
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 (All amount in Rs. Million)

Note 30: Operating leases

A. Leases as lessee

i) The Company has taken office premises under operating leases. The initial tenure of the lease is generally between 12 months to 60 months. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

(a) Rental expense relating to operating lease

	For the year ended 31 March 2018	For the year ended 31 March 2017
Minimum lease payments	5.28	19.02
Total rental expense relating to operating leases	<u>5.28</u>	<u>19.02</u>

(b) Total of future minimum lease payments under non-cancellable leases

	As at 31 March 2018	As at 31 March 2017
-not later than 1 year	0.23	0.21
-later than 1 year and not later than 5 years	-	0.23
-later than 5 years	-	-
	<u>0.23</u>	<u>0.44</u>

B. Leases as Lessor

ii) The 25-year power purchase arrangements between Jhajjar Power Limited and its offtakers (Haryana Power Purchase Centre) are accounted for as operating leases. Under the agreements, the offtakers are obliged to purchase the output of Jhajjar Power Limited at predetermined prices. The future aggregate minimum lease receipts under non-cancellable operating leases are as follows.

	As at 31 March 2018	As at 31 March 2017
-not later than 1 year	6,186.81	5,909.06
-later than 1 year and not later than 5 years	20,615.81	23,041.78
-later than 5 years	47,400.07	51,160.90
	<u>74,202.69</u>	<u>80,111.74</u>



Jhajjar Power Limited

Notes forming part of the financial statements for the year ended 31 March 2018

(All amount in Rs. Million)

Note 31: Financial instruments – Fair values and risk management

(i) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

A. Carrying value of Financial Instruments by category

Particulars	As at 31 March 2018		31 March 2017	
	Fair value - hedging instrument	Mandatory at FVTPL	Fair value - hedging instrument	Mandatory at FVTPL
Financial assets				
Loan	-	-	-	11.77
Derivatives (non current)	687.36	1,568.40	1,031.98	1,713.76
Other Non-current financial asset	-	-	-	109.61
Trade receivables	-	-	-	3,806.40
Cash and cash equivalents	-	-	-	78.86
Derivatives (current)	170.07	120.45	183.09	103.64
Other Current financial asset	-	-	-	361.05
Total	857.43	1,688.85	1,215.07	1,817.40
Financial liabilities				
Borrowings (non current)	-	-	-	32,007.84
Derivatives (non current)	133.26	72.33	87.75	-
Other Non-Current financial liabilities	-	-	-	102.41
Borrowings (current)	-	-	-	4,069.96
Trade payables	-	-	-	1,338.83
Derivatives (current)	31.42	-	34.24	-
Other Current financial liabilities	-	-	-	3,895.25
Total	164.68	72.33	121.99	41,414.29



Jhajjar Power Limited

Notes forming part of the financial statements for the year ended 31 March 2018

(All amount in Rs. Million)

B. Fair Value hierarchy

Assets and liabilities which are measured at fair value						
As at 31 March 2018	Note	Level 1	Level 2	Level 3	Total Carrying Amount	
Financial assets						
<i>Financial assets mandatory at FVTPL</i>						
Principal only swap	5(b), 10(c)	-	1,688.86	-	1,688.86	
<i>Fair value - hedging instrument</i>						
Interest rate swaps	5(b), 10(c)	-	500.34	-	500.34	
Options	5(b), 10(c)	-	86.26	-	86.26	
Foreign exchange forward contracts	5(b), 10(c)	-	270.82	-	270.82	
Total		-	2,546.28	-	2,546.28	
Financial liabilities						
<i>Financial liabilities mandatory at FVTPL</i>						
Principal only swap	14(b), 16(c)	-	72.33	-	72.33	
<i>Fair value - hedging instrument</i>						
Options	14(b), 16(c)	-	11.79	-	11.79	
Foreign exchange forward contracts	14(b), 16(c)	-	152.90	-	152.90	
Total		-	237.02	-	237.02	
Assets and liabilities which are measured at amortised cost for which fair values are disclosed						
As at 31 March 2018	Note	Level 1	Level 2	Level 3	Total Carrying Amount	
Other financial assets	5(b), 10(c)	-	-	601.61	601.61	
Loans		-	-	15.34	15.34	
Trade receivables *	10(a)	-	-	-	-	
Cash and cash equivalents *	10(b)	-	-	-	-	
Total Financial Assets		-	-	616.95	616.95	



Jhajjar Power Limited

Notes forming part of the financial statements for the year ended 31 March 2018

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Long-term borrowings	14(a)	-	29,081.83	29,081.83
Other financial liabilities	14(b), 16(c)	-	4,034.57	4,034.57
Short term borrowings	16(a)	-	4,124.24	4,124.24
Trade payables *	16(b)	-	-	-
Total Financial Liabilities		-	37,240.64	37,240.64

* The Company has not disclosed the fair values for financial instruments such as cash and cash equivalents, short-term trade receivables, trade payables, etc. because their carrying amounts are a reasonable approximation of fair value.

Assets and liabilities which are measured at fair value		Level 1	Level 2	Level 3	Total Carrying Amount
At 31 March 2017		Note			
Financial assets					
<i>Financial assets mandatory at FYTPL</i>					
Principal only swap	5(b), 10(c)	-	1,817.40	-	1,817.40
<i>Fair value - hedging instrument</i>					
Interest rate swaps	5(b), 10(c)	-	368.17	-	368.17
Options	5(b), 10(c)	-	280.30	-	280.30
Foreign exchange forward contracts	5(b), 10(c)	-	566.60	-	566.60
Total		-	3,032.47	-	3,032.47
Financial liabilities					
<i>Fair value - hedging instrument</i>					
Foreign exchange forward contracts	14(b), 16(c)	-	40.26	-	40.26
Options	14(b), 16(c)	-	65.44	-	65.44
Interest rate swaps	14(b), 16(c)	-	16.29	-	16.29
Total		-	121.99	-	121.99



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(All amount in Rs. Million)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At 31 March 2017	Note	Level 1	Level 2	Level 3	Total Carrying Amount
Other financial assets	5(b), 10(c)	-	-	470.66	470.66
Loan	5(a)	-	-	11.77	11.77
Trade receivables *	10(a)	-	-	-	-
Cash and cash equivalents *	10(b)	-	-	-	-
Total		-	-	482.43	482.43
Long-term borrowings	14(a)	-	-	32,007.84	32,007.84
Other financial liabilities	14(b), 16(c)	-	-	3,997.66	3,997.66
Short term borrowings	16(a)	-	-	4,069.96	4,069.96
Trade payables *	16(b)	-	-	-	-
Total		-	-	40,075.46	40,075.46

* The Company has not disclosed the fair values for financial instruments such as cash and cash equivalents, short-term trade receivables, trade payables, etc. because their carrying amounts are a reasonable approximation of fair value.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets for identical assets or liabilities. The Company has no such financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, derivatives) is determined using valuation techniques which uses inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.



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Currency options

Option model: The value of a European currency option is calculated by assuming that the currency pair's spot rate follows a log-normal process and the model used is known as the Garman Kohlhagen Model. The model takes into consideration the presence of two interest rates (one for each currency). Not applicable

D. Transfers between Levels 1 and 2

There are no transfers between financial instruments valued using Level 1 and Level 2 fair value hierarchy.



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Notes forming part of the financial statements for the year ended 31 March 2018

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C. Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used. Related valuation processes are described in Note 2(b)(iv).

Type	Valuation technique	Significant unobservable inputs and Inter-relationship between significant unobservable inputs and fair value measurement
------	---------------------	---

Forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date interpolated for the time to maturity of individual trades and present value calculations based on high credit quality yield curves in the respective currencies.	Not applicable
Interest rate swaps/ Principal only swaps	Swap models: The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. In case of principal only swaps cash flows belonging to one currency is converted into the other currency using currency forward rates. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the Company and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices.	Not applicable



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Note 32: Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk.
This note explains the sources of risk which the Company is exposed to and how the entity manages the risk.

The Company has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The Company's risk management is carried out by a treasury department under the supervision of Senior Vice President of the Company. The treasury department identifies and evaluates financial risks in close co-operation with the Company's operating units. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, liquidity risk etc.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and other financial assets.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables, unbilled revenue and loans

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company has significant concentration of credit risk with respect to the sale of electricity as the Company sells a majority of its electricity output to state electricity boards in India through Power Purchase Agreements (PPA) for 25 years.

The Company's exposure to credit risk for trade receivables, unbilled revenue and loans by type of counterparty is as follows.

	Carrying amount	
	As at 31 March 2018	As at 31 March 2017
State electricity boards	7,919.02	4,153.05
Others	61.60	26.17
	7,980.62	4,179.22

At 31 March 2018, the carrying amount (including unbilled revenue) of the Company's most significant customer (a state electricity board) is INR 7,857.17 (31 March 2017: INR 4,118.41).

The Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Company's historical experience for customers. Based on the business environment in which the Company operates, management considers that the trade receivables are in default (credit impaired) if the payments are more than 90 days past due.



The Company's exposure to credit risk for trade receivables by ageing is as follows:

	Carrying amount	
	As at 31 March 2018	As at 31 March 2017
Neither past due nor impaired	4,904.87	1,657.39
Past due 1-30 days	83.29	224.80
Past due 31-90 days	105.96	31.14
Past due 91-120 days	-	-
More than 120 days	2,389.33	1,910.41
	7,483.45	3,823.74

There are no receivables, other than those under dispute with state electricity board, which are in default (90 days past due) as at year end and the management believes that these are collectible in full based on historical payment behaviour. With respect to receivables under dispute with state electricity boards, the management based on ongoing discussion and status of dispute has made appropriate loss allowance.

The allowance for lifetime expected credit loss (excluding loss allowance made in respect of receivables under dispute) on customer balances for the year ended 31 March 2018 and 31 March 2017 is insignificant and hence the same has not been recognised. The reversal for lifetime expected credit loss on customer balances for the current year is Rs. Nil (previous year Rs. Nil).

Movement in the Impairment allowance for doubtful receivables

Impairment allowance for doubtful receivables on 1 April 2016	967.42
Changes in loss allowance	52.01
Impairment allowance for doubtful receivables on 31 March 2017	1,019.43
Changes in loss allowance	156.31
Impairment allowance for doubtful receivables on 31 March 2018	1,175.74

Cash and cash equivalents

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

Derivatives and other financial assets

Credit risk on derivatives and other financial assets is limited as the Company generally obtains derivative contracts from banks and financial institutions with high credit ratings assigned by domestic credit rating agencies.



Jhajjar Power Limited**Notes forming part of the financial statements for the year ended 31 March 2018**

(All amount in Rs. Million)

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and availability of funding through an adequate amount of committed credit facilities to reduce refinancing risk in any year and to fund working capital and debt servicing obligations when due. Due to the dynamic nature of the underlying business, Company's treasury maintains flexibility in funding through availability under committed credit lines. Management also monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at Company level in accordance with practice and limits set by the company. In addition, the Company's liquidity management policy involves close monitoring of liquidity position by monitoring cash collection and level of liquid assets necessary to meet cash outflow obligation, monitoring balance sheet liquidity ratios against external regulatory requirements and maintaining debt financing plans.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of reporting period:

Particulars	As at 31 March 2018	As at 31 March 2017
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	8,381.84	8,437.32

The working capital loan facilities and bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

(ii) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flow amounts are gross and undiscounted, and includes interest accrued but not due on borrowings.

As at 31 March 2018:

	Not later than 1 year	Between 1 and 2 years	Between 2 and 5 years	Later than 5 years	Total
Non-derivative financial liabilities					
Rupee term loans from banks and financial institutions	907.14	907.14	2,721.43	1,670.40	6,206.11
Foreign currency term loans from banks and financial institutions	2,415.41	2,516.43	5,502.48	3,562.72	13,997.04
Debentures	-	-	1,800.00	7,860.00	9,660.00
Loan from Related Party	-	-	4,000.00	-	4,000.00
Working Capital Loan from banks	2,006.08	-	-	-	2,006.08
Cash credit from banks repayable on demand	1,118.16	-	-	-	1,118.16
Commercial papers	1,000.00	-	-	-	1,000.00
Trade payables	2,110.44	-	-	-	2,110.44
Other financial liabilities	788.60	-	-	-	788.60
Total	10,345.83	3,423.57	14,023.91	13,093.12	40,886.43
Derivative financial liabilities					
Forward exchange contracts					
- Outflow	(373.75)	(505.31)	(1,722.40)	-	(2,601.46)
- Inflow	349.30	468.86	1,606.62	-	2,424.78
Options					
- Outflow	(104.08)	-	-	-	(104.08)
- Inflow	101.40	-	-	-	101.40
Principal only swaps					
- Outflow	(41.82)	(41.82)	(440.10)	(502.49)	(1,026.23)
- Inflow	-	-	363.86	582.70	946.56
Total	(68.95)	(78.27)	(192.02)	80.21	(259.03)



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Notes forming part of the financial statements for the year ended 31 March 2018

(All amount in Rs. Million)

As at 31 March 2017:

	Not later than 1 year	Between 1 and 2 years	Between 2 and 5 years	Later than 5 years	Total
Non-derivative financial liabilities					
Rupee term loans from banks and financial institutions	907.14	907.14	2,721.43	2,577.54	7,113.25
Foreign currency term loans from banks and financial institutions	2,317.32	2,410.61	6,510.36	5,048.26	16,286.55
Debentures	-	-	-	9,660.00	9,660.00
Loan from Related Party	-	-	4,000.00	-	4,000.00
Working Capital Loan from banks	2,507.27	-	-	-	2,507.27
Cash credit from banks repayable on demand	62.69	-	-	-	62.69
Commercial papers	1,500.00	-	-	-	1,500.00
Trade payables	1,338.83	-	-	-	1,338.83
Other financial liabilities	835.48	-	-	-	835.48
Total	9,468.73	3,317.75	13,231.79	17,285.80	43,304.07
Derivative financial liabilities					
Forward exchange contracts used for hedging					
Interest rate swaps					
- Outflow	(6,125.03)	(142.61)	(235.66)	-	(6,503.30)
- Inflow	6,348.78	237.67	467.00	-	7,053.45
Principal only swaps					
- Outflow	(435.64)	(269.26)	(578.08)	(3,260.09)	(4,543.07)
- Inflow	360.53	236.00	1,674.14	4,115.61	6,386.28
Total	148.64	61.80	1,327.40	855.52	2,393.36



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(C) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the Company. The Company seeks to apply hedge accounting to manage volatility in profit or loss.

a. Foreign Currency risk

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts, principal only swaps and options to hedge its currency risk.

The Company uses a combination of option contracts, principal only swaps and foreign exchange forward contracts to hedge its exposure in foreign currency risk. The Company designates the spot element of forward contracts and the intrinsic value of option contracts as the hedging instrument.

Exposure to Foreign Currency risk

The summary quantitative data about the Company's exposure to currency risk (based on notional amounts) is as follows.

As at 31 March 2018	USD	EURO	HKD
Financial liabilities			
Long term borrowings	13,997.04	-	-
Trade payables	29.40	0.80	1.84
Exposure to foreign currency risk (liabilities)	14,026.44	0.80	1.84
Derivative contracts	(13,997.04)	-	-
Net exposure to foreign currency risk (liabilities)	29.40	0.80	1.84
As at 31 March 2017	USD	EURO	HKD
Financial liabilities			
Long term borrowings	16,286.55	-	-
Trade payables	14.34	1.42	-
Exposure to foreign currency risk (liabilities)	16,300.89	1.42	-
Derivative contracts	(16,286.55)	-	-
Net exposure to foreign currency risk (liabilities)	14.34	1.42	-



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Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar, EURO or HKD against INR at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Effect in INR	Profit or loss		Equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
For the year ended 31 March 2018				
5% movement				
USD	(0.96)	0.96	(0.96)	0.96
EURO	(0.03)	0.03	(0.03)	0.03
HKD	(0.06)	0.06	(0.06)	0.06
Total	(1.05)	1.05	(1.05)	1.05
For the year ended 31 March 2017				
5% movement				
USD	(0.47)	0.47	(0.47)	0.47
EURO	(0.05)	0.05	(0.05)	0.05
HKD	-	-	-	-
Total	(0.52)	0.52	(0.52)	0.52



Jhajjar Power Limited

Notes forming part of the financial statements for the year ended 31 March 2018

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b. Interest rate risk

The Company's interest rate risk arises from debt borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk, whilst borrowings issued at fixed rates expose the Company to fair value interest rate risk. The risks are managed by monitoring an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swaps.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

	As at	As at
	31 March 2018	31 March 2017
Non-derivative Financial instruments		
Fixed-rate instruments		
Debentures	9,585.99	9,581.35
	9,585.99	9,581.35
Impact of interest rate swaps	13,781.36	16,035.63
	23,367.35	25,616.98
Variable-rate instruments		
Long term borrowings	19,968.80	23,092.01
Short term borrowings	4,124.24	4,069.96
	24,093.04	27,161.97
Impact of interest rate swaps	(13,781.36)	(16,035.63)
	10,311.68	11,126.34



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Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the Company does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments (other than variable rate instruments hedged using floating to fixed interest rate swaps)

A reasonably possible change of 50 basis points (bps) in interest rates at the reporting date would have increased/ (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss		Equity, net of tax	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
For the year ended 31 March 2018				
Variable-rate instruments	35.49	(35.49)	35.49	(35.49)
Cash flow sensitivity (net)	35.49	(35.49)	35.49	(35.49)
For the year ended 31 March 2017				
Variable-rate instruments	34.52	(34.52)	34.52	(34.52)
Cash flow sensitivity (net)	34.52	(34.52)	34.52	(34.52)



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c. Hedge accounting

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency and interest rate risk on account of variable rate borrowings. The Company's risk management policy is to hedge its foreign currency exposure and interest rate exposure in accordance with the exposure limits advised from time to time. The Company uses forward exchange contracts and options to hedge its currency risk and interest rate swaps to hedge its interest rate risk. Such contracts are generally designated as cash flow hedges.

The Company designates the spot element of forward contracts, the intrinsic value of option contracts and interest rate swaps as the hedging instrument and applies a hedge ratio of 1:1. The Company's policy is for the critical terms of the hedging instrument to match with the hedged item.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Company assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, changes in timing of the hedged transactions and differences in re-pricing dates between the swaps and the borrowings are the main source of hedge ineffectiveness.

a. Disclosure of effects of hedge accounting on financial position:
As at 31 March 2018

Type of hedge	Nominal Value	Carrying amount of hedging instrument		Maturity date	Hedge ratio	Average strike price/rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities					
Cash Flow Hedges								
Foreign Exchange Risk								
Forward exchange contracts	6,108.84	270.82	152.90	Apr 18- Jul 22	1:1	68.59	54.84	(54.84)
Options	2,378.11	86.26	11.79	Apr 18- Jan 21	1:1	58.00	(100.18)	100.18
Interest Rate Risk								
Interest rate swaps	13,997.04	500.34	-	Apr 18- Dec 21	1:1	3.82%	148.46	(148.46)



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As at 31 March 2017

Type of hedge	Nominal Value	Carrying amount of hedging instrument		Maturity date	Hedge ratio	Average strike price/ rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities					
Cash Flow Hedges								
Foreign Exchange Risk	6,474.62	566.60	40.26	Apr 17- Jul 22	1:1	67.92	(173.08)	173.08
Forward exchange contracts	2,304.25	280.30	65.44	Apr 17- Jan 21	1:1	58.00	(33.23)	33.23
Options								
Interest Rate Risk								
Interest rate swaps	16,286.55	368.17	16.29	Apr 17- Dec 21	1:1	4.19%	474.68	(474.68)

b. Disclosure of effects of hedge accounting on financial performance

As at 31 March 2018

Type of hedge	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Line item in the Statement of Profit and Loss that includes the hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in Statement of Profit and Loss because of the reclassification
Cash Flow Hedge					
(i) Foreign Exchange Risk	(45.34)	-	Other Income	(16.85)	Other expense
(ii) Interest Rate Risk	148.46	10.65		-	

As at 31 March 2017

Type of hedge	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Line item in the Statement of Profit and Loss that includes the hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in Statement of Profit and Loss because of the reclassification
Cash Flow Hedge					
(i) Foreign Exchange Risk	(845.30)	-	Other Income	206.31	Other expense
(ii) Interest Rate Risk	474.68	15.24		-	



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c. The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting: Movements in cash flow hedging reserve

	Foreign Currency Risk		Interest Rate Risk		Total
	Forwards	Options	Interest rate swap	Interest rate swap	
Balance as at 1 April 2016	-	-	(54.85)	-	(54.85)
Add: Changes in discounted spot element of foreign exchange forward contracts	(173.47)	-	-	-	(173.47)
Add: Changes in intrinsic value of foreign currency options	-	(33.23)	-	-	(33.23)
Add: Changes in fair value of interest rate swaps	-	-	474.69	-	474.69
Less: Amounts reclassified to profit or loss	173.47	33.23	-	-	206.70
Less: Deferred tax relating to the above	-	-	(164.28)	-	(164.28)
As at 31 March 2017	-	-	255.56	-	255.56
Add: Changes in discounted spot element of foreign exchange forward contracts	14.23	-	-	-	14.23
Add: Changes in intrinsic value of foreign currency options	-	2.62	-	-	2.62
Add: Changes in fair value of interest rate swaps	-	-	137.82	-	137.82
Less: Amounts reclassified to profit or loss	(14.23)	(2.62)	-	-	(16.85)
Less: Deferred tax relating to the above	-	-	(47.70)	-	(47.70)
As at 31 March 2018	-	-	345.68	-	345.68

	Foreign Currency Risk		Interest Rate Risk		Total
	Forwards	Options	Interest rate swap	Interest rate swap	
Balance as at 1 April 2016	187.70	15.37	-	-	203.07
Cost of hedging - changes in fair value	(994.30)	(148.35)	-	-	(1,142.65)
Cost of hedging - change in fair value reclassified to profit or loss	564.72	51.34	-	-	616.06
Deferred tax relating to the above	148.67	(81.64)	-	-	67.03
As at 31 March 2017	(93.21)	(102.80)	-	-	(174.85)
Cost of hedging - changes in fair value	(325.18)	-	-	-	(325.18)
Cost of hedging - change in fair value reclassified to profit or loss	459.65	35.58	-	-	495.23
Deferred tax relating to the above	(46.54)	(148.86)	-	-	(195.40)
As at 31 March 2018	(5.28)	(148.86)	-	-	(154.14)



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Note 33: Capital Management

The primary objective of the Company's capital management is to safeguard the Company's ability to continue as a going concern, maintain a strong credit rating and a healthy capital ratio to support the business and to enhance shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and business strategies to maintain or adjust the capital structure, issue new shares or raise and repay debts. The Company's capital management objectives, policies or processes were unchanged during the year.

The Company monitors capital using 'total debt to total capital' and 'net debt to total capital' ratios. These ratios are as follows:

	As at 31 March 2018	As at 31 March 2017
Total Debt	36,898.47	39,239.97
Net Debt	36,884.73	39,161.11
Total equity		
Total capital (based on total debt)	58,845.85	58,964.64
Total capital (based on net debt)	58,832.11	58,885.78
Total debt to total capital(based on total debt) ratio (%)	63%	67%
Net debt to total capital(based on net debt) ratio (%)	63%	67%

Note 34: Segment Reporting

The Company primarily operates under single reportable segment i.e. leasing of asset for generation of electricity. This segment includes all activities related to generation of electricity.

The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicators of the Company as a single unit.

Therefore, based on the guiding principles given in Ind AS 108 "Operating Segments", the Company's business activity fall with in a single operating segment, namely generation and distribution of electricity. Accordingly, the disclosure requirements on reportable segments of Ind AS 108 are not applicable.

Entity -wide disclosures

Entity -wide disclosures details as per Ind AS 108 :-

- (i) Revenue from operations reported are from single stream of operations.
- (ii) The Company is operating in a single geographical area and there are no overseas customers of the Company.
- (iii) There are no non- current assets located outside India.
- (iv) Major individual customer with whom revenue exceeds more than 10% of the Company's revenue :-

Name of customer	For the year ended 31 March 2018	For the year ended 31 March 2017
Haryana Power Purchase Centre	27,689.61	15,882.50



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Notes 35: Related party disclosures

(a) List of related parties and relationships

(i) The Company is controlled by the following entities:-

Nature of relationship	Entity name
Ultimate Holding company	CLP Holdings Limited, Hong Kong
Holding company	CLP Power India Private Limited (CLPPIPL)
Holding company of CLPPIPL	CLP India Private Limited (CLPIPL)

(ii) Related parties with whom transactions have taken place during the current/previous year.

(a) Entity with direct or indirect control over the Company:-

Holding company of CLP Power India Private Limited	CLP India Private Limited (CLPIPL)
--	------------------------------------

(b) Key managerial personnel of the Company and their close family members

Key Managerial Personnel	- Mr. Rajiv Mishra (Managing Director) - Mr. Samir Ashta (Director and Chief Financial Officer) - Mr. Mohammad Aftab (Non-Executive Independent Director) - Ms. Nishita Bakshi (Non-Executive Independent Director) - Mr. Jayant Patil (Company Secretary)
--------------------------	--

(c) Other related parties - Entities which are subsidiaries or where control/significant influence exist of parties as given in (i), (ii) a or (ii) b above.

Fellow Subsidiaries	CLP Wind Farms (India) Private Limited CLP Wind Farms (Khandke) Private Limited CLP Business Management Limited CLP Business Management and Support Limited
---------------------	--

(b) Related party transactions and balances

Transactions with the related parties during the current/previous year:

Nature of Transaction	Year end	Ultimate holding company, Holding company of CLPPIPL and Holding company	Fellow subsidiaries
Information Technology			
Services received from:			
CLP Business Management and Support Limited	31 March 2018	-	31.59
	31 March 2017	-	19.86
Net expense reimbursed to:			
CLP India Private Limited	31 March 2018	162.58	-
(Refer Note 1 below)	31 March 2017	179.68	-
Net expense reimbursed from:			
CLP Business Management Limited	31 March 2018	-	0.91
	31 March 2017	-	-
CLP Windfarms (Khandke) Private Limited	31 March 2018	-	0.02
	31 March 2017	-	0.02
CLP Windfarms (India) Private Limited	31 March 2018	-	0.05
	31 March 2017	-	0.38
Receivable:			
Balance receivable			
CLP Business Management Limited	31 March 2018	-	0.91
	31 March 2017	-	-



Nature of Transaction	Year end	Ultimate holding company, Holding company of CLPPIPL and Holding company	Fellow subsidiaries
Payable:			
Balance payable			
CLP Business Management and Support Limited	31 March 2018	-	8.57
	31 March 2017	-	-
Loan balance payable			
CLP India Private Limited	31 March 2018	2,773.02	-
	31 March 2017	2,496.65	-
Equity component of compound financial instrument			
CLP India Private Limited	31 March 2018	2,345.74	-
	31 March 2017	2,345.74	-
Equity component of corporate guarantee			
CLP India Private Limited	31 March 2018	198.01	-
	31 March 2017	198.01	-
Outstanding bank & corporate guarantee received by company's bankers from			
CLP India Private Limited	31 March 2018	5,110.00	-
	31 March 2017	5,460.00	-

Note:

(1) Includes Rs. 48.23 (31 March 2017: Rs. 42.96), net of service tax towards reimbursement of salary of key management personnel in accordance with cost sharing agreement with CLPIPL.

(c) Transactions with key management personnel

Remuneration of key management personnel (Company Secretary)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Short term employee benefits*	4.14	3.67
Post employment benefits	0.30	0.27

* Does not include provisions for incremental gratuity and leave encashment liabilities, since the provisions are based on actuarial valuations for the Company as a whole.

Particulars	31 March 2018	31 March 2017
Sitting fees & other reimbursements	1.35	1.16

(d) 100% equity shares & 100% CCPS of the Company is pledged against term loan & debentures by CLPPIPL & CLPIPL respectively



Jhajjar Power Limited

Notes forming part of the financial statements for the year ended 31 March 2018
(All amount in Rs. Million)

Note 36: Contingent liabilities and commitments (to the extent not provided for)

	<u>As at 31 March 2018</u>	<u>As at 31 March 2017</u>
A. Contingent liabilities		
a. Claims against the Company not acknowledged as debts		
Contingent Liabilities (Refer Note below)	5,050.48	4,839.30

(1) Haryana Power Generation Corporation Limited ("HPGCL") had initiated a bidding process for selection of developers to implement and operate a coal based 1320 MW power plant at District Jhajjar, Haryana ("Project") under the tariff based competitive bidding mechanism, through the state distribution licensees of Haryana. CLP Power India Private Limited ("CLPPIPL"), the promoter, was selected as the successful bidder and the Project was implemented by the Company, a subsidiary of CLPPIPL.

The land required for setting up the project was acquired by Government of Haryana under the provisions of the Land Acquisition Act, 1894. The compensation was determined and paid to the land owners by the said Government.

(a) Some of the land owners from whom the land was acquired have filed petitions against the Government of Haryana and made the Company co-defendant seeking enhancement of the compensation as determined by the competent authority under the Act. The Hon'ble District Court of Jhajjar, Haryana enhanced the compensation vide orders dated March 30, 2013, April 29, 2013, May 30, 2013 and April 5, 2014 for the respective claims filed by land owners. JPL has appealed to the High Court of Punjab & Haryana against all orders of District court. The Hon'ble High Court has dismissed one of the appeals upholding the enhanced compensation awarded by the District Court. JPL has filed an appeal in the Supreme Court of India (SLP) challenging the judgments of the High Court of Punjab & Haryana and the District Court, Jhajjar. The payment of the enhanced compensation is stayed by the Supreme Court of India on March 24, 2014. In the remaining three appeals, on November 13, 2014, the Hon'ble High Court, granting stay of the lower court's orders, adjourned the matters as long as the Company's SLP pending before Supreme Court is finally decided.

(b) Some of the land owners who were not a party to the petition filed in District Court filed a review petition u/s 28(A) of Land Acquisition Act 1894 with Land Acquisition Collector, Jhajjar for review of the compensation originally awarded on the basis of the award passed by the District court. The matter was heard on December 30, 2014 when District Officer was informed of the stay orders passed by Supreme Court in JPL's SLP. In light of the stay orders granted by the Hon'ble Supreme Court, the review petitions are also adjourned as long as the Company's SLP is finally decided.

(c) Some land owners from whom the right of use was acquired for laying down of underground water pipelines as per the "Haryana Underground Pipelines (Acquisition of Right of User in Land), Act 2009" have filed petitions in the District Court of Jhajjar, Haryana against the Government of Haryana and JPL seeking enhanced compensation. The District Court has enhanced the compensation vide Orders dated 24 December 2014 and 19 January 2015 for the respective claims filed by land owners. The Company has filed appeals against these orders before the Hon'ble Punjab & Haryana High Court. On 1 September 2015, the Court has stayed the orders of the District Court in light of Supreme Court's stay order.

(d) Some land owners from whom the land was acquired for laying down of railway line and setting up of air valves have filed petitions in the District Court of Jhajjar, Haryana against the Government of Haryana and JPL seeking enhanced compensation. The District Court has enhanced the compensation vide Orders dated 17 October 2015 and 23 November 2015. The Company has challenged these orders by filing appeals before the Hon'ble Punjab & Haryana High Court where the Hon'ble Court was pleased to order that execution proceedings, if any, be stayed till the final disposal of the appeals.

Management has ascertained that the impact of enhanced compensation liability based on the said orders amounts to approximately Rs 767.70 (31 March 2017: Rs. 719.82).

Under the bidding document for the Project, the obligation to obtain the land was on the Government of Haryana. Also, in all the pending litigations, the Government of Haryana is the first respondent. Hence, if the case is decided in favor of the land owners, the liability to pay the enhanced compensation will be on the Government of Haryana and not on the Company.

Further during the bidding for the Project, the request for proposal had mentioned the tentative Declared Price of Land (compensation amount) at Rs. 3,200. The Power Purchase Agreement ("PPA") provides that any increase in the declared price of Land after the bid date will be considered as a change in law and that the Company will be protected from any adverse effect on its economic position as follows:

"For every cumulative increase of each Rs. 160 million in the Capital Cost over the Construction Period, Non Escalable Capacity Charges shall be increased by 0.267%."

Based upon a legal opinion obtained by external counsels, the management believes that the Company has a strong case on merits (on facts as well as law) and that the orders granting enhanced compensation ought to be set aside by the Hon'ble Punjab & Haryana High Court. In the event Company is required to pay increased price for the project land to the land litigants, such increased cost will be a pass through under the PPA as a change in law. Hence, there would be no effect on the economic position of the Company and hence no provision has been made for the above Rs. 767.70 (31 March 2017: Rs. 719.82) at this stage.



Jhajjar Power Limited

Notes forming part of the financial statements for the year ended 31 March 2018

(All amount in Rs. Million)

(2) Disputes with Haryana Discoms and Tata Power Distribution Company Limited amounting to Rs. 5,128.50 (31 March 2017: Rs. 4,580.22) and Rs. 330 (31 March 2017: Rs. 330) respectively.

The Company has disputes with Uttar Haryana Bijli Vitran Nigam Limited and Dakshin Haryana Bijli Vitran Nigam Limited (both referred here as 'Haryana Discoms') relating to (a) date of commercial operation of Unit 1 impacting applicable rate of capacity charges, (b) application of Unscheduled Interchange charges as per the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009, (c) penalty for lower than threshold availability, (d) payment of capacity charges for the availability lost due to delay in approving procurement of alternate coal by the Haryana Discoms, (e) payment of coal transit loss, and (f) payment of railway staff charges, bank guarantee charges and other costs incurred in the purchase and transportation of coal. As at 31 March 2018, the total amount under dispute with Haryana Discoms and TPTCL is Rs. 5,128.50 (31 March 2017 Rs 4,580.22) out of which Rs. 3,405.3 (31 March 2017 Rs 2,953.3) is included under trade receivable and Rs. 1,723.2 (31 March 2017 Rs 1,626.92) is on account of claim by Haryana Discom against imbalance charges. In respect of the stated disputes, the Company filed a petition with Central Electricity Regulatory Commission ('CERC') against the Haryana Discoms and pursuant to a direction by the CERC, Tata Power Delhi Distribution Limited ('TPDDL') and Tata Power Trading Company Limited ('TPTCL') were also impleaded. TPDDL also filed a petition against the Company claiming transmission charges purportedly incurred by it in Financial Year 2012-13 amounting to Rs. 330 (31 March 2017 - Rs 330) owing to the low availability achieved by the Company in that year. Vide order dated 25 January 2016, the CERC has awarded its decision in respect of the said disputes. The disputes mentioned in (a) above amounting to Rs. 1,635.69 (31 March 2017 Rs 1,518.63) has been decided in favour of the Company. For the dispute referred in (b) above, CERC has also upheld Company's contention for application of Unscheduled Interchange charges. For disputes referred in (c) to (f) above amounting to Rs. 1,769.1 (31 March 2017 Rs 1,434.7), CERC has decided that the Company is eligible for reimbursement of coal transit losses and other costs and the matter should be mutually settled with the Haryana Discom and referred to the Commission for approval. For the purpose of payment of capacity charges and application of penalty, the CERC has decided that Company is assumed to have achieved availability of 55.05% against actual availability of 31.05% and that prayed for of 75.56%.

In respect of the above disputes, the Company made a provision of Rs. 1,175.7 (31 March 2017 Rs 1,019.4) on a prudent basis. In light of the CERC order, the Company has raised a claim of Rs 11,669.0 (31 March 2017 Rs 6,480.1) and Rs. 295.0 (31 March 2017 : Rs 253.5) with Haryana Discoms and Tata Power respectively towards capacity charges, refund of penalty deducted, surcharge and delayed payment charges. The Haryana Discoms have filed an appeal to the Appellate Tribunal for Electricity ('APTEL') against the said CERC order hence no adjustment has been made in the books of account with respect to claims made with Haryana Discoms and TPTCL. The Company has also filed an appeal with the APTEL against the order of the CERC dated January 25, 2016 to the limited extent for considering the Plant's technical availability of 75.56% in FY 2012-13 as availability achieved for the purpose of computation of capacity charges and penalty. TPDDL has also filed an appeal against the same order seeking refund of transmission charges. In respect of the petition filed by TPDDL against the Company, the CERC through its order dated 18 April 2016 held that the Company is not liable to pay transmission charges to TPDDL and directed TPDDL and TPTCL to pay capacity charges and refund the excess penalty deducted by it to the Company assuming the Company's availability as 55.05%. No adjustment has been made in the books of account by the management till the case is finally decided. All the cross appeals are pending before the APTEL for final hearing. Final hearing of the cross appeals commenced on and from January 2018. The matters are presently part heard and further hearing is scheduled on 4 & 5 September 2018 when JPL will be making its submissions.

(b) The Company is party to certain Income Tax litigations. Based on legal advice from counsel, the Company believes that the views taken by the authorities are not sustainable and accordingly no provision is required to be recorded in the books of accounts.

	As at 31 March 2018	As at 31 March 2017
B. Commitments		
a. Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances, tangible assets	151.53	100.79

Note 37:

Based on the information available with the Company there are no outstanding dues to micro, small and medium enterprises as at 31 March 2018. No interest is paid / payable by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006. This has been relied upon by auditors.

	For the year ended 31 March 2018	For the year ended 31 March 2017
Note 38: Auditors' Remuneration (including service tax)		
Audit Fees	4.31	8.88
Other Services	-	0.38
Reimbursement of expenses and taxes	0.14	0.09
Total	4.45	9.35

Note 39 : Corporate social responsibility

Under Section 135 of the Companies Act, 2013, the Company is required to spend, in every financial year, atleast 2% of the average net profits of the Company made during the three immediately preceding financial years on Corporate Social Responsibility (CSR), pursuant to its policy in this regard.

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
a) Gross amount required to be spent by the Company during the year	25.71	11.19
b) Amount spent and paid during the year	25.70	23.00
Particulars of amount spent and paid during the year:		
(i) Construction/acquisition of any asset*	10.88	12.00
(ii) On Purpose other than (i) above	14.82	11.00
Total	25.70	23.00

*Includes construction of Hospital at Jhajjar, Haryana



Jhajjar Power Limited
Notes forming part of the financial statements for the year ended 31 March 2018
 (All amount in Rs. Million)
Note 40 : Disclosure on specified bank notes

During the previous year ended 31 March 2017, the Company had Specified Bank Notes (SBN) or other denomination note as defined in the MCA notification G.S.R. 308(E) dated 30 March 2017 on the details of SBN held and transacted during the period from 8 November 2016 to 30 December 2016, the details of SBNs and other denomination notes as per the notification is given below:-

Particulars	Specified Bank Notes*	Other denomination notes	Total
Closing cash on hand as on 8th November 2016	0.18	0.01	0.19
Add : permitted receipts	-	0.28	0.28
Less : permitted payments	-	0.24	0.24
Less : Amount Deposited in Banks	0.18	-	0.18
Closing cash on hand as on 30th December 2016	-	0.05	0.05

*For the purposes of this disclosure, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8 November 2016.

Note 41 : During the previous year, the Company could not meet the minimum offtake quantity obligation with its coal suppliers due to lower than threshold power dispatches sought by its customers, HPPC and TPTCL. The agreement with the suppliers stipulate a charge in case of a shortfall in minimum offtake quantity and simultaneously the power purchase agreement with the customers stipulates such a charge being a "pass-through" in case the shortfall is due to lower than threshold power dispatches sought by its customers. The Company has made a provision of Rs. 164.63 in previous year towards such charge, consequent to completion of reconciliation with one of the suppliers, Eastern Coalfields Limited. Moreover, the Company accounted for a corresponding unbilled revenue in previous year which was subsequently billed and recovered in current year, except for Rs. 18.36 due from TPTCL which is billed but not yet recovered.

Reconciliations with the other suppliers have been completed during the current year and consequently, the Company paid Rs. 182.96 towards the relevant charges. Subsequently, the Company billed and recovered this amount from its customers, except for Rs. 20.41 due from TPTCL which is billed but not yet recovered. There is no impact of these transactions on current year's profit / net assets of the Company.

For P & R & Co. LLP
 Chartered Accountants
 Firm Registration Number: 101248W/W-100022


 Nirav Patel
 Partner
 Membership No: 113327
 Place:
 Date:

For and on behalf of the Board of Directors of
Jhajjar Power Limited


Rajiv Mishra
 Managing Director
 DIN : 00131207
 Place:
 Date:


Samir Ashta
 Director & Chief financial officer
 DIN : 01957618


Jayant Patil
 Company secretary

NILESH SHAH & ASSOCIATES

Company Secretaries

Ref.: _____

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Jhajjar Power Limited
Village - Khanpur,
Tahsil Matenhail,
Jhajjar, Haryana- 124142

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by **Jhajjar 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 with regulatory authorities and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We further report that maintenance of proper and updated books, papers, minutes books, filing of forms and returns with applicable regulatory authorities and maintaining other records is the responsibility of management and of the Company. Our responsibility is to verify the content of the documents and returns produce before us, make objective evaluation of the content in respect of compliance and report thereon.

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



211-B (Back Side) 2nd Floor, Building No. 1, Sona Udyog, Park Road, Extn. of Old Nagardas Road, Andheri (East),
Mumbai - 400 069. Tel.: 2820 7824 / 2820 3582 E-mail: nilesh@ngshah.com

304-A, Poonam Sagar, Poonam Nagar, Off. Mahakali Caves Road, Andheri (East), Mumbai - 400 093.
Tel.: 2836 3419 Email: ngshah.cs@gmail.com

NILESH SHAH & ASSOCIATES

Company Secretaries

Ref.: _____

- (i) The Companies Act, 2013 and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB), to the extent applicable to the Company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (to the extent applicable);
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client.
 - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

We have also in-principally verified systems and mechanism which is in place and followed by the Company to ensure Compliance of other applicable Laws like Labour Laws, etc. (in addition to the above mentioned Laws) as applicable to the Company). We have also relied on the representations made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the of the same.



211-B (Back Side) 2nd Floor, Building No. 1, Sona Udyog, Parsi Panchayat Road, Extn. of Old Nagardas Road, Andheri (East).
Mumbai - 400 069. Tel. : 2820 7824 / 2820 3582 E-mail : nilsh@ngshah.com

304-A, Poonam Sagar, Poonam Nagar, Off. Mahakali Caves Road, Andheri (East), Mumbai - 400 093.
Tel.: 2836 3419 Email : ngshah.cs@gmail.com

NILESH SHAH & ASSOCIATES

Company Secretaries

Ref.: _____

We have also examined compliance with the applicable clauses of:

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- (b) The Debt Listing Agreements entered into by the Company with Stock Exchange(s).

We further Report that, during the year, either there was no event attracting the below mentioned provisions or it was not mandatory on the part of the Company to comply with the following Provisions, Regulations / Guidelines:

- (a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;

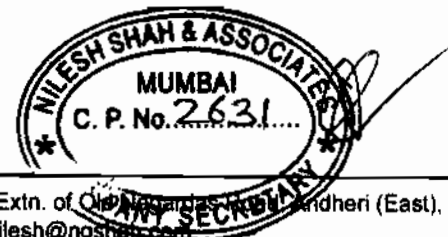
Based on the above said information provided by the Company, we report that during the financial year under report, the Company has complied with the substantial provisions of the above mentioned Act/s including applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc. as mentioned above and we have no material observation of instances of non Compliance in respect of the same.

We further report that:

The Board of Directors of the Company is duly constituted. There were no changes in the Board of Directors during the year.

We also report that adequate notice/s were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda and the same was sent at least seven days in advance, and a reasonable system exists for Board Members for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the representation made by the Company and its officer, we herewith report that the majority decision is carried through and we have been informed that proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.



NILESH SHAH & ASSOCIATES

Company Secretaries

Ref.: _____

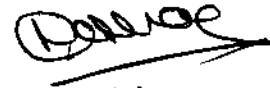
Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of other Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period under review, there were no specific event / action that can have a major bearing on the Company's affairs.

Note: This Report is to be read along with attached Letter provided as "Annexure - A".

Date:- 16/08/2018

Signature:-



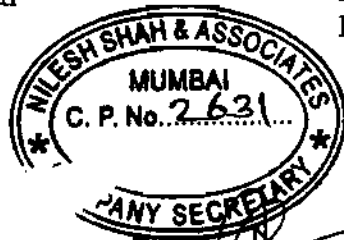
Place:- Mumbai

Name:- Nilesh Shah

For:- **Nilesh Shah & Associates**

FCS : 4554

C.P. : 2631



NILESH SHAH & ASSOCIATES

Company Secretaries

Ref.: _____

'ANNEXURE A'

To
The Members,
Jhajjar Power Limited
Village - Khanpur,
Tahsil Matenhail,
Jhajjar, Haryana- 124142

Dear Sir / Madam,

Sub : Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records as was made available to us) 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 and we rely on Auditors Independent Assessment on the same.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of process followed by Company to ensure adequate Compliance.
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.

Date:- 16/08/2018
Place:- Mumbai

Signature:-

Name:- Nilesh Shah

For:- Nilesh Shah & Associates

FCS : 4554 C.P. : 2631



211-B (Back Side) 2nd Floor, Building No. 1, Sona Udyog, Parsi Panchayat Road, Extn. of Old Nagardas Road, Andheri (East),
Mumbai - 400 069. Tel. : 2820 7824 / 2820 3582 E-mail : nilesh@ngshah.com

304-A, Poonam Sagar, Poonam Nagar, Off. Mahakali Caves Road, Andheri (East), Mumbai - 400 093.
Tel.: 2836 3419 Email : ngshah.cs@gmail.com

Name of the Company: JHAJJAR POWER LIMITED

COST ACCOUNTS FOR THE PRODUCT - ELECTRICITY

FOR THE YEAR ENDING : 01-04-2017 TO 31-03-2018

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For: Jhajjar Power Ltd.


(Jayant Patil)
GM (F&A)



Name of the Company: JHAJJAR POWER LIMITED

Address: Village - Khanpur, Tehsil - Matenhail, JHAJJAR, PIN - 124 142, Haryana

Statement Showing the Cost of Water
For the period 01-04-2017 to 31-03-2018

Statement - 1

(A) Quantitative Information :

Sr.	Particulars	UOM	2017-18	2016-17
A 1	Installed Capacity			
2	Quantity Produced			
3	Capacity Utilisation %			
4	Quantity Re-Circulated			
5	Quantity Purchased	M ₃	1,46,14,069	73,59,994
6	Self - Consumption	M ₃		
7	Net Consumption	M ₃	1,37,65,209	75,16,364
B 1	Gross Fixed Assets at the end of the year (Rs./Lakhs)		6,844	6,844
2	Net Fixed Assets at the end of the year (Rs. / Lakhs)		6,061	6,322
3	Date of Commissioning		29th March 2012	29th March 2012

(B) Cost Information :

Sr.	Particulars	Quantity M ₃	Rate Per Unit (Rs.)	Amount (Rs.)	Cost Per Unit (Rs.)	
					2017-18	2016-17
A 1	Water Charges			6,13,60,337	4.46	4.08
2	Salaries			-	-	-
3	Consumable Stores and Spares, Tools etc			-	-	-
4	Repairs and Maintenance			16,03,502	0.12	0.24
5	Depreciation			2,60,19,440	1.89	3.47
6	Other Overheads			19,67,737	0.14	0.32
7	Total	1,37,65,209	6.61	9,09,51,017	6.61	8.11
8	Less : Credit, if any					
9	Net Total	1,37,65,209	6.61	9,09,51,017	6.61	8.11
B.	Apportioned to cost center/activity :					
	(1) Water - DM Plant #	2,71,396	6.61	17,93,198		
	(2) Other Consumption	1,34,93,813	6.61	8,91,57,819		
	Total	1,37,65,209		9,09,51,017		

Name of the Company: JHAJJAR POWER LIMITED
 Address: Village - Khanpur, Tehsil - Matenhall, JHAJJAR, PIN - 124 142, Haryana

Statement Showing the Cost of D.M. Water
 For the period 01-04-2017 to 31-03-2018

Statement - 2

(A) Quantitative Information :

Sr.	Particulars	UOM	2017-18	2016-17
A1	Installed Capacity			
2	Quantity Transferred from Water Treatment Plant	M ₃	2,71,396	1,75,720
3	Self - Consumption	M ₃		
4	Net Consumption	M ₃	2,71,396	1,75,720
B1	Gross Fixed Assets at the end of the year (Rs. / Lakhs)		18,524	18,524
2	Net Fixed Assets at the end of the year (Rs. / Lakhs)		16,109	16,919
3	Date of Commissioning		29th March 2012	29th March 2012

(B) Cost Information :

Sr.	Particulars	Quantity M ₃	Rate Per Unit (Rs.)	Amount (Rs.)	Cost Per Unit (Rs.)	
					2017-18	2016-17
A1	Cost of Water			17,93,198	6.61	8.11
2	Chemicals consumed			-	-	-
3	Salaries			-	-	-
5	Consumable Stores and Spares, Tools etc			-	-	-
6	Repairs and Maintenance			79,24,694	29.20	40.71
8	Depreciation			8,09,84,874	298.40	461.18
10	Other Overheads			19,66,107	7.24	20.51
11	Total	2,71,396	341.45	9,26,68,874	341.45	530.51
12	Less : Credit, if any					
13	Net Total	2,71,396	341.45	9,26,68,874	341.45	530.51
B.	Apportioned to cost center/activity :					
	(1) Power Generation	2,71,396	341.45	9,26,68,874		

Name of the Company: JHAJJAR POWER LIMITED

Address: Village - Khanpur, Tehsil - Matenhall, JHAJJAR, PIN - 124 142, Haryana

Statement Showing the Cost of Cooling Tower

Statement - 3

For the period 01-04-2017 to 31-03-2018

(A) Quantitative Information :

Sr.	Particulars	UOM	2017-18	2016-17
A	Water Quantity (All Recycled put to-gather)	M ₃	6,74,69,065	3,67,03,220
B	Gross Fixed Assets at the end of the year (Rs./Lakhs)		18,162	18,162
2	Net Fixed Assets at the end of the year (Rs. / Lakhs)		15,150	16,154
3	Date of Commissioning		29th March 2012	29th March 2012

(B) Cost Information :

Sr.	Particulars	Quantity M ₃	Rate Per Unit (Rs.)	Amount (Rs.)	Cost Per Unit (Rs.)	
					2017-18	2016-17
A1	Water			8,91,57,819	1.32	1.62
2	Salaries			-	-	-
3	Consumable Stores and Spares, Tools etc			-	-	-
4	Repairs and Maintenance			1,01,26,071	0.15	0.23
5	Depreciation			10,03,79,270	1.49	2.73
6	Other Overheads			24,43,667	0.04	0.12
7	Total			20,21,06,827	3.00	4.71
8	Less : Credit, if any			-	-	-
9	Net Total	6,74,69,065	3.00	20,21,06,827	3.00	4.71
B.	Apportioned to cost center/activity :					
	(1) Power Generation	6,74,69,065	3.00	20,21,06,827		

Name of the Company: JHAJJAR POWER LIMITED
Address: Village - Khanpur, Tehsil - Matenhail, JHAJJAR, PIN - 124 142, Haryana

Statement Showing the Cost of Coal **Statement - 4**
For the period 01-04-2017 to 31-03-2018

Sr.	Particulars	Quantity (MT)	Rate Per MT (Rs.)	Amount (Rs.)	Cost Per Unit (Rs.)
					2017-18
A 1	Purchase	36,22,816	4,765.70	17,26,52,59,896	
2	Less : Losses				
3	Net Weight of Receipt at the Gate	36,22,816	4,765.70	17,26,52,59,896	
4	Add : Other Expenses			77,96,409	
5	Total	36,22,816	4,767.85	17,27,30,56,305	
B	Add : Opening Balance at Storage	6,70,347	5,206.61	3,49,02,36,187	
C	Less : Closing Balance at Storage	74,544	5,273.86	39,30,57,889	
D	Add/Less : Weight Variations	-	-	-	
E	Add/Less : Write off/ Write Back / Capitalised	7,162	4,598.64	3,29,35,448	
F	Net Consumption	42,11,457	4,829.04	20,33,72,99,155	
G	Net Consumption As Per Daily Report	42,11,457	4,829.04	20,33,72,99,155	
H	Net Gain / Loss (+/-)	-		-	

Notes : Closing Stock valuation is as per Financial Accounts on Moving Weighted Average Method.

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Name of the Company: JHAJJAR POWER LIMITED

Address: Village - Khanpur, Tehsil - Matenhail, JHAJJAR, PIN - 124 142, Haryana

Statement Showing the Cost of HSD

Statement - 5

For the period 01-04-2017 to 31-03-2018

Sr.	Particulars	Quantity (Litres)	Rate Per Litre (Rs.)	Amount (Rs.)	Cost Per Unit (Rs.)
					2017-18
A 1	Purchase	28,53,407	50.27	14,34,38,061	
2	Less : Losses				
3	Net Weight of Receipt at the Gate	28,53,407	50.27	14,34,38,061	-
4	Add : Other Expenses				
5	Total	28,53,407	50.27	14,34,38,061	-
B	Add :Opening Balance at Storage	5,30,277	40.70	2,15,82,594	
C	Less :Closing Balance at Storage	3,82,628	48.19	1,80,54,594	
D	Add/Less : Weight Variations	-		-	
E	Add/Less : Write off/ Capitalised				
F	Net Consumption	30,01,056	48.97	14,69,66,061	
G	Net Consumption As Per Daily Report	30,01,056	48.97	14,69,66,061	
H	Net Gain / Loss (+/-)	-		-	

Name of the Company: JHAJJAR POWER LIMITED

Address: Village - Khanpur, Tehsil - Matenhail, JHAJJAR, PIN - 124 142, Haryana

Statement - 6 A

Statement Showing the Cost of Power Generation

Page - 1

For the period 01-04-2017 to 31-03-2018

(A) Quantitative Information :

Sr.	Particulars	UOM	2017-18	2016-17
A 1	Installed Capacity (full Availabilty)	Units	11,56,32,00,000	11,56,32,00,000
2	Maximum Power to be Purchased under PPA	Units	10,83,81,87,360	10,83,81,87,360
3	Stoppage	Units		
4	Forced Outage	Units		
5	Plant Availability	%		
6	Loss due to backing down			
7	Reserve Outage			
8	Partial unavailability factory			
9	Power generated	Units	7,32,54,90,000	2,89,57,00,000
10	Plant load factor	Ratio		
11	Auxilliary power consumption	Units	43,59,30,000	18,63,10,000
12	Free supply	Units	-	-
13	Net power generated	Units	6,88,95,60,000	2,70,93,90,000
14	Add : Power Purchases	Units	-	-
15	Power Available for Transmission	Units	6,88,95,60,000	2,70,93,90,000
16	Station Heat Rate (K.Cal/MU)			
B 1	Gross Fixed Assets at the end of the Year	Rs./Lakhs	3,95,093	3,94,782
2	Net Fixed Assets at the end of the Year	Rs./Lakhs	3,35,288	3,54,509
3	Date of Commissioning		29th March 2012	29th March 2012

(B) Cost Information :

Sr.	Particulars	UOM	Quantity	Rate Per Unit (Rs.)	Amount (Rs.)	Cost Per Unit (Rs.)	
						2017-18	2016-17
1	Cost of Materials						
	Coal (Proforma B-1)	MT	42,11,457	4,827.19	20,32,95,02,746	2.95	3.23
	Coal (Proforma B-1) - Other Exps.				77,96,409	0.00	0.00
	HSD (Proforma B-2)	Litres	30,01,056	48.97	14,69,66,061	0.02	0.05
	Total Cost of Materials				20,48,42,65,216	2.97	3.28
2	Utilities						
	D.M. Water	M ₃	2,71,396	341.45	9,26,68,874	0.01	0.03
	Cooling Tower	M ₃	6,74,69,065	3.00	20,21,06,827	0.03	0.06
	Sub Total				29,47,75,701	0.04	0.10
3	Salaries				32,60,22,253	0.05	0.12
4	Consumable Stores and Spares				43,12,47,789	0.06	0.08
5	Chemicals				-	0.00	0.00
6	Repairs and Maintenance				21,74,44,043	0.03	0.07
7	Depreciation				1,99,86,44,704	0.29	0.76
8	Other Plant Overheads				51,87,31,676	0.08	0.18
9	Sub Total	KWh	6,88,95,60,000	3.52	24,27,11,31,381	3.52	4.59
10	Less : Credit If any				46,90,79,937	0.07	0.04
11	Cost of Generation :	KWh	6,88,95,60,000	3.45	23,80,20,51,444	3.45	4.55
	(a) Fixed Cost				3,46,47,52,290	0.50	1.32
	(b) Variable Cost				20,33,72,99,155	2.95	3.23
	(c) Other Credits				-		
12	Selling Expenses				-		
13	Cost of Sales	KWh	6,88,95,60,000	3.45	23,80,20,51,444	3.45	4.55
14	Interest and Finance charges						
15	Total Cost of Generation (Transferred to Proforma - D)	KWh	6,88,95,60,000	3.45	23,80,20,51,444	3.45	4.55
16	Add : Shortfall in minimum offtake quantity of power by Electricity Board, ect.						
17	Total Cost of Generation						
18	Sales Realisation				-		
19	Margin				-	0.00	0.00

Name of the Company: JHAJJAR POWER LIMITED

Address: Village - Khanpur, Tehsil - Matenhail, JHAJJAR, PIN - 124 142, Haryana

Statement - 6 B

Statement Showing the Cost of Power Generation
For the period 01-04-2017 to 31-03-2018

Page - 1

(A) Quantitative Information :

Sr.	Particulars	UOM	2017-18 (Total)	HPPC	TPTC
A 1	Installed Capacity	Units	11,56,32,00,000	11,56,32,00,000	
2	Maximum Power to be Purchased under PPA	Units	10,83,81,87,360	10,83,81,87,360	
3	Stoppage	Units			
4	Forced Outage	Units			
5	Plant Availability	%			
6	Loss due to backing down				
7	Reserve Outage				
8	Partial unavailability factory				
9	Power generated	Units	7,32,54,90,000	6,72,34,80,604	60,20,09,396
10	Plant load factor	Ratio			
11	Auxilliary power consumption	Units	43,59,30,000	40,01,05,235	3,58,24,765
12	Free supply	Units			
13	Net power generated	Units	6,88,95,60,000	6,32,33,75,369	56,61,84,631
14	Add : Power Purchases	Units			
15	Power Available for Transmision	Units	6,88,95,60,000	6,32,33,75,369	56,61,84,631
16	Station Heat Rate (K.Cal/MU)				
B 1	Gross Fixed Assets at the end of the Year	Rs./Lakhs	3,95,093	3,95,093	
2	Net Fixed Assets at the end of the Year	Rs./Lakhs	3,35,288	3,35,288	
3	Date of Commissioning		29th March 2012	29th March 2012	

Cost Statement		Statement - 6 B Page -2			
Sr.	Particulars	HPPC		TPTC	
		Amount (Rs.)	Rate Per Unit (Rs.)	Amount (Rs.)	Rate Per Unit (Rs.)
1	Materials Consumed	18,66,59,78,168	2.95	1,67,13,20,987	2.95
2	Process Materials/Chemicals	13,22,69,455	0.02	1,46,96,606	0.03
3	Utilities	26,52,98,131	0.04	2,94,77,570	0.05
4	Direct Employees Cost	29,34,20,028	0.05	3,26,02,225	0.06
5	Direct Expenses	-	-	-	-
6	Consumable Stores and Spares	38,81,23,010	0.06	4,31,24,779	0.08
7	Repairs and Maintenance	19,57,47,794	0.03	2,17,49,755	0.04
8	Quality Control Expenses	-	-	-	-
9	Research and Development Expenses	-	-	-	-
10	Technical know-how Fee / Royalty	-	-	-	-
11	Depreciation/Amortization	1,79,90,66,109	0.28	19,98,96,234	0.35
12	Other Production Overheads	46,68,65,895	0.07	5,18,73,988	0.09
13	Industry Specific Operating Expenses	-	-	-	-
14	Total (1 to 13)	22,20,67,68,590	3.51	2,06,47,42,145	3.65
15	Increase/Decrease in Work-in-Progress	-	-	-	-
16	Less: Credits for Recoveries, if any	(42,21,71,943)	(0.067)	(4,69,07,994)	(0.083)
17	Primary Packing Cost	-	-	-	-
18	Cost of Production/Operations (14 + 15 to 17)	21,78,45,96,647	3.45	2,01,78,34,151	3.56
19	Cost of Finished Goods Purchased	-	-	-	-
20	Total Cost of Production and Purchases (18 + 19)	21,78,45,96,647	3.45	2,01,78,34,151	3.56
21	Increase/Decrease in Stock of Finished Goods	-	-	-	-
22	Less: Self/Captive Consumption	-	-	-	-
23	Other Adjustments (if any)	-	-	-	-
24	Cost of Production/Operation of Product Sold (20 + 21 to 23)	21,78,45,96,647	3.45	2,01,78,34,151	3.56
25	Administrative Overheads	59,17,09,149	0.094	6,57,45,461	0.116
26	Secondary Packing Cost	-	-	-	-
27	Selling and Distribution Overheads	7,36,32,205	0.012	81,81,356	0.014
28	Cost of Sales before Interest (24 to 27)	22,44,99,38,002	3.55	2,09,17,60,969	3.69
29	Interest and Financing Charges	2,76,61,99,478	0.437	30,73,55,498	0.543
30	Cost of Sales (28 + 29)	25,21,61,37,480	3.99	2,39,91,16,466	4.24
31	Net Sales Realisation (Net of Taxes and Duties)	27,62,05,66,692	4.37	2,64,57,30,173	4.67
32	Margin [Profit/Loss] as per Cost Accounts] (31 - 30)	2,40,44,29,212	0.38	24,66,13,707	0.44

Name of the Company: JHAJJAR POWER LIMITED

Address: Village - Khanpur, Tehsil - Matenhail, JHAJJAR, PIN - 124 142, Haryana

Statement Showing the cost of Transmission/Distribution
For the period 01-04-2017 to 31-03-2018

Statement -7

(A) Quantitative Information :

Sr.	Particulars	UOM	2017-18	2016-17
A 1	Installed Capacity			
2	Power received from Generating Unit	Units	6,88,95,60,000	2,70,93,90,000
3	Loss in transmission	Units		
4	Self consumption	Units		
5	Net power transmitted/distributed	Units	6,88,95,60,000	2,70,93,90,000
6	Length of transmission			
B 1	Gross Fixed Assets at the end of the Year	Rs./Lakhs	90.94	90.94
2	Net Fixed Assets at the end of the Year	Rs./Lakhs	81.41	84.59
3	Date of Commissioning		29th March 2012	29th March 2012

(B) Cost Information :

Sr.	Particulars	Quantity	Rate Per Unit (Rs.)	Amount (Rs.)	Cost Per Unit (Rs.)	
					2017-18	2016-17
1	Cost of Power :					
	(a) Self Generated	6,88,95,60,000	3.45	23,80,20,51,444	3.45	4.55
	(b) Purchased					
2	Salaries			-	-	0.00
3	Consumable Stores and Spares			-	-	0.00
4	Repairs and Maintenance			53,507	0.00	0.00
5	Depreciation			3,17,640	0.00	0.00
6	Other Plant Overheads			8,207	0.00	0.00
7	Total	6,88,95,60,000	3.45	23,80,24,30,799	3.45	4.55
8	Less : Credit If any					
9	Cost of Transmission / distribution	6,88,95,60,000	3.45	23,80,24,30,799	3.45	4.55
10	Administrative Overheads			65,74,54,610	0.10	0.22
11	Selling Expenses			8,18,13,561	0.01	0.02
12	Cost of Sales	6,88,95,60,000	3.56	24,54,16,98,970	3.56	4.79
13	Interest and Finance charges			3,07,35,54,975	0.45	1.27
	Less : Credit if any			-		
14	Total Cost of Transmission	6,88,95,60,000	4.01	27,61,52,53,946	4.01	6.05
15	Sales Realisation (Exclu. Ele.duty & Statutory levies)	6,88,95,60,000	4.39	30,26,62,96,865	4.39	6.43
16	Margin	6,88,95,60,000	0.38	2,65,10,42,919	0.38	0.38

Name of the Company: JHAJJAR POWER LIMITED
 Address: Village - Khanpur, Tehsil - Matenhail, JHAJJAR, PIN - 124 142, Haryana
 Statement showing the cost of supply (consumer servicing and billing, etc.)
 For the period 01-04-2017 to 31-03-2018
 Statement-8

I. Quantitative Information:

Sr.	Particulars	2017-18	
		No. of Consumers	No. of Units
A 1	Installed Capacity		
2	Power Received		
3	Power Supplied		
(a)	Domestic		
(b)	Commercial		
(c)	Industrial		
(d)	Public Lighting		
(e)	Agriculture		
(f)	Others		
	Total (a) To (f)		NIL Note-1
4	Losses		
5	Area Covered (In Sq. Kms.)		
B 1	Gross Fixed Assets at the end of the period / year		
2	Net Fixed Assets at the end of the period / year		
3	Date of Commissioning		

II Cost Information

Sr.	Particulars	Qty	Rate (Rs.)	Amount (Rs.)	Cost Per Unit
					2017-18 (Rs.)
1	Cost of Power				
(a)	Transferred From Proforma D				
(b)	Purchased				
(c)	Sub Total				
2	Direct Employee Cost				
(a)	Maintenance of Lines				
(b)	Billing including Meter Reading				
(c)	Others (Specify)				
(d)	Sub Total (a) To (c)				
3	Consumables, Stores and Spares				
4	Servicing and Contract Work				
5	Insurance				
6	Depreciation				
7	Lease Rent, if Any				
8	Other Supply Overheads				
9	Administrative Overheads				
10	Total (From 1 To 9)				
11	Selling Exps				
12	Interest (Net of Interest on Consumer Deposits)				
13	Total Cost of Sales (From 10 to 12)				
14	Sales Realisation				
15	Margin (14-13)				
16	Average Sales Realisation				
(a)	Domestic				
(b)	Commercial				
(c)	Industrial				
(d)	Public Lighting				
(e)	Agriculture				
(f)	Others				

Note - 1 : There is no consumer servicing and billing

Address: Village - Khanpur, Tehsil - Matenhail, JHAJJAR, PIN - 124 142, Haryana
 Statement showing Gross Block, Depreciation and Net Block
 For the period 01-04-2017 to 31-03-2018

Statement - 9

Sr.	Particulars	Gross carrying amount				Depreciation				Net carrying amount As at 31-03-2017
		Opening gross carrying amount	Additions during the year	Disposals/ Adjustments during the year	Closing Gross Carrying Amount	Accumulated Depreciation	For the year	Disposals/ Adjustments during the year	Closing Accumulated Depreciation	
A	Power Generation - Plant and Machinery - Building	36,34,49,39,967 3,13,32,87,298	3,10,84,874 -	- -	36,37,60,24,841 3,13,32,87,298	3,80,62,01,425 22,11,28,290	1,84,20,74,278 11,11,56,393	- -	5,64,82,75,703 33,22,84,683	30,72,77,49,139 2,80,10,02,615
B	Power Transmission - Plant & machinery	90,93,873	-	-	90,93,873	6,35,280	3,17,640	-	9,52,921	81,40,952
C	Power Distribution									
D	Service/Billing/Admn/Mktng - Land Free Hold # - Furniture # - Office Equip & Computers # - Vehicles #	3,22,56,08,662 4,40,40,595 5,70,40,589 4,71,16,786	- 6,27,826 20,05,463 97,00,375	- - - 23,02,305	3,22,56,08,662 4,46,68,421 5,90,46,052 5,45,14,856	- 1,16,69,447 2,18,62,174 1,15,76,154	- 56,70,709 1,07,44,815 74,98,232	- - - 10,29,271	- 1,73,40,156 3,26,06,989 1,80,45,115	3,22,56,08,662 2,73,28,265 2,64,39,063 3,64,69,741
E	Common - Adm Building - Ash Handling - Water - DM Water - Cooling Towers - Common	1,17,11,15,929 63,65,61,074 68,43,53,881 1,85,23,51,965 1,81,62,03,458 2,85,01,22,483	76,66,753 - - - - 4,35,87,373	- - - - - -	1,17,87,82,682 83,65,61,074 68,43,53,881 1,85,23,51,965 1,81,62,03,458 2,89,37,09,856	11,55,37,291 10,63,78,235 5,21,92,144 16,04,66,000 20,07,74,329 41,45,21,289	5,66,81,753 5,35,81,449 2,60,19,440 8,09,84,874 10,03,79,270 20,88,50,820	- - - - - -	17,22,19,044 15,99,59,684 7,82,11,584 24,14,50,875 30,11,53,599 62,33,72,109	1,00,65,63,638 67,66,01,390 60,61,42,297 1,61,09,01,090 1,51,50,49,859 2,27,03,37,747
F	Others: Computer Software #	2,60,02,883	-	-	2,60,02,883	2,10,75,290	4,61,670	-	2,15,36,960	44,65,923
G	Capital Work In Progress #	15,75,83,035	25,51,53,318	9,46,82,663	31,80,53,690	-	-	-	-	31,80,53,690
	Grand Total	52,25,54,22,479	34,98,35,980	9,69,84,968	52,50,82,63,492	5,14,40,17,348	2,50,44,21,344	10,29,271	7,64,74,09,421	44,86,08,54,071

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Sl.	Details considered	Total as per P & L Grouping	Not considered in Cost	Direct (Sales)	Balance	Power Generation	Power Transmission Bulk Supply	Water	Cooling Tower	D.M. Water	Ash Handling	Operational Overheads	Admin. Overheads	Selling & Distribution Overheads	Financial Overheads
	Rebate & Discount														
	D / C BALANCES W/OFF	15,63,06,479	15,63,06,479												
	Provision for Doubtful Debts/Loss Allowance	7,69,47,484			7,69,47,484									7,69,47,484	
	Unscheduled Intercharges	3,35,65,963	3,35,65,963												
	Stock Write Off	1,49,18,692	1,49,18,692												
	Foreign Exchange Fluctuation (Net)	72,52,04,857	18,38,37,531		54,13,67,326										
	Premium/Other cost on Derivatives	9,58,77,953	9,58,77,953												
	Derivative Mark to market	2,57,00,454	2,57,00,454												
	Expenditure towards CSR activities	9,67,14,523			9,67,14,523										
	Miscellaneous expenses	2,14,78,44,479	51,05,36,615		1,63,73,07,864										
	Sub Total														54,13,67,326
	Total of Expenses	29,04,36,18,302	88,27,10,630		28,16,11,07,671										
		29,04,36,18,302			28,16,11,07,671										
	Income Side:														
8	Sale of Electrical energy	22,86,84,76,070		22,86,84,76,070											
	Less Rebate expense	(39,47,69,866)		(39,47,69,866)											
	Rebate expense - Previous year														
	Sale of Fly Ash	54,39,92,954		54,39,92,954	54,39,92,954										
	Sub Total	23,01,76,99,158		22,47,37,06,204	54,39,92,954										
9	Other operating income:														
	Incentive Earned	(66,49,339)		(66,49,339)											
	Operating lease income under PPA	7,79,92,40,000		7,79,92,40,000											
		7,79,92,40,000		7,79,92,40,000											
10	Other Income														
	Interest Income - Bank	11,52,958			11,52,958										
	Interest Income - Others	96,20,001			(1,05,906)										
	Gain / Loss on MF														
	Foreign Exchange Fluctuation (Net)	6,50,420	6,50,420												
	Net Gain on Financial assets measured at fair value	1,06,47,461	1,06,47,461												
	Miscellaneous Income														
	SALE DR / CR NOTE														
	DPC Charges	1,05,906			1,05,906										
	MISC. INCOME	1,55,12,537	1,55,12,537												
	INSURANCE Claim	1,22,414	1,22,414												
	GUEST HOUSE RENT INC	7,07,812			7,07,812										
	Liabilities written back to the extent no tender required														
	Provision for Incentive														
	Unscheduled Intercharges	3,85,19,509	3,66,56,739		18,60,771										
	Sub Total	30,84,66,09,328	3,66,56,739	30,25,62,96,665	54,58,53,725										
	Total of Income														
	Net Profit / Loss (+ / -)	1,80,49,91,026	184,60,51,691	30,25,62,96,665	(27,61,52,58,948)	(23,45,76,24,004)	(3,71,147)	(8,89,83,279)	(11,05,05,341)	(8,89,09,569)	46,90,79,937	(52,51,17,396)	(65,74,54,600)	(8,18,13,561)	(3,07,35,54,975)

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Name of the Company: JHAJJAR POWER LIMITED
Address: Village - Khanpur, Tehsil - Matenhail, JHAJJAR, PIN - 124 142, Haryana

Statement showing Apportionment of Overheads

Statement-11

For the period 01-04-2017 to 31-03-2018

Sr.	Cost Centres	Factory Overheads Amt. Rs.	Admn Overheads Amt. Rs.	Selling Overheads Amt. Rs.	Financial Overheads Amt. Rs.
	Cost Centres :-				
1	Water	19,67,737			
2	Cooling Tower	24,43,667			
3	D.M. Water	19,66,107			
4	Power Generation	51,87,31,676			
5	Power Transmission	8,207	65,74,54,610	8,18,13,561	3,07,35,54,975
	Total (as per Proforma H)	52,51,17,396	65,74,54,610	8,18,13,561	3,07,35,54,975

Name of the Company: JHAJJAR POWER LIMITED
Address: Village - Khanpur, Tehsil - Matenhail, JHAJJAR, PIN - 124 142, Haryana

Statement Showing Reconciliation of Profit / Loss (+ / -) between Financial Accounts and Cost Accounts

Statement-12

For the period 01-04-2017 to 31-03-2018

Details	Amount (Rs.)	Amount (Rs.)
Profit / (Loss) As per Cost Accounts		2,65,10,42,919
Less: Expenses of Financial Account not considered in Cost Accounts		
Donations	(3,06,000)	
Loss/Profit on Sale of Assets	(23,832)	
Provision for Doubtful Debts/Loss Allowance	(15,63,06,479)	
Stock Write Off	(3,35,65,963)	
- Employee exps.-Actuarial valuation IND AS)	85,98,372	
- Depreciation IND AS Adj.	4,54,14,033	
- Finance Cost IND AS Adj.	(42,61,86,420)	
Foreign Exchange Fluctuation (Net)	(1,49,18,692)	
Premium/Other cost on Derivatives (IND AS Adj.)	(18,38,37,531)	
Derivative Mark to market (IND AS Adj.)	(9,58,77,953)	
Expenditure towards CSR activities	(2,57,00,164)	
		(88,27,10,630)
Add: Incomes of Financial Account not considered in Cost Accounts		
Net Gain on Financial assets measured at fair value (IND AS Adj.)	1,06,47,461	
Interest on Cancelled options (IND AS Adj.)	97,25,907	
Foreign Exchange Fluctuation (Net)	6,50,420	
MISC. INCOME	1,55,12,535	
INSURANCE Claim	1,22,414	3,66,58,737
Stock Valuation Difference		
- As per Financial Accounts	-	
- As per Cost Accounts	-	
Net Difference		-
Under / Over Absorption /Valuation Loss		
Profit / Loss (+/-) as per Financial Accounts		1,80,49,91,026

FILE NO. : _____

NAME: _____ JHAJJAR POWER LIMITED

_____ COST AUDIT REPORT

_____ YEAR :- 2017-2018

KIRAN J. MEHTA & CO.

COST ACCOUNTANTS

H.O. : 257, ELLISBRIDGE SHOPPING CENTRE,
OPP. M. J. LIBRARY, AHMEDABAD-380 006
TEL.: (079) 2657 6488

BRANCH : 002, YOGI NANDAN BLDG. 13, NANDANVAN SOCY.,
B/H. RLY. STATION, ALKAPURI, BARODA-390 005

E-MAIL : kjmehta1977@gmail.com

COST AUDIT REPORT (FORM-CRA-3)

We Kiran J. Mehta & Co. having been appointed as Cost Auditors under section 148(3) of the Companies Act, 2013 (18 of 2013) of **JHAJJAR POWER LIMITED** having its registered office at Village - Khanpur, Tehsil - Matenhail, Jhajar, PIN - 124 142, Haryana (hereinafter referred to as the company), have audited the Cost Records maintained under section 148 of the said Act, in compliance with the cost auditing standards, in respect of **Electricity** for the year 2017-18 maintained by the company and report, in addition to our observations and suggestions in Para 2.

- (i). We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of this audit.
- (ii) In our opinion, proper cost records, as per Rule 5 of the Companies (Cost Records and Audit) Rules, 2014 have been maintained by the company in respect of the product under reference.
- (iii) In our opinion, proper returns adequate for the purpose of the Cost Audit have been received from the branches not visited by us.
- (iv) In our opinion and to the best of our information, the said books and records give the information required by the Companies Act, 2013, in the manner so required.
- (v) In our opinion, the company has adequate system of internal audit of cost records which to our opinion is commensurate to its nature and size of its business. Our opinion is based on the information and explanation provided to us during the audit.
- (vi) In our opinion, information, statements in the annexure to this cost audit report gives a true and fair view of the cost of production of product, cost of sales, margin and other information relating to product under reference.
- (vii) Detailed product-wise cost statements and schedules thereto in respect of the product under reference of the company duly audited and certified by us are kept in the company.



- 2 Observations and suggestions, if any, of the Cost Auditor, relevant to the cost audit.

The Company is an electricity generation unit only. There is no distribution/service activity relating to or subsequent to the transfer of electricity at one point sale into Grid. The sale of electricity is done under PPA only. There are therefore no details relating to Part-C of the Annexure to the Cost Audit Report.

We have not come across any other details or information, which are in the nature of observations and suggestions.

Dated: this 16th day of August, 2018 at Ahmedabad

For: Kiran J Mehta and Co. (FRN - 000025)
(Cost Auditor)

Maitri K. Mehta

(Partner)
(Maitri K. Mehta – Fellow, M/23977)



Name of The Company : JHAJJAR POWER LIMITED For the Year 2017-18 ANNEXURE TO THE COST AUDIT REPORT	
Part - A1	
GENERAL INFORMATION :	
1.	Corporate identity number or foreign company registration : CIN - U40104HR2008SGC037809
2.	Name of the company : JHAJJAR POWER LIMITED
3.	Address of registered office or of principal place of business In India of company : Village – Khanpur, Tehsil – Matenhail, Jhajjar, PIN – 124 142, Haryana
4.	Address of corporate office of company : Village – Khanpur, Tehsil – Matenhail, Jhajjar, PIN – 124 142, Haryana
5.	E-mail address of the company : mitesh.trivedi@clpindia.in
6.	Date of beginning of reporting Financial Year : 01-04-2017
7.	Date of end of reporting Financial Year : 31-03-2018
8.	Date of beginning of previous financial year : 01-04-2016
9.	Date of end of previous financial year : 31-03-2017
10.	Level of rounding used In cost statements (in INR) : Absolute
11.	Whether Indian Accounting Standards are applicable to the company : Yes
12.	Number of cost auditors for reporting period : 1 (One)
13.	Date of board of directors meeting in which annexure to cost audit report was approved : 16- 08- 2018
14.	Whether cost auditors report has been qualified or has any reservations or contains adverse remarks : No
15.	Consolidated qualifications, reservations or adverse remarks of all cost auditors : Nil
16.	Consolidated observations or suggestions of all cost auditors : Nil
17.	Whether company has related party transactions for sale or purchase of goods or services : Yes



Name of The Company : JHAJJAR POWER LIMITED
 For the Year 2017-18
 ANNEXURE TO THE COST AUDIT REPORT

Part - A2

General Details of Cost Auditor

1.	Whether cost auditor is lead auditor : Yes
2.	Category of cost auditor : Partnership Firm
3.	Firm's registration number : FRN- 000025
4.	Name of cost auditor/cost auditor's firm : Kiran J. Mehta & Co.
5.	PAN of cost auditor/cost auditor's firm : AAGFK4797E
6.	Address of cost auditor or cost auditor's firm : 257, Ellisbridge Shopping Centre, Opp. M. J. Library, Ahmedabad - 380 006, Gujarat
7.	Email id of cost auditor or cost auditor's firm : kjmehta1977@gmail.com
8.	Membership number of member signing report : Membership No.- Fellow, M/23977
9.	Name of member signing report : Maitri K. Mehta
10.	Name(s) of product(s) or services(s) with CETA heading : Electricity, CETA Chapter Heading - 2716
11.	SRN number of Form 23C / CRA-2 : CRA-2 : G 45 97 77 66 Dated : 14 - 06 - 2017
12.	Number of audit committee meeting attended by cost auditor during year : Invited - NIL, Attended - NIL
13.	Date of signing cost audit report and annexure by cost auditor : 16- 08- 2018
14.	Place of signing cost audit report and annexure by cost auditor : Ahmedabad



Name of The Company : JHAJJAR POWER LIMITED

For the Year 2017-18

ANNEXURE TO THE COST AUDIT REPORT

Part - A3 - Page 1

Cost Accounting Policy

1(a) Identification of cost centres/cost objects and cost drivers.

The Company has single plant engaged in generation of Electricity. For the purpose of cost records, the company is divided into following Cost Centres for the purpose of ascertaining the cost, cost of sales.

Production Cost Centers - Power Generation, Power Transmission

Service Cost Centers -Water, Cooling tower, D.M. Water, Ash handling

Overheads - Operational, Administrative, Selling & Distribution, Financial Overheads

The methodology followed is Process costing. Firstly all conversion cost elements are traced to respective Process Activities and then within each Process, Product group wise cost allocation is done on appropriate basis.

(b) Accounting for material cost including packing materials, stores and spares , employee cost, utilities and other relevant cost components.

The Company has coal based power plant. There are two units. Each unit is with the installed capacity of 660 MW. The process also consumes Diesel during the operations. The power generated is sold through two PPA , one with State Electricity Board (to provide 90% of power available for sale) and Tata Power Corporation (10% of power available for sale). There is no direct consumer billing. The Company maintains Inward, Consumption and Stock records for coal and diesel. Entire set up is working through operation and maintenance contract with Company officials as supervisor.

The company has single business and geographical segment.

The expenses collected under various utility cost centres are allocated to other cost centres on the basis of the services rendered to those cost centres.

The Company has adopted the method of reporting in the financial accounts based on Indian AS effects. The fixed receipts due to PPA agreement are shown as leasing Income. This is taken as part of total revenue from the PPA arrangements for the sale of electricity.

(c) Accounting, allocation and absorption of overheads

The operational overheads are charged to the generation and transmission cost centres and administration overheads are charged to Cost of Sales.

The selling and distribution overheads and financial overheads are also charged to Cost of Sales before margin calculations.



(d) Accounting for Depreciation/Amortization

Depreciation provided in the books of accounts are absorbed as part of manufacturing cost, administrative cost or selling and distribution overheads in the costing depending on the nature and use of the asset.

(e) Accounting for by-products/joint-products or services, scraps, wastage etc.

The production value of the scrap, wastage etc. wherever occurred is based on the realisation value. It is credited to the cost of main products to arrive the net cost of manufacture.

(f) Basis for Inventory Valuation

In financial account, Inventory has been valued at lower of cost or net realizable value. Cost for the purpose of valuation of Fuel and Stores & Spares is determined on Weighted Average basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

There are no opening, closing stocks of finished goods.

(g) Methodology for valuation of Inter-Unit/Inter Company and Related Party transactions.

Inter unit/Inter company transactions wherever are valued at cost for the purpose of costing of the cost audit.

Related Party transactions - As per method indicated in Part - D5.

(h) Treatment of abnormal and non-recurring costs including classification of other non-cost items.

The abnormal and non-recurring costs including classification of other non-cost items are not included in costing and are directly charged to Costing Profit and Loss and shown in reconciliation statement.

(i) Other relevant cost accounting policy adopted by the Company.

The Company is following historical system of Cost Accounting to determine the Cost of Production and Cost of Sales for the Electricity product viz. generation of Electricity.

Cost statements are prepared at the end of the year. The cost statements are in line with the process of manufacture and methodology.

The various items of Incomes and Expenses and other details of financial records are taken as basis for its inclusion in Cost Accounts.

2 Briefly specify the changes, if any, made in the cost accounting policy for the product(s)/service(s) under audit during the current financial year as compared to the previous financial year.

The Company has not done any major change in the cost accounting policies during the current financial year as compared to the previous financial year.

3 Observations of the Cost Auditor regarding adequacy or otherwise of the Budgetary Control System, if any, followed by the company.

The Company has estimates and controls for the raw materials, production planning, capital expenditure, cash flow requirements etc. These are in the nature of the budgetary controls.



Name Of The Company : JHAJJAR POWER LIMITED
 Registered Office : Village – Khanpur, Tehsil – Matenhail, Jhajjar, PIN – 124 142, Haryana
 For the Year : 1st April, 2017 to 31st March, 2018

Part - A4

PRODUCT/SERVICE DETAILS (for the company as a whole)

Sr.	Name of Product(s) /Service(s)	UOM	CETA/CTA heading (wherever applicable)	Whether Covered under Cost Audit (Yes/No)	Net Operational Revenue (net of taxes, duties etc.)	
					2017-18 (Rs.)	2016-17 (Rs.)
A	1 Electricity 2 Operating Lease Income under PPA	Units	2716	Yes	22,47,37,06,204 7,79,25,90,661	9,47,04,55,593 7,95,10,12,511
B	Total net revenue from operations				30,26,62,96,865	17,42,14,68,104
C	Other Incomes of company				58,45,64,107	1,17,91,28,968
D	Total revenue as per financial Accounts				30,85,08,60,972	18,60,05,97,072
E	Exceptional, Extra ordinary and Other Comprehensive Income, if any				10,52,06,050	(6,99,26,850)
F	Total Revenue Including Exceptional, Extra Ordinary and Other Comprehensive Income, if any				30,95,60,67,023	18,53,06,70,221
G	Turnover as per Excise/Service Tax Records				Not Applicable to Power Generation	Not Applicable to Power Generation



Name Of The Company : JHAJJAR POWER LIMITED
 Registered Office : Village – Khanpur, Tehsil – Matenhail, Jhajjar,
 PIN – 124 142, Haryana
 For the Year : 1st April, 2017 to 31st March, 2018

Part - B1

Name of Product : Electricity
 CETA Heading : 2716

QUANTITATIVE INFORMATION

Sr.	Particulars	UOM	2017-18	2016-17
1	Available Capacity :			
(a)	Installed Capacity	Units	10,87,50,89,611	10,81,92,21,068
(b)	Capacity enhanced during the year, if any			
(c)	Capacity available through leasing arrangements, if any			
(d)	Capacity available through loan license /third parties			
(e)	Total available Capacity		10,87,50,89,611	10,81,92,21,068
2	Actual production :			
(a)	Self manufactured	Units	6,88,95,60,000	2,70,93,90,000
(b)	Produced under leasing arrangements			
(c)	Produced on loan license/by third parties on job work			
(d)	Total Production		6,88,95,60,000	2,70,93,90,000
3	Production as per Excise Records		NA	NA
4	Capacity Utilization (in-house)	%	63.35	25.04
5	Finished Goods Purchased			
(a)	Domestic purchase			
(b)	Imports			
(c)	Total Purchases	Units	-	-
6	Stock & Other Adjustments :			
(a)	Change in Stock of Finished Goods	Units		
(b)	Self/Captive Consumption			
(c)	Other Quantitative Adjustments, if any			
(d)	Total Adjustments	Units	-	-
7	Total Available Quantity for Sales [2(d)+5(c)-6(d)]	Units	6,88,95,60,000	2,70,93,90,000
8	Actual Sales :			
(a)	Domestic Sales of Product	Units	6,88,95,60,000	2,70,93,90,000
(b)	Domestic Sales of Traded Product			
(c)	Export Sales of Product	Units		
(d)	Export Sales Traded Product			
(e)	Total Quantity Sold	Units	6,88,95,60,000	2,70,93,90,000



Name Of The Company : JHAJJAR POWER LIMITED
 Registered Office : Village – Khanpur, Tehsil – Matenhail, Jhajjar, PIN – 124 142, Haryana
 For the Year : 1st April, 2017 to 31st March, 2018

Name of Product : Electricity
 CETA/CTA Heading : 2716
 Unit of Measure : Units

Part - B2
 Page - 1

ABRIDGED COST STATEMENT

Sr.	Year	Production	Finished Goods Purchased	Finished Stock Adjustment	Captive Consumption	Other Adjustments	Quantity Sold
1	2017-18	6,88,95,60,000	-	-	-	-	6,88,95,60,000
2	2016-17	2,70,93,90,000	-	-	-	-	2,70,93,90,000

Sr.	Particulars	2017-18		2016-17	
		Amount (Rs.)	Rate Per Unit (Rs.)	Amount (Rs.)	Rate Per Unit (Rs.)
1	Materials Consumed (specify details as per Part B-2A)	20,33,72,99,155	2.95	8,76,43,56,818	3.23
2	Process Materials/Chemicals	14,69,66,061	0.02	12,40,17,910	0.05
3	Utilities (specify details as per Part B-2B)	29,47,75,701	0.04	26,60,14,404	0.10
4	Direct Employees Cost	32,60,22,253	0.05	33,24,69,107	0.12
5	Direct Expenses	-	-	-	-
6	Consumable Stores and Spares	43,12,47,789	0.06	22,03,61,356	0.08
7	Repairs and Maintenance	21,74,97,549	0.03	18,32,88,838	0.07
8	Quality Control Expenses	-	-	-	-
9	Research and Development Expenses	-	-	-	-
10	Technical know-how Fee / Royalty	-	-	-	-
11	Depreciation/Amortization	1,99,89,62,344	0.29	2,05,93,81,060	0.76
12	Other Production Overheads	51,87,39,884	0.08	47,74,43,306	0.18
13	Industry Specific Operating Expenses (specify details as per Part B-2C)	-	-	-	-
14	Total (1 to 13)	24,27,15,10,735	3.52	12,42,73,32,799	4.59
15	Increase/Decrease in Work-in-Progress	-	-	-	-
16	Less: Credits for Recoveries, if any	(46,90,79,937)	(0.07)	(9,81,98,507)	(0.04)
17	Primary Packing Cost	-	-	-	-
18	Cost of Production/Operations (14 + 15 to 17)	23,80,24,30,799	3.45	12,32,91,34,292	4.55
19	Cost of Finished Goods Purchased	-	-	-	-
20	Total Cost of Production and Purchases (18 + 19)	23,80,24,30,799	3.45	12,32,91,34,292	4.55
21	Increase/Decrease in Stock of Finished Goods	-	-	-	-
22	Less: Self/Captive Consumption	-	-	-	-
23	Other Adjustments (if any)	-	-	-	-
24	Cost of Production/Operation of Product Sold (20 + 21 to 23)	23,80,24,30,799	3.45	12,32,91,34,292	4.55
25	Administrative Overheads	65,74,54,610	0.10	58,32,39,399	0.22
26	Secondary Packing Cost	-	-	-	-
27	Selling and Distribution Overheads	8,18,13,561	0.01	6,19,43,323	0.02
28	Cost of Sales before Interest (24 to 27)	24,54,16,98,970	3.56	12,97,43,17,014	4.79
29	Interest and Finance charges	3,07,35,54,975	0.45	3,42,78,30,023	1.27
30	Cost of Sales (28 + 29)	27,61,52,53,946	4.01	16,40,21,47,036	6.05
31	Net Sales Realisation (Net of Taxes and Duties)	30,26,62,96,865	4.39	17,42,47,28,426	6.43
32	Margin [Profit/Loss] as per Cost Accounts] (31 - 30)	2,65,10,42,919	0.38	1,02,25,81,389	0.38



Name Of The Company : JHAJJAR POWER LIMITED
 Registered Office : Village – Khanpur, Tehsil – Matenhail, Jhajjar, PIN – 124 142, Haryana
 For the Year : 1st April, 2017 to 31st March, 2018

Name of Product : Electricity
 CETA Heading : 2716

Part - B2
 Page - 2

A. Details of Materials Consumed

Sr.	Description of Material	Category	UOM	2017-18			2016-17		
				Quantity	Rate Per Unit (Rs.)	Amount (Rs.)	Quantity	Rate Per Unit (Rs.)	Amount (Rs.)
1	Coal	Indigenous	MT	42,11,457	4,827	20,32,95,02,746	16,15,836	4,923	7,95,43,30,383
2	Coal	Imported	MT	-	-	-	1,48,139	5,410	80,13,77,973
3	Coal - Other Exps.	Indigenous		-	-	77,96,409	-	-	86,48,462
	Total					20,33,72,99,155			8,76,43,56,818

Name Of The Company : JHAJJAR POWER LIMITED
 Registered Office : Village – Khanpur, Tehsil – Matenhail, Jhajjar, PIN – 124 142, Haryana
 For the Year : 1st April, 2017 to 31st March, 2018

Name of Product : Electricity
 CETA Heading : 2716

B. Details of Utilities Consumed

Sr.	Description of Utilities	UoM	2017-18			2016-17		
			Quantity	Rate Per Unit (Rs.)	Amount (Rs.)	Quantity	Rate Per Unit (Rs.)	Amount (Rs.)
1	Water	M ³	1,46,14,069	4.20	6,13,60,337	73,59,994	4.16	3,06,50,585
2	Water - Other exps.				23,34,15,364			23,53,63,819
	Total				29,47,75,701			26,60,14,404

Name Of The Company : JHAJJAR POWER LIMITED
 Registered Office : Village – Khanpur, Tehsil – Matenhail, Jhajjar, PIN – 124 142, Haryana
 For the Year : 1st April, 2017 to 31st March, 2018

Name of Product : Electricity
 CETA Heading : 2716

C. Details of Industry Specific Operating Expenses

Sr.	Description of Industry Specific Operating Expenses	UOM	2017-18	2016-17
			Amount (Rs.)	Amount (Rs.)
	NIL			



PART - C
For Service Sector

Name Of The Company : JHAJJAR POWER LIMITED
Registered Office : Village – Khanpur, Tehsil – Matenhail, Jhajjar,
PIN – 124 142, Haryana
For the Year : 1st April, 2017 to 31st March, 2018

The Company is an electricity generation unit only. There is no distribution/service activity relating to or subsequent to the transfer of electricity at one point sale into Grid. There are therefore no details relating to Part-C of the Annexure to the Cost Audit Report.



Name Of The Company : JHAJJAR POWER LIMITED
 Registered Office : Village – Khanpur, Tehsil – Matenhail, Jhajjar, PIN – 124 142, Haryana
 For the Year : 1st April, 2017 to 31st March, 2018

Part - D1

PRODUCT AND SERVICE PROFITABILITY STATEMENT
 (for audited products/services)

Sr.	Particulars	2017-18			2016-17		
		Sales (Rs.)	Cost of Sales (Rs.)	Margin (Rs.)	Sales (Rs.)	Cost of Sales (Rs.)	Margin (Rs.)
1	Electricity	30,26,62,96,865	27,61,52,53,946	2,65,10,42,919	17,42,47,28,426	16,40,21,47,036	1,02,25,81,389
	Total	30,26,62,96,865	27,61,52,53,946	2,65,10,42,919	17,42,47,28,426	16,40,21,47,036	1,02,25,81,389



Name Of The Company : JHAJJAR P...
Registered Office : Village – Khanpu...
142, Haryana
Financial Year : 1st April, 2017 to 31st

Jhajjar, PIN –

Part - D2

RECONCILIATION (for the co

	2017-18 (Rs.)	2016-17 (Rs.)
Profit/Loss as per Cost Accounti		
(a) For the audited producti	2,651,042,919	1,022,581,389
(b) For the un-audited prod	-	-
Add: Incomes not considered		
(a) Foreign Exchange Fluctu	(14,268,272)	413,415,947
(b) Miscellaneous Income	15,634,949	214,220,502
Less: Expenses not considered		
(a) Provision for Doubtful De	(156,306,479)	(52,013,021)
(b) Donations	(306,000)	(11,000)
(c) Loss on Sale of Assets	(23,832)	(1,495,710)
(d) Expenditure towards CSR	(25,700,164)	(23,002,156)
(e) Stock Write Off	(33,565,963)	-
(f) Other IND AS Adjustmen	(631,516,131)	(801,385,818)
Add Difference in Valuation o		
/Less: and Cost accounts		
Other adjustments, if any		
Profit/Loss as per Financial Acco		
Income for companies following		
Comprehensive	1,804,991,026	772,310,133



Name Of The Company : JHAJJAR POWER LIMITED
 Registered Office : Village – Khanpur, Tehsil –
 Matenhail, Jhajjar, PIN – 124 142, Haryana
 For the Year : 1st April, 2017 to 31st March, 2018

Part - D3

VALUE ADDITION AND DISTRIBUTION OF EARNINGS
 (for the company as a whole)

Sr.	Particulars	2017-18 (Rs.)	2016-17 (Rs.)
	Value Addition:		
1	Gross Sales (excluding sales returns)	30,26,62,96,865	17,42,14,68,104
2	Less: Excise duty, etc.	-	-
3	Net Sales	30,26,62,96,865	17,42,14,68,104
4	Add: Export Incentives	-	-
5	Add/Less: Adj. in Stocks [Increase/(Decrease)]	-	-
6	Less: Cost of bought out inputs		
	(a) Cost of Materials Consumed	20,97,89,24,986	8,75,57,08,356
	(b) Process Materials/Chemicals	15,47,62,470	13,26,66,372
	(c) Consumption of Stores & Spares	43,12,47,789	22,03,61,356
	(d) Utilities (e.g. power & fuel)	6,10,19,741	3,15,65,757
	(e) Others, if any	1,43,94,54,142	1,44,12,83,011
	Total cost of bought out inputs	23,06,54,09,128	10,58,15,84,852
7	Value Added	7,20,08,87,737	6,83,98,83,252
8	Add: Income from any other sources	58,45,64,107	1,17,91,28,968
9	Add: Exceptional, Extra ordinary and Other Comprehensive Income, If any	10,52,06,050	(6,99,26,850)
10	Earnings available for distribution	7,89,06,57,894	7,94,90,85,370
	Distribution of Earnings to:		
1	Employees as salaries & wages, retirement benefits, etc.	52,38,50,030	44,11,29,033
2	Shareholders as dividend	-	-
3	Company as retained funds	3,94,58,96,691	3,28,59,18,823
4	Government as taxes	46,87,21,729	-
5	Exceptional and Extra Ordinary Expenses, if any	-	-
6	Others, if any (Finance Cost)	2,95,21,89,444	4,22,20,37,514
7	Total distribution of earnings	7,89,06,57,894	7,94,90,85,370



Name Of The Company : JHAJJAR POWER LIMITED
Registered Office : Village – Khanpur, Tehsil – Matenhail,
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Part - D4

FINANCIAL POSITION AND RATIO ANALYSIS (for the company as a whole)

Sr.	Particulars	UOM	2017-18	2016-17
A.	Financial Position			
1	Paid-up Capital	Rs.	20,00,00,000	20,00,00,000
2	Reserves & Surplus	Rs.	(1,50,14,36,177)	(3,72,41,62,323)
3	Long Term Borrowings	Rs.	29,08,18,33,909	32,00,78,47,467
4	(a) Gross Assets	Rs.	52,50,82,73,490	52,25,54,22,477
	(b) Net Assets	Rs.	44,86,08,74,070	47,11,14,15,130
5	(a) Current Assets	Rs.	12,27,07,68,427	10,42,49,71,536
	(b) Less: Current Liabilities	Rs.	10,29,09,70,305	9,70,73,19,793
	(c) Net Current Assets	Rs.	1,97,97,98,122	71,76,51,742
6	Average Capital Employed	Rs.	48,14,59,16,972	51,83,11,22,366
7	Net Worth	Rs.	(1,30,14,36,177)	(3,52,41,62,323)
B.	Financial Performance			
1	Value Added	Rs.	7,20,08,87,737	6,83,98,83,252
2	Net Revenue from Operations of Company	Rs.	30,26,62,96,865	17,42,14,68,104
3	Profit before Tax (PBT)	Rs.	1,80,49,91,026	77,23,10,133
C.	Profitability Ratios			
1	PBT to Average Capital Employed	%	3.75	1.49
2	PBT to Net Worth	%	(138.69)	(21.91)
3	PBT to Value Added	%	25.07	11.29
4	PBT to Net Revenue from Operations	%	5.96	4.43
D.	Other Financial Ratios			
1	Debt-Equity Ratio	Ratio	(22.35)	(9.08)
2	Current Assets to Current Liabilities	Ratio	1.19	1.07
3	Value Added to Net Revenue from Operations	%	23.79	39.26
E.	Working Capital Ratios			
1	Raw Materials Stock to Consumption	Months	0.43	4.92
2	Stores & Spares to Consumption	Months	17.11	21.38
3	Finished Goods Stock to Sales of Company	Months	-	-

Note: Previous year figures have been revised wherever necessary.



Name Of The Company : JHAJJAR POWER LIMITED
Registered Office : Village – Khanpur, Tehsil – Matenhail, Jhajjar, PIN – 124 142,
Haryana
For the Year : 1st April, 2017 to 31st March, 2018

Part - D5

RELATED PARTY TRANSACTIONS (For the Company as a whole)

Sr.	Name and Address of the Related party	Name of Product / Service	Nature of transaction (Sales/Purchase etc.)	Quantity	Transfer Price (Rs.)	Amount (Rs.)	Normal Price (Rs.)	Basis adopted to determine Normal price
1	CLP Business Management and Support Limited, Hong Kong	Information Technology Services	Services Received	-	-	3,15,86,748	-	Comparable Uncontrolled Price Method

Note: The details in this para are as per the information provided by the Company for related party transactions for purchase and sale of goods and services.



Name Of The Company : JHAJJAR POWER LIMITED
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 For the Year : 1st April, 2017 to 31st March, 2018

Part - D6

RECONCILIATION OF INDIRECT TAXES (for the company as a whole)

Sr.	Particulars	Assessable Value (Rs.)	Excise Duty (Rs.)	Service Tax (Rs.)	Cess & Others (Rs.)	VAT, CST, Others (Rs.)
	Duties/Taxes Payable					
	Excise Duty					
1	Domestic	-	-			
2	Export	-	-			
3	Stock Transfers (Net)	-	-			
4	Others - Fly Ash	10,25,24,400	20,50,488			
5	Total Excise Duty (1 to 4)	10,25,24,400	20,50,488			
6	Service Tax			45,11,718	3,22,266	
7	VAT, CST etc.					59,15,288
8	Other State Taxes, If any (WCT)					
9	Total Duties / Taxes Payable (5 to 8)	10,25,24,400	20,50,488	45,11,718	3,22,266	59,15,288
	Duties/Taxes Paid					
10	Cenvat/VAT Credit Utilised - Inputs		-			
11	Cenvat/VAT Credit Utilised - Capital Goods		-			
12	Cenvat/VAT Credit Utilised - Input Services		-			
13	Cenvat/VAT Credit Utilised - Others		-			
14	Total (10 to 13)		-			
15	Paid through PLA/Cash		20,50,688	45,11,724	3,22,266	59,15,288
16	Total Duties Taxes Paid (14 + 15)		20,50,688	45,11,724	3,22,266	59,15,288
17	Duties/Taxes Recovered		20,50,688	34,731	1,240	59,15,288
18	Difference between Duties/Taxes Paid and Recovered		-	44,76,993	3,21,026	
19	Interest/Penalty/Fines Paid		-	20,654		

Note 1: Reconciliation of Indirect Taxes for the company as a whole (Part - D6) are prima facie reviewed by us, but detailed Audit of the same has not been carried out by us.

Note 2: Difference between service tax paid and recovered is on account of service tax payable under Reverse Charge Mechanism.

Note 3: The above amounts exclude taxes payable and paid under GST for the period July 17 to March 18 of Rs 5,85,54,553 by the Company.

Signature to the Annexure to the Cost Audit Report Part A to D

Kiran J. Mehta and Co. (FRN-000025)
 Cost Auditor

For: Jhajjar Power Limited

For: Jhajjar Power Limited

Maitri K. Mehta

Jayant Patil

Samir Ashra

(Partner)
 (Maitri K. Mehta)
 (Membership No. - Fellow, M/23977)

(Company Secretary)
 (Jayant Patil)
 (Membership No.- A14418)

(Director)
 (Samir Ashra)
 (DIN - 01957618)

Place: Ahmedabad
 Date: 16 - 08 - 2018



Place: Mumbai
 Date: 16 - 08 - 2018

Place: Mumbai
 Date: 16 - 08 - 2018

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