

JAIGAD POWERTRANSCO LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note	As at	As at	As at
		31st Mar, 2017	31st Mar, 2016	1st April, 2015
I ASSETS				
(1) Non-current assets:				
(a) Property, Plant and Equipment	5	38267,64,514	41652,79,653	44578,58,427
(b) Financial Assets				
(i) Investments	6	793,14,867	611,18,500	472,54,000
(ii) Other Financial Assets	7	11,28,234	10,41,105	9,56,572
(c) Income Tax Assets (net)		30,46,564	24,48,332	9,86,141
(d) Other non-current assets	11	33,57,500	35,33,184	37,20,364
		39136,11,679	42334,20,774	45107,75,504
(2) Current assets:				
(a) Inventories	8	37,76,553	30,05,889	7,68,494
(b) Financial Assets				
(i) Investments	6	6479,31,796	4534,30,267	611,57,266
(ii) Trade receivables	9	2855,89,415	2377,17,407	5352,36,246
(iii) Cash and cash equivalents	10	6,74,535	137,05,490	164,96,458
(iv) Other Financial Assets	7	8,57,404	5,05,638	3,62,808
(c) Other Current assets	11	72,21,166	687,53,072	1450,88,009
		9460,50,859	7771,17,763	7591,10,281
TOTAL ASSETS		48596,62,538	50105,38,537	52698,85,785
II EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share capital	12	13750,00,000	13750,00,000	13750,00,000
(b) Other Equity		8997,17,873	7848,27,720	7443,10,742
		22747,17,873	21596,27,720	21193,10,742
Liabilities				
(2) Non-current liabilities:				
(a) Financial Liabilities				
(i) Borrowings	13	21628,70,158	24646,44,281	27631,54,154
(b) Deferred tax liabilities (Net)		-	-	-
(c) Provisions	14	5,27,789	2,90,379	1,88,971
		21633,97,947	24649,34,660	27633,43,125
(3) Current Liabilities:				
(a) Financial Liabilities				
(i) Trade payables	15	106,26,177	55,01,030	48,43,840
(ii) Other financial liabilities	16	2988,75,568	3782,68,394	3802,80,039
(b) Other Current liabilities	17	1101,81,994	5,19,980	4,63,840
(c) Provisions	14	18,62,980	16,86,753	16,44,199
		4215,46,719	3859,76,157	3872,31,918
TOTAL EQUITY AND LIABILITIES		48596,62,539	50105,38,537	52698,85,785
SIGNIFICANT ACCOUNTING POLICIES	3			
SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS	1-42			

As per our attached report of even date
For I. Qureshi & Associates
 Chartered Accountants

For and on behalf of the Board of Directors

I. Qureshi
 Proprietor

Santosh Amberkar
 Director
 DIN: 05173607

Vijay Paranjape
 Managing Director
 DIN: 06550745

Place: Mumbai
 Date: 28.04.2017

Narendra Rahalkar
 Company Secretary

Chandra Prakash Tated
 Chief Financial Officer

JAIGAD POWERTRANSCO LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH , 2017

Particulars	Note	For the year ended 31st Mar, 2017	For the year ended 31st Mar, 2016
I Revenue from operations	18	8994,15,254	11165,00,000
II Other Income	19	871,27,046	1979,50,852
Total Income (I+II)		9865,42,300	13144,50,852
III Expenses:			
Employee benefit expenses	20	101,92,840	90,82,643
Finance costs	21	2862,70,276	3328,72,726
Depreciation and amortisation expenses	22	2925,25,832	2934,73,606
Other expenses	23	400,69,079	295,03,072
Total Expenses (III)		6290,58,027	6649,32,047
IV Profit before tax (I+II-III)		3574,84,273	6495,18,805
V Tax Expenses:			
Current tax	24	768,11,302	1393,20,167
Deferred tax (refer note 31)	24	-	-
		768,11,302	1393,20,167
VI Profit after tax for the period (IV - V)		2806,72,971	5101,98,638
VII Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
a.Remeasurements of the defined benefit liabilities / (asset)		91,054	28,590
VIII Total comprehensive income for the period (VI - VII)		2805,81,917	5101,70,048
IX Earnings per share (₹) (Refer Note No 29)			
Basic		2.04	3.71
Diluted		2.04	3.71
SIGNIFICANT ACCOUNTING POLICIES	3		
SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS	1-42		

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Santosh Amberkar
 Director
 DIN: 05173607

Vijay Paranjape
 Managing Director
 DIN: 06550745

Place: Mumbai
 Date: 28.04.2017

Narendra Rahalkar
 Company Secretary

Chandra Prakash Tated
 Chief Financial Officer

JAIGAD POWERTRANSCO LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2017

A: EQUITY SHARE CAPITAL

For the year ended 31st Mar, 2017		
As at 1st April 2016	Changes during the year	As at 31st Mar, 2017
13750,00,000	-	13750,00,000

For the year ended 31st Mar, 2016		
As at 1st April 2015	Changes during the year	As at 31st Mar, 2016
13750,00,000	-	13750,00,000

B: OTHER EQUITY

For the year ended 31st Mar, 2017

Particulars	Retained Earnings	Contingency Reserve	Other comprehensive Income	Total Other Equity
Balance as at 1st April, 2016	7104,01,159	742,55,151	(28,590)	7846,27,720
Profit for the year	2806,72,971	-	-	2806,72,971
Transferred to Contingency Reserve as per MERC MYT Regulation 2015	(137,79,817)	137,79,817	-	-
Final Dividend	(1375,00,000)	-	-	(1375,00,000)
Dividend Distribution Tax on Final Dividend	(279,91,765)	-	-	(279,91,765)
Remeasurements of the defined benefit liabilities / (asset)	-	-	(91,054)	(91,054)
Balance as at 31st March, 2017	8118,02,548	880,34,968	(1,19,644)	8997,17,872

For the year ended 31st Mar, 2016

Particulars	Retained Earning	Contingency Reserve	OCI Reserve	Total Other Equity
Balance as at 1 April, 2015	6839,50,438	603,60,304	-	7443,10,742
Profit for the year	5101,98,638	-	-	5101,98,638
Transferred to Contingency Reserve	(138,94,847)	138,94,847	-	-
Interim Dividend	(2761,37,893)	-	-	(2761,37,893)
Dividend Distribution Tax on Interim Dividend	(562,15,178)	-	-	(562,15,178)
Final Dividend	(1142,42,845)	-	-	(1142,42,845)
Dividend Distribution Tax on Final Dividend	(232,57,155)	-	-	(232,57,155)
Remeasurements of the defined benefit liabilities / (asset)	-	-	(28,590)	(28,590)
Balance as at 31st March, 2017	7104,01,159	742,55,151	(28,590)	7846,27,720

As per our attached report of even date
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For and on behalf of the Board of Directors

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Proprietor

Santosh Amberkar
Director
DIN: 05173607

Vijay Paranjape
Managing Director
DIN: 06550745

Place: Mumbai
Date : 28.04.2017

Narendra Rahalkar
Company Secretary

Chandra Prakash Tated
Chief Financial Officer

JAIGAD POWERTRANSCO LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MAR 2017

Amount in `

	Year ended 31st Mar, 2017	Year ended 31st Mar, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	3574,84,273	6495,18,805
Adjustment for		
Depreciation (including prior period)	2925,25,832	2934,73,606
Interest Income & Gain on sale of Current Investment	(476,65,324)	(298,31,237)
Interest and Finance Expenditure	2830,20,149	3292,57,426
Operating Profit before working capital changes	8853,98,709	12424,18,600
Adjustment for		
Trade & other receivables	1234,72,984	3738,23,582
Trade Payables	34,20,415	(29,50,207)
Inventories	(7,70,664)	(22,37,395)
Tax Paid	(776,92,509)	(1355,12,668)
NET CASH FLOW FROM OPERATING ACTIVITIES	9338,28,935	14755,41,912
B. CASH FLOW FROM INVESTING ACTIVITIES		
Fixed Assets, CWIP & pre-operative expenses (net of project creditors)	(204,23,160)	(8,94,832)
Interest Income & Gain on sale of Current Investment	476,65,324	298,31,237
Long Term Investments	(181,96,367)	(138,64,500)
Current Investments	(1945,01,529)	(3922,73,001)
Loans and advances	18,96,017	(14,99,770)
NET CASH FLOW USED IN INVESTING ACTIVITIES	(1835,59,715)	(3787,00,866)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings (Repayments) (Net)	(3014,08,428)	(2981,44,700)
Interest and Finance charges paid	(2963,99,982)	(3316,34,244)
Dividend Paid (includes tax on dividend)	(1654,91,765)	(4698,53,071)
NET CASH FLOW USED IN FINANCING ACTIVITIES	(7633,00,175)	(10996,32,015)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(130,30,954)	(27,90,969)
CASH AND CASH EQUIVALENTS - AT BEGINNING OF THE YEAR	137,05,489	164,96,458
CASH AND CASH EQUIVALENTS - AT END OF THE YEAR	6,74,535	137,05,489

Notes :

- 1) The above cash flow statement has been prepared by using the indirect method as per IND AS 7- " Statement of Cash Flows"
- 2) Previous year's figures have been regrouped/rearranged wherever necessary to confirm to current year classification.

As per our attached report of even date

For I. Qureshi & Associates

Chartered Accountants

For and on behalf of the Board of Directors

I. Qureshi
Proprietor

Santosh Amberkar
Director
DIN: 05173607

Vijay Paranjape
Managing Director
DIN: 06550745

Place: Mumbai
Date: 28.04.2017

Narendra Rahalkar
Company Secretary

Chandra Prakash Tated
Chief Financial Officer

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

1 General information

Background

Jaigad PowerTransco Limited (the Company), which is the joint venture of JSW Energy Limited and Maharashtra State Electricity Transmission Company Limited with 74% and 26% share holding respectively has been set up to construct, operate and maintain 54.739 Kilo meters of one Jaigad–New Koyna 400 KV double circuit (Quad) transmission line and 110 kilo meters of one Jaigad–karad 400 KV double circuit (Quad) transmission line.

The construction of 54.739 Kilo meters Jaigad-New –New Koyna & 110 kilo meters of Jaigad–karad 400 KV double circuit (Quad) transmission line has been completed and has been declared for commercial operations with effect from 7th July, 2010 & 2nd December 2011 respectively.

2 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

Up to the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Refer Note 41 for the details of significant first-time adoption exemptions availed by the Company and an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, its performance and cash flows.

3 Significant accounting policies

3.1 Basis of preparation of financial statements:

These financial statements have been prepared in accordance with the Ind AS as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The figures for the previous year ended March 31, 2016 and Opening Balance sheet as on April 01, 2015 have also been reinstated by the Management as per the requirements of Ind AS.

The financial statements of the Company are prepared on the accrual basis of accounting and historical cost convention except for the certain material items that have been measured at fair value as required by the relevant Ind AS and explained in the ensuing policies below:

The financial statements are presented in Indian Rupees ('INR')

3.2 Use of estimates & Judgements:

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

The critical accounting judgements and key estimates followed by the Company for preparation of financial statements is described in note 4.

3.3 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold or Leasehold land is stated at historical cost. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

Transmission system assets are considered "ready for their intended use", for the purpose of capitalization, after test charging/ successful commissioning of the system/ assets and on completion of stabilization period wherever technically required.

The cost of an addition or extension to an existing asset which is of a capital nature and which becomes an integral part of the existing asset is usually added to its gross book value. Any addition or extension, which has a separate identity and is capable of being used after the existing asset is disposed of, is accounted for separately.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

In case of commissioned assets, work against deposits/works contracts where final settlement of bills with contractors is yet to be effected; capitalization is done on provisional basis subject to necessary adjustments in the year of final settlements.

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

Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimate cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized.

Cost of regular comprehensive maintenance work (such as major overhaul) are capitalized as a separate component if they satisfy the recognition criteria.

3.4 **Other Intangible assets :-**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

Certain computer software costs are capitalized and recognized as Intangible assets based on materiality, accounting prudence and significant benefits expected to flow therefrom for a period longer than one year.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

3.5 **Depreciation & amortisation:**

Depreciation on tangible assets is provided, pro-rata for the period of use, by the Straight Line Method (SLM) as per the provisions of Part B of Schedule II of the Companies Act, 2013.

Leasehold land is amortized over the period of the lease.

Software is depreciated over an estimated useful life of 3 years.

When the historical cost of an asset has undergone a change due to price adjustment, exchange fluctuation or similar factors the depreciation on the revised unamortised depreciable amount is provided prospectively over the residual useful life of the asset.

"Useful Life" in relation to a transmission system is 35 Years as defined in Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulation 2015

Capital Work-in-progress and Pre-operative Expenses during Construction Period

Capital Work-in-Progress includes expenditure during construction period incurred on projects under implementation treated as pre-operative expenses pending allocation to the assets. These expenses are apportioned to the respective fixed assets on their completion / commencement of commercial production.

3.6 **Impairment of tangible and intangible assets other than goodwill:**

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). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are 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 asset for which the estimates of future cash flows have not been adjusted.

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.7 Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.8 Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and demand deposits which are short term and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.9 Inventories:

Cost of inventories includes cost of purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Inventories of stores, spare parts and loose tools are stated at the lower of weighted average cost or net realizable value. Net realisable value represents the estimated selling price for inventories less all estimated cost of completion and costs necessary to make the sale.

3.10 Revenue recognition:

Transmission Income is accounted for on accrual basis for the period of operation of the transmission line computed based on the approved Annual Revenue Requirement (ARR) or where the ARR is not approved, on the basis of the tariff order.

Where neither the ARR nor the tariff order are approved, transmission income is accounted as per Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations 2015(MERC Regulations) where under, transmission income is computed by taking the total costs, contingency provision and Return on Equity (ROE) @ 15.5% on post-tax basis and after grossing up with the applicable income taxes for the purpose of revenue.

Any difference between the total annual revenue recognised as aforesaid and the annual revenue as approved by MERC in respect of ARR / Truing up Petition filed is adjusted / recognised during the accounting period in which approval of the ARR / Truing up Petition, as the case may be, is received from MERC.

Interest income:

Surcharge receivable towards delayed receipt of payment for Transmission services rendered by the company is accounted in the period during which such surcharge is approved by MERC.

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

3.11 Foreign currency transactions:

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

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

3.12 Employee benefits:

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

The Company has following post-employment plans:

- (a) Defined benefit plans such a gratuity and
- (b) Defined contribution plans such as Provident fund

a) Defined-benefit plan:

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

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (b) Net interest expense or income

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

Re-measurement comprising of actuarial gains and losses arising from

- (a) Re-measurement of Actuarial(gains)/losses
- (b) Return on plan assets, excluding amount recognized in effect of asset ceiling
- (c) Re-measurement arising because of change in effect of asset ceiling

are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b) Defined-contribution plan:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the Trust. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.

3.13 Taxation:

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets relate to the same taxable entity and same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.14 *Earnings per share:*

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

3.15 *Provisions, Contingencies and commitments:*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

3.16 **Financial Instruments:**

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

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

Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

Classification of financial assets

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

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

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

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

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

All other financial assets are subsequently measured at fair value.

Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

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

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

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

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

Impairment of financial assets

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL.

The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

Derecognition of financial assets

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

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

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

3.17 **Financial liabilities and equity instruments**

Classification as debt or equity

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

Equity Instruments

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

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

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

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using effective interest method or at fair value.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

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

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

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

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

Financial liabilities subsequently measured at amortised cost

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

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

Derecognition of financial liabilities

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

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

3.18 *Reclassification of financial assets and liabilities*

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such change are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in the business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original Classification	Revised Classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit and loss.
FVTPL	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new gross carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss at the reclassification date.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.19 *Leases :*

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. All other leases are classified as operating leases.

Accounting for arrangements that contains lease:

Under appendix C to Ind AS17, an entity may enter into an arrangement comprising a transaction or a series of related transactions, that do not take the legal form of lease but conveys a right to use an asset in return for a payment or series of payments. Arrangements meeting these criteria should be identified as either operating leases or finance leases.

For determining whether an arrangement is, or contains, a lease shall be based on the substance of the arrangement and requires an assessment of whether:

- fulfilment of the arrangement is dependent on the use of specific asset or assets; and
- the arrangement conveys a right to use the asset.

Company as lessee

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

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

3.20 *Change in accounting estimates*

The effect of change in an accounting estimate shall be recognised prospectively by including it in profit or loss accounts except where estimates relates to assets and liabilities or an equity it shall be recognised by adjusting the carrying amount of the related asset, liability or equity.

4 *Critical accounting judgements and key sources of estimation uncertainty:*

In the course of applying the policies outlined in all notes under section 3 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

Critical judgements in applying accounting policies

Service concession arrangements

The management have assessed applicability of Appendix A of Ind AS 11: Service Concession Arrangements with respect to transmission assets. In assessing the applicability, they have exercised significant judgment in relation to the underlying ownership of the assets, terms of Licence, ability to determine prices, useful lives of the assets. Based on detailed evaluation, transmission assets do not meet the criterion for recognition as service concession arrangements

Regulatory deferral accounts

The Company has not adopted Ind as 114 'Regulatory deferral accounts' since in previous GAAP, Guidance Note on Accounting for the Rate Regulated Activities, issued by the Institute of Chartered Accountants of India (ICAI) was not adopted.

Key sources of estimation uncertainties

Useful lives and residual value of property, plant and equipment

Management reviews the useful lives and residual values of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly depreciable lives are reviewed annually using the best information available to the Management.

Impairment of property plant and equipment

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment 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).

Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated commodity prices, market demand and supply, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets.

Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised.

Fair value measurements

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The management determines the appropriate valuation techniques and inputs for fair value measurements. All assets and liabilities for which fair value measured or disclosed in financial statements are categorized with in the fair value hierarchy described as Level 1, Level 2 and Level 3 as below:

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

for the purpose of fair value disclosure, the company determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the assets and liabilities and the level of fair value hierarchy as explained above.

Defined benefit plans

The cost of defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Tax

The Company is subject to tax, principally in India. The amount of tax payable in respect of any period is dependent upon the interpretation of the relevant tax rules. Whilst an assessment must be made of deferred tax position of each entity within the Company, these matters are inherently uncertain until the position of each entity is agreed with the relevant tax authorities.

JAIGAD POWERTRANSCO LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

NOTE " 5 " - Property, Plant and Equipment

Description of Assets	Land-Freehold	Plant and Equipment ##	Furniture and Fixtures	Computers	Office Equipment	Total
I. Gross carrying value						
Balance as at 1st April, 2016		55558,07,438	12,95,559	3,56,700	4,79,021	55579,38,718
Additions	46,30,131	-	-	74,562	21,173	47,25,866
Adjustments / Deductions		(506,81,393)		(16,550)	(39,685)	(507,37,628)
Balance as at 31st March, 2017	46,30,131	55051,26,045	12,95,559	4,14,712.00	4,60,509	55119,26,956
II. Accumulated depreciation						
Balance as at 1st April, 2016		13920,91,839	2,62,889	2,01,616	1,02,721	13926,59,065
Depreciation / amortisation expense for the year		2923,86,213	74,691	36,025	28,903	2925,25,832
Adjustments / Deductions				(14,895)	(7,560)	(22,455)
Balance as at 31st March, 2017	-	16844,78,052	3,37,580.14	2,22,745.57	1,24,063.97	16851,62,442
Net carrying value (I-II)						
Balance as on 31st March 2017	46,30,131	38206,47,993	9,57,979	1,91,966	3,36,445	38267,64,514
Balance as on 31st March 2016	-	41637,15,599	10,32,670	1,55,084	3,76,300	41652,79,653

Assets pledged as security : Plant and Machinery, Furniture and Fixture, Computer, Office Equipment with a carrying amount as mentioned above have been pledged to secure borrowings of the Company (see note 13).

During the year under review, outstanding liability in respect of certain capital expenditure stood reduced by a sum of ` 5,06,81,394 ,the effect of which has been given in the accounts by reduction in the liability for the said amount and corresponding reduction in the cost of relevant Plant and Equipment.

Description of Assets	Land-Freehold	Plant and Equipment	Furniture and Fixtures	Computers	Office Equipment	Total
I. Gross carrying value						
Deemed cost as at 1st April, 2015		44570,62,232	2,38,540	1,51,033	4,06,622	44578,58,427
Additions	-	-	8,55,274	39,558		8,94,832
Adjustments / Deductions						
Balance as at 31st March, 2016		44570,62,232	10,93,814	1,90,591	4,06,622	44587,53,259
II. Accumulated depreciation						
Balance as at 1st April, 2015						
Depreciation / amortisation expense for the year		2933,46,633	61,144	35,507	30,322	2934,73,606
Adjustments / Deductions						
Balance as at 31st March, 2016	-	2933,46,633	61,144	35,507	30,322	2934,73,606
Net carrying value (I-II)						
Balance as on 31st March 2016	-	41637,15,599	10,32,670	1,55,084	3,76,300	41652,79,653
Balance as on 1st April 2015	-	44570,62,232	2,38,540	1,51,033	4,06,622	44578,58,427

Deemed cost as on 01st April, 2015 :

Description of Assets	Land-Freehold	Plant and Equipment	Furniture and Fixtures	Computers	Office Equipment	Total
Gross block as on 1st April, 2015		55558,07,438	4,40,285	3,17,142	4,79,021	55570,43,886
Accumulated depreciation till 1st April, 2015		10987,45,206	2,01,745	1,66,109	72,399	10991,85,459
Net block treated as deemed cost upon transition		44570,62,232	2,38,540	1,51,033	4,06,622	44578,58,427

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE: 6	As at 31st Mar. 2017		As at 31st Mar. 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
Financial Assets - Investments						
Investments Carried at:						
A. Designated as Fair Value Through Profit and Loss						
I. Quoted Investments						
(a) Investments in Mutual Funds	6479,31,796	-	4534,30,267	-	611,57,266	-
Mutual Fund Name						
SBI Mutual Fund	1545,56,287					
UTI Mutual Fund	4933,75,509					
B. Investments Carried at Amortised Cost						
I. unquoted Investments						
(a) Investments in Government Securities	-	793,14,867	-	611,18,500	-	472,54,000
	6479,31,796	793,14,867	4534,30,267	611,18,500	611,57,266	472,54,000
Note						
Quoted Investments						
Book Value	6479,31,796		4534,30,267		611,57,266	
Market Value	6479,31,796		4534,30,267		611,57,266	
Unquoted Investment						
Book Value		793,14,867		611,18,500		472,54,000
Market Value		837,30,700		644,77,500		507,71,700
NOTE: 7						
Other Financial Assets- (Carried at Amortised Cost)						
(a) Security Deposits with others						
- Unsecured, considered good						
Deposits towards Lease of Land from JSW Energy Ltd		11,28,234		10,41,105		9,56,572
b) Interest Receivable						
Interest accrued on investments	8,57,404		5,05,638	-	3,62,808	
	8,57,404	11,28,234	5,05,638	10,41,105	3,62,808	9,56,572
NOTE: 8						
Inventories						
Stores and spares	37,76,553		30,05,889		7,68,494	
(valued at cost and certified by the Management)						
	37,76,553		30,05,889		7,68,494	
NOTE: 9						
Financial Assets - Trade Receivables (Unsecured Considered good)						
Receivables outstanding for a period of more than 6 months	2022,08,888		1673,00,000		-	
Other Trade receivables (less than 6 months)	833,80,527		704,17,407		5352,36,246	
	2855,89,415		2377,17,407		5352,36,246	
NOTE: 10						
Financial Assets - Cash and Cash Equivalents						
Cash and Cash Equivalents						
Balance with banks						
In Current Account	6,74,535		137,05,489		164,93,625	
Cash in Hand	-		-		2,833	
	6,74,535		137,05,489		164,96,458	
NOTE: 11						
Other Assets						
Advances to vendor	1,75,812					
Prepaid Expenses	5,70,344	33,57,500	4,57,052	35,33,184	4,59,656	37,20,364
Revenue Receivable						
Amount Recoverable towards unbilled revenue (pending from MERC)	64,75,000		682,96,020		1446,29,353	
	72,21,156	33,57,500	687,53,072	35,33,184	1450,89,009	37,20,364

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE: 13	As at 31st Mar, 2017	As at 31st Mar, 2016	As at 1st April, 2015
Non Current Financial Liabilities - Borrowings			
Secured Borrowing			
Rupee Term Loans:			
From Banks	21628,70,158	24646,44,281	27631,54,154
	21628,70,158	24646,44,281	27631,54,154

Details of Security for Term Loans:

- (a) a first ranking mortgage on the Transmission Tower Assets of the Company both present and future.
- (b) a first charge by way of hypothecation of moveable assets of the Company both present and future.
- (c) a first charge on receivables and interest in all the bank accounts including the Trust and Retention Accounts and intangible assets of the Company, both present and future.
- (d) assignment of all rights, title etc., in the Company's project documents, insurance contracts, letter of credit and any other form of security held by the Company.
- (e) a lien marked on 60712.935 Units of SBI Premier Liquid Fund - Regular Plan - Growth.

Terms of Repayment: `410 Crores Term Loan repayable in 38 Structured Quarterly Instalment commencing from 30/06/2011

Period of Repayment	As at 31st Mar, 2017	As at 31st Mar, 2016	As at 1st April, 2015
2-3 Years	6183,20,000	6035,20,000	6035,20,000
4-5 Years	15501,41,444	18696,00,000	6183,20,000
6-8 Years			15531,20,000

JAIGAD POWERTRANSCO LIMITED
NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS

NOTE: 12 EQUITY SHARE CAPITAL	As at 31st Mar, 2017	As at 31st Mar, 2016	As at 1st April, 2015
Authorised: 150,000,000 Equity Shares of ` .10 each (Previous year 150,000,000 equity shares of ` .10 each)	15000,00,000	15000,00,000	15000,00,000
Issued, subscribed and paid-up: 137,500,000 Equity Shares of Rs.10 each (Previous year 137,500,000 equity shares of ` .10 each)	13750,00,000	13750,00,000	13750,00,000
	13750,00,000	13750,00,000	13750,00,000

Details of shareholding	As at 31st Mar, 2017	As at 31st Mar, 2016	As at 1st April, 2015
a) Details of shareholding by Holding, Subsidiary or Associate Company	No. of Shares	No. of Shares	No. of Shares
JSW Energy Limited (Holding Company)	1017,50,000	1017,50,000	1017,50,000
b) Details of shareholding more than 5%			
JSW Energy Limited (Holding Company)	1017,50,000 74%	1017,50,000 74%	1017,50,000 74%
Maharashtra State Electricity Transmission Company Limited	357,50,000 26%	357,50,000 26%	357,50,000 26%

c) Terms & Rights attached to equity shares

(i) The Company has only one class of equity shares having a par value of ` .10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pay dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting.

(ii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding.

d) The reconciliation of the number of shares outstanding and the amount of share capital is set out below:

Particulars	As at 31st Mar, 2017	As at 31st Mar, 2016	As at 31st Mar, 2017	As at 31st Mar, 2016
	No. of Shares	No. of Shares		
Balance as at the beginning of the year	1375,00,000	1375,00,000	13750,00,000	13750,00,000
i) Issued during the year	-	-	-	-
Balance as at the end of the year	1375,00,000	1375,00,000	13750,00,000	13750,00,000

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the year ended 31st Mar, 2017	For the year ended 31st Mar, 2016
NOTE: 18		
REVENUE FROM OPERATIONS		
Revenue From Transmission Operations	9461,24,335	11165,00,000
Less: Reversal of excess revenue recognised in earlier years	467,09,081	
	8994,15,254	11165,00,000
<p>1. Revenue has been recognized on the basis of MERC approval for Truing-up for FY 2014-15, Provisional Truing-up for FY 2015-16 and Aggregate Revenue Requirement for FY 2016-17 to FY 2019-20 vide order number 12 of 2016 dated 27th June 2016, which has been given effect in the revenue recognition during the current quarter, detail of which are hereunder:</p> <p>a) decrease of Rs 38,00,000 based on approval of Truing up for FY 2014-15.</p> <p>b) Increase of Rs 2,97,00,000 based on approval of Provisional Truing up for FY 2015-16.</p> <p>2. a. During the year under review, outstanding liability in respect of certain capital expenditure stood reduced by a sum of Rs 5,06,81,394, the effect of which has been given in the accounts by reduction in the liability for the said amount and corresponding reduction in the cost of relevant capital asset.</p> <p>b) The consequent impact of the above being estimated excess revenue recognized in the earlier years for a sum of Rs 4,67,09,081 (such excess being determined based on approved ARR/Tariff orders of MERC and adjustments as per a above) has been considered by recognising liability for the said amount and corresponding reduction in revenue from operations recognized during the period.</p>		
NOTE: 19		
Other Income		
1. Interest Income		
Delayed Payment Surcharge	349,08,888	1673,00,000
financial assets	68,57,687	48,06,856
2. Others		
Gain on sale of current investments	400,54,477	250,03,708
Net gain arising on financial assets designated as at FVTPL	53,05,994	8,40,288
	871,27,046	1979,50,852
NOTE: 20		
EMPLOYEE BENEFITS EXPENSE		
Salaries and wages, including bonus	96,82,678	87,12,559
Contribution to Provident fund and other funds	3,33,831	2,99,958
Staff welfare expenses	1,76,331	70,126
	101,92,840	90,82,643
NOTE: 21		
FINANCE COSTS		
Interest expenses		
Fixed loans	2862,57,187	3316,97,323
Working Capital Loan	-	-
Other Interest Expenses	-	3,39,350
Finance Charges	13,089	8,36,053
	2862,70,276	3328,72,726
NOTE: 22		
DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation	2925,25,832	2934,73,606
	2925,25,832	2934,73,606

JAIGAD POWERTRANSCO LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE: 14	As at 31st Mar. 2017		As at 31st Mar. 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
Provisions						
Provisions for Employee Benefits	18,82,980	5,27,789	16,86,753	2,90,379	16,44,199	1,86,971
	18,82,980	5,27,789	16,86,753	2,90,379	16,44,199	1,86,971
NOTE: 15	As at 31st Mar. 2017		As at 31st Mar. 2016		As at 1st April, 2015	
Financial Liabilities - Trade Payables	Current	Non Current	Current	Non Current	Current	Non Current
Creditors for supplies / services						
Total outstanding dues of Micro enterprises & small enterprises #	-	-				
Total outstanding dues of creditors other than Micro & small enter	108,28,177		55,01,030		48,43,840	
	108,28,177		55,01,030		48,43,840	
# Refer Note 39 for dues to Micro, Small and Medium Enterprises						
NOTE: 16	As at 31st Mar. 2017		As at 31st Mar. 2016		As at 1st April, 2015	
Other Financial Liabilities Measured at Amortised Cost	Current	Non Current	Current	Non Current	Current	Non Current
Current maturities of long term borrowings	2988,75,568		2985,09,873		2981,44,700	
Interest accrued but not due on borrowings	-		133,79,833		157,56,651	
Creditors for capital supplies/services			663,78,688		663,78,688	
	2988,75,568		3782,68,394		3802,80,039	
NOTE: 17	As at 31st Mar. 2017		As at 31st Mar. 2016		As at 1st April, 2015	
Other Liabilities	Current	Non Current	Current	Non Current	Current	Non Current
Advance Received from Customers	554,75,000					
Liability towards Reversal of excess revenue recognised (including Rs 4,67,09,081 of previous years (Refer Note 16 sub note 2(b))	541,40,028					
Statutory Dues	5,66,988		5,19,981		4,93,840	
	1101,81,994		5,19,981		4,93,840	

NOTE: 23	For the year ended 31st Mar, 2017	For the year ended 31st Mar, 2016
OTHER EXPENSES		
Rent	7,27,213	6,94,149
Rates & Taxes	1,27,747	1,06,595
Repairs and maintenance - Machinery	205,52,664	107,95,866
Repairs and maintenance - Others	4,53,739	4,56,555
Legal & Professional Expenses	21,24,178	24,49,440
Travelling & Conveyance	21,71,713	21,85,374
Loss on asset written off	33,779	-
Advertisement Expenses	-	21,11,649
Electricity Expenses	1,24,240	93,760
Insurance Expenses	2,37,347	2,36,557
Auditors Remuneration (Refer note No 30)	7,04,375	5,80,540
Postage & Telephone Expenses	93,322	94,077
Licence & Application Filing Fees	13,16,556	28,07,656
Safety & Security Expense	6,21,107	6,01,081
Corporate Social Responsibility Expenses	87,92,204	50,68,131
General Expenses	19,88,895	12,21,642
	400,69,079	295,03,072

NOTE: 24	For the year ended 31st Mar, 2017	For the year ended 31st Mar, 2016
Current Tax and Deferred Tax		
Current Income Tax Charge	768,11,302	1393,20,167
Deferred Tax		
In respect of current year origination and reversal of temporary differences	249,85,948	1209,47,381
Recoverable in Future Tariff determination	(249,85,948)	(1209,47,381)
	768,11,302	1393,20,167

NOTE: 25	As at 31st Mar, 2017	As at 31st Mar, 2016
Contingent Liabilities & Commitments		
Commitments		
Estimated amount of Contract remaining on capital account (net of advances)	44,26,500	-
	44,26,500	-

JAIGAD POWERTRANSCO LIMITED
Notes forming part of the financial statements for the year ended March 31, 2017
26 Financial Instruments:

The Fair Values of the financial assets and liabilities are included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

As at March 31, 2017	Carrying Amount in	Fair Value	Level 1	Level 2	Level 3
Financial assets at amortised cost::					
Investment in Government Securities	793,14,867	837,30,700		837,30,700	
Security Deposit	11,28,234	11,28,234			11,28,234
Trade receivables	2855,89,415				
Cash and cash equivalents	6,74,535				
Interest Accrue on Investment	8,57,404				
Total	3675,64,455	848,58,934	-	837,30,700	11,28,234
Financial assets at Fair Value through P&L					
Investment in Mutual Fund	6479,31,796	6479,31,796	6479,31,796		
Total	6479,31,796	6479,31,796	6479,31,796	-	-
Financial liabilities held at amortised cost:					
Borrowing	21628,70,158				
Current maturities of long-term debt	2988,75,568				
Trade Payable	106,26,177				
Total	24723,71,903	-	-	-	-
As at March 31, 2016					
Financial assets at amortised cost::					
Investment in Government Securities	611,18,500	644,77,500		644,77,500	
Security Deposit	10,41,105	10,41,105			10,41,105
Trade receivables	2377,17,407				
Cash and cash equivalents	137,05,490				
Interest Accrue on Investment	5,05,638				
Total	3140,88,140	655,18,605	-	644,77,500	10,41,105
Financial assets at Fair Value through P&L					
Investment in Mutual Fund	4534,30,267	4534,30,267	4534,30,267		
Total	4534,30,267	4534,30,267	4534,30,267	-	-
Financial liabilities held at amortised cost:					
Borrowing	24646,44,281				
Current maturities of long-term debt	2985,09,873				
Creditors Capex	663,78,688				
Interest accrued but not due on borrowings	133,79,833				
Trade Payable	55,01,030				
Total	28484,13,705	-	-	-	-
As at 1st April, 2015					
Financial assets at amortised cost::					
Investment in Government Securities	472,54,000	507,71,700		507,71,700	
Security Deposit	9,56,572	9,56,572			9,56,572
Trade receivables	5352,36,246				
Cash and cash equivalents	164,96,458				
Interest Accrue on Investment	3,62,808				
Total	6003,06,084	517,28,272	-	507,71,700	9,56,572
Financial assets at Fair Value through P&L					
Investment in Mutual Fund	611,57,266	611,57,266	611,57,266		
Total	611,57,266	611,57,266	611,57,266	-	-
Financial liabilities held at amortised cost:					
Borrowing	27631,54,154				
Current maturities of long-term debt	2981,44,700				
Creditors Capex	663,78,688				
Interest accrued but not due on borrowings	157,56,651				
Trade Payable	48,43,840				
Total	31482,78,033	-	-	-	-

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

27 Financial Risk Management Objectives & Policies

Capital management

The Company manages its capital with the primary objective of maximising the return to stakeholders. The Company operates in a regulated environment, the capital gearing/structuring in relation to the Company's electricity transmission business has been approved under MERC regulations. Following commencement of the Company's transmission business and generation of revenues determined as per approved MERC tariff regulations (the said revenues inclusive of debt servicing), the net debt of the Company has been reducing following repayment of debt.

The gearing ratio at end of the reporting period was as follows:

	As at 31/03/17	As at 31/03/16	As at 1/4/2015
Debt (i)	24617,45,726	27631,54,154	30612,98,854
Cash and bank balances (Including cash and bank balances in a disposal Company held for sale)	6,74,535	137,05,490	164,96,458
Net debt	24610,71,191	27494,48,664	30448,02,396
Total equity	22747,17,873	21596,27,720	21193,10,742
Net debt to equity ratio	1.08	1.27	1.44

(i) Debt is defined as long-term and short-term borrowings (excluding derivative and contingent consideration).

Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Market risk

Market risk is the risk of loss of future earnings, fair values or future cashflows that may result from a change in the price of financial instrument as a result of change in interest rates, exchange rates and other market changes that affect market risk sensitive instruments. As regards the future earnings from the Company's business of providing transmission services, the same is as determined pursuant to the MERC tariff regulations based on the cost of providing the transmission services plus a fixed post tax return on equity of 15.5% upon the Company maintaining the contracted availability of transmission line services. The Company is not exposed to significant market risks as regards the risk of loss of future earnings from its business of transmission services. As regards market risks attributable to all market risks sensitive financial instruments, the same is closely monitored by the Risk Management Committee to determine appropriate mitigation plan as appropriate from time to time.

Interest rate risk management

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

Company revenue is regulated by MERC Regulation where in company's revenue includes Interest on loan. The rate of interest considered by regulation is the weighted average rate of interest computed on the basis of the actual loan portfolio.

The following table provides a break-up of the Company's fixed and floating rate loan portfolio:

Particulars	As at 31/03/2017	As at 31/03/2016	As at 1/04/2015
Fixed rate borrowings	-	-	-
Floating rate borrowings	24617,45,726	27631,54,154	30612,98,854
Total borrowings	24617,45,726	27631,54,154	30612,98,854

Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

Credit risk is minimal due to the fact that the customer base largely consists of Distribution companies, the amount recoverable from whom are as determined as per MERC order.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with senior management, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides detail regarding the remaining contractual maturities of financial liabilities at the reporting date

Particulars	< 1 year	1-5 years	> 5 years	Total Amount in
Non-current liabilities				
Long term borrowings		21628,70,158	-	21628,70,158
Trade and other payables	106,26,177			106,26,177
Current maturities of long-term debt	2988,75,568			2988,75,568
Total Financial Liabilities	3095,01,745	21628,70,158	-	24723,71,903

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

28 Trade Receivables

The average credit period of Transmission Income is 30 days. Surcharge receivable towards delayed receipt of payment for Transmission services rendered by the company is accounted in the period during which such surcharge is approved by MERC.

Trade receivables include amounts (see below for aged analysis) that are past due at the end of the reporting period for which the Company has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable. The Company does not generally hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

Age of receivables:

	Amount in `		
	As at 31/03/17	As at 31/03/16	As at 1/04/15
Within the credit period	777,32,714	704,17,407	847,75,000
1-30 days past due	56,47,813		847,75,000
31-60 days past due			847,75,000
61-90 days past due			847,75,000
91-180 days past due			1961,36,246
181-365 days past due	349,08,888	1673,00,000	
More than one year	1673,00,000		
Total	2855,89,415	2377,17,407	5352,36,246

29 Earnings per share:

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 of the Company 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.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31-Mar-17	31-Mar-16
Profit attributable to equity holders of the Company:	2805,81,917	5101,70,048
Weighted average number of Equity shares for basic & diluted EPS	1375,00,000	1375,00,000
Earning per share-Basic	2.04	3.71
Earning per share-Diluted	2.04	3.71

30 Remuneration to Auditors (inclusive of service tax):

Particulars	Amount in `	
	31-Mar-17	31-Mar-16
As Auditor	4,60,000	3,72,125
For Taxation Matters	92,000	86,250
For Certification Service	1,52,375	1,22,165
Total	7,04,375	5,80,540

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

31 *Deferred tax balances:*

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

Amount in `

	As at 31/03/17	As at 31/03/16	As at 01/04/15
Deferred tax liabilities net of recoverable in future tariff	-	-	-
Deferred tax assets net of recoverable in future tariff	-	-	-
Total	-	-	-

2016-2017	Opening balance	Recognised in profit or loss	Closing balance
Deferred tax (liabilities)/assets in relation to:			
Property, plant and equipment	(3028,18,186)	(248,66,322)	(3276,84,508)
FVTPL financial assets	1,54,740	(1,19,626)	35,114
Recoverable in Future Tariff	3026,63,446	249,85,948	3276,49,394
Total	-	-	-

2015-16	Opening balance	Recognised in profit or loss	Closing balance
Deferred tax (liabilities)/assets in relation to:			
Property, plant and equipment	(1817,96,425)	(1210,21,761)	(3028,18,186)
FVTPL financial assets	1,17,550	37,190	1,54,740
Recoverable in Future Tariff	1816,78,875	1209,84,571	3026,63,446
Total	-	-	-

32 *Income tax:*

The income tax expense for the year can be reconciled to the accounting profit as follows:

The income tax expense for the year can be reconciled to the accounting profit as follows:

	Year ended 31/03/17	Year ended 31/03/16
Profit before tax	3574,84,273	6495,18,805
Tax @ 34.608% on profit before tax	1237,18,157	2247,85,468
Tax on Temporary Difference of Depreciation	(282,59,646)	(538,61,724)
Tax on Other Differences	35,64,198	29,67,519
Deduction under Section 80IA	(705,37,555)	(622,36,076)
Brought Forward Losses set off	-	(1116,55,187)
Tax on Taxable Income	284,85,154	-
Add: Difference of Tax payable based on MAT determined as per u/s 115JB and	483,26,148	1393,20,167
Tax on taxable income as above		
Income tax expenses recognised in profit & loss account	768,11,302	1393,20,167

33 *Operating segment:*

The managing director of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators, however only for one segment viz. "Transmission Services". Hence the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

34 *Contingency Reserve:*

The company has set aside an amount of `13,779,817 (Previous year `13,894,847) as 'Contingency Reserve' to be used for the purpose of future losses, which may arise from uninsured risks, or as determined by the board as per Clause 50.7.1 of MERC (Terms and Conditions of Tariff) Regulations, 2005.

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

35 Employee benefit plans:

Defined contribution plans:

The Company operates defined contribution retirement benefit plans for all qualifying employees. The assets of the plans are held separately from those of the Company in funds under the control of trustees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the Company are reduced by the amount of forfeited contributions.

Defined benefits plans:

Under the Gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 58, 60 and 62, without any payment ceiling. The vesting period for Gratuity as payable under The Payment of Gratuity Act is 5 years.

Under the Compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation, at the rate of daily salary, as per current accumulation of leave days.

The defined benefit pension plans requires contributions from employees. Contributions are in the following two forms; one is based on the number of years of service and the other one is based on a fixed percentage of salary of the employees.

The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
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.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is re-insured by an external insurance company. No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2017 by M/S K. A. Pandit Consultants & Actuaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Changes in the present value of the defined benefit obligation are, as follows:

	Amount in ₹
Defined benefit obligation at 1 April 2015	1,84,078
Interest cost	14,653
Current service cost	78,024
Benefits paid	-
Actuarial (Gains)/Loss	29,123
Defined benefit obligation at 31 March 2016	3,05,878
Interest cost	24,654
Current service cost	89,969
Benefits paid	-
Actuarial (Gains)/Loss	90,147
Defined benefit obligation at 31 March 2017	5,10,648

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2017:

Amount in `

		Defined Benefit Obligation	Fair Value of Plan assets	Benefit Liability
Gratuity cost charged to profit or loss	Opening Balance as on 01st April 2016	3,05,878	90,359	2,15,519
	Service cost	89,969		89,969
	Net interest expense	24,654	7,283	17,371
	Sub-total included in profit or loss	1,14,623	7,283	1,07,340
Remeasurement gains/(losses) in other comprehensive income	Benefits paid			
	Return on plan assets (excluding amounts included in net interest expense)		(907)	907
	Actuarial changes arising from changes in demographic assumptions			
	Actuarial changes arising from changes in financial assumptions	48,716		48,716
	Experience adjustments	41,431		41,431
	Sub-total included in OCI	90,147	(907)	91,054
	Contributions by employer		58,060	(58,060)
	Closing Balance as on 31st March 2017	5,10,648	1,54,795	3,55,853

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2016:

		Defined Benefit Obligation	Fair Value of Plan assets	Benefit Liability
Gratuity cost charged to profit or loss	Opening Balance as on 01st April 2015	1,84,078	83,203	1,00,875
	Service cost	78,024		78,024
	Net interest expense	14,653	6,623	8,030
	Sub-total included in profit or loss	92,677	6,623	86,054
Remeasurement gains/(losses) in other comprehensive income	Benefits paid			
	Return on plan assets (excluding amounts included in net interest expense)		533	(533)
	Actuarial changes arising from changes in demographic assumptions	4423		4,423
	Actuarial changes arising from changes in financial assumptions	24700		24,700
	Experience adjustments			
	Sub-total included in OCI	29123	533	28,590
	Contributions by employer			
	Closing Balance as on 31st March 2016	3,05,878	90,359	2,15,519

The principal assumptions used in determining gratuity for the Company's plans are shown below:

	31-Mar-17	31-Mar-16	1-Apr-15
	%	%	%
Discount rate:			
India gratuity plan	7.2	8.06	7.96
Future salary increases:			
India gratuity plan	6.00	6.00	6.00

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
	Discount rate		Future salary increases	
	1% increase	1% decrease	1% increase	1% decrease
Sensitivity Level				
Impact on defined benefit obligation	(34,623)	42,135	42,597	(35,536)

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

36 Related party disclosure

A) List of Related Parties

Related parties with whom the Company has entered into transactions during the year:

1 Enterprises over which key management personnel and relatives of such personnel exercise significant influence

- 1 JSW Energy Limited
- 2 Maharashtra State Electricity Transmission Company Limited

3 JSW Global Business Solutions Limited

B)	Transaction during the year	Year ended 31/03/17	Year ended 31/03/16
1	Service Received		
	Maharashtra State Electricity Transmission Company Limited	33,17,690	35,76,526
2	Rent Paid/(received)		
	JSW Energy Limited	1,000	1,000
3	Business Support Services Paid/(Received)		
	JSW Global Business Solutions Limited	5,54,392	-
4	Reimbursement received from / (paid to)		
	JSW Energy Limited	6,84,621	8,74,408

Amount in ₹

C)	Closing Balances	31-Mar-17	31-Mar-16	31-Mar-15
1	Trade (Payables) / Receivables			
	Maharashtra State Electricity Transmission Company Limited	8,31,482	671,37,517	670,49,806
	JSW Energy Limited	1,61,320		
	JSW Global Business Solution Limited	5,54,392		
2	Deposit With			
	JSW Energy Limited	50,00,000	50,00,000	50,00,000

37 Events after the reporting period:

In respect of the financial year ending March 31, 2017, the directors proposed that a dividend of Rs. 3 per equity share (total dividend of Rs. 41.25 crores excluding DDT). This dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has therefore not been included as a liability in these financial statements.

38 Approval of financial statements:

The financial statements were approved for issue by the board of directors on 28th April 2017.

39 Disclosure under Micro, Small and Medium Enterprises Development Act:

The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

Sl No	Particulars	31-Mar-17	31-Mar-16	31-Mar-15
1	Principal amount outstanding			
2	Principal amount due and remaining unpaid		-	-
3	Interest due on (2) above and the unpaid interest	-	-	-
4	Interest paid on all delayed payments under the MSMED Act.	-	-	-
5	Payment made beyond the appointed day during the year	-	-	-
6	Interest due and payable for the period of delay other than (4) above	-	-	-
7	Interest accrued and remaining unpaid	-	-	-
8	Amount of further interest remaining due and payable in succeeding years	-	-	-

Disclosure about Specified Bank Notes(SBNs) held & transacted during 08th November 2016 to 30th December 2016

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	SBNs	Other Denomination Notes	Total
Closing Cash in hand as on 08.11.2016	-	15,000	15,000
Add:Withdrawn from Bank	-		-
Add:Permitted Receipts	-		-
Less:Permitted Payments	-		-
Less:Deposited in Bank	-		-
Closing Cash in hand as on 30.12.2016	-	15,000	15,000

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

41 Disclosure as per Ind AS 101 First-time adoption of Indian Accounting Standards

Overall principle

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

Mandatory exceptions and optional exemptions

Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

Deemed cost for property, plant and equipment and intangible assets:

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

Classification and measurement of financial assets:

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

First-time Ind AS adoption reconciliations:

Effect of Ind AS adoption on the consolidated balance sheet as at March 31, 2016 and April 1, 2015:

Reconciliation of equity as at 1 April 2015 (date of transition to Ind AS)

Amount in `

	Footnotes	IGAAP	Adjustments	Ind AS
Assets				
Non-current assets				
Property, plant and equipment		44578,58,427		44578,58,427
Financial assets	1	52,10,000	(42,53,428)	9,56,572
Investments		472,54,000		472,54,000
Income Tax Assets (net)		9,86,141		9,86,141
Other assets	1	-	37,20,364	37,20,364
Total Non Current assets		45113,08,568	(5,33,064)	45107,75,504
Current assets				
Inventories		7,68,494		7,68,494
Financial assets		3,62,808		3,62,808
Investments	7	610,52,060	1,05,206	611,57,266
Trade receivables		5352,36,246		5352,36,246
Cash and cash equivalents		164,96,458		164,96,458
Other assets	1	1448,97,346	1,91,663	1450,89,009
Total Current assets		7588,13,412	2,96,869	7591,10,281
Total assets		52701,21,980	(2,36,195)	52698,85,785
Equity and Liabilities				
Equity				
Equity share capital		13750,00,000		13750,00,000
Retained earnings		5313,45,487	1526,04,951	6839,50,438
Other reserves		603,60,304		603,60,304
Total equity		19667,05,791	1526,04,951	21193,10,742
Non-current liabilities				
Financial liabilities				
Borrowings	4	27748,80,000	(117,25,846)	27631,54,154
Long term provisions		1,88,971		1,88,971
Total Non Current liabilities		27750,68,971	(117,25,846)	27633,43,125
Current Liabilities				
Financial liabilities				
Trade payables		48,43,840		48,43,840
Other financial liabilities	2	4981,38,184	(1178,58,145)	3802,80,039
Other Current Liabilities	2	237,20,995	(232,57,155)	4,63,840
Provisions		16,44,199		16,44,199
Total Current liabilities		5283,47,218	(1411,15,300)	3872,31,918
Total liabilities		33034,16,189	(1528,41,146)	31505,75,043
Total equity and liabilities		52701,21,980	(2,36,195)	52698,85,785

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

Reconciliation of equity as at 31 March 2016				Amount in ₹
Assets	Footnotes	IGAAP	Adjustments	Ind AS
Non-current assets				
Property, plant and equipment		41652,79,653		41652,79,653
Financial assets	1	52,10,000	(41,68,895)	10,41,105
Investments		611,18,500		611,18,500
Income Tax Assets (net)		24,48,332		24,48,332
Other assets	1	-	35,33,184	35,33,184
		42340,56,485	(6,35,711)	42334,20,774
Current assets				
Inventories		30,05,889		30,05,889
Financial assets		5,05,638		5,05,638
Investments	7	4525,89,979	8,40,288	4534,30,267
Trade receivables		2377,17,407		2377,17,407
Cash and cash equivalents		137,05,490		137,05,490
Other assets	1	685,65,891	1,87,180	687,53,072
		7760,90,294	10,27,468	7771,17,763
Total assets		50101,46,779	3,91,757	50105,38,537
Equity and liabilities				
Equity				
Equity share capital		13750,00,000		13750,00,000
Retained earnings		5327,63,200	1776,09,368	7103,72,569
Other reserves		742,55,151		742,55,151
Total equity		19820,18,351	1776,09,368	21596,27,720
Non-current liabilities				
Borrowings	4	24731,20,000	(84,75,719)	24646,44,281
Long term provisions		2,90,379		2,90,379
		24734,10,379	(84,75,719)	24649,34,660
Current Liabilities				
Trade payables		55,01,030		55,01,030
Other financial liabilities	2	5190,18,521	(1407,50,127)	3782,68,394
Other Current Liabilities	2	285,11,745	(279,91,765)	5,19,980
Provisions		16,86,753		16,86,753
		5547,18,049	(1687,41,892)	3859,76,157
Total liabilities		30281,28,428	(1772,17,611)	28509,10,817
Total equity and liabilities		50101,46,779	3,91,757	50105,38,537
Reconciliation of Profit for the period ended at 31 March 2016				
Continuing operations				
Revenue from operations		11165,00,000		11165,00,000
Other income	7	1971,31,237	8,19,615	1979,50,852
Total Income		13136,31,237	8,19,615	13144,50,852
Employee benefits expense	3	91,11,233	(28,590)	90,82,643
Depreciation and amortization expense		2934,73,606		2934,73,606
Finance costs	4	3292,57,426	36,15,300	3328,72,726
Other expenses	1	293,11,409	1,91,663	295,03,072
Total expense		6611,53,674	37,78,373	6649,32,047
Profit/(loss)		6524,77,563	(29,58,758)	6495,18,805
(1) Current tax		1393,20,167		1393,20,167
(2) Deferred tax		-		-
Income tax expense		1393,20,167	-	1393,20,167
Profit for the year from continuing operations		5131,57,396	(29,58,758)	5101,98,638
Profit/(loss) for the year		5131,57,396	(29,58,758)	5101,98,638
Other comprehensive Income				
Re-measurement gains/ (losses) on defined benefit plans	6	-	28,590	28,590
Other comprehensive Income for the year,		-	28,590	28,590
Total comprehensive Income for the year,		5131,57,396	(29,87,348)	5101,70,048
Reconciliation of equity for year ended 31 March 2016 and 31 March 2015				
Particulars		31/03/2016	31/03/2015	
Equity under Previous GAAP		6070,18,351	5917,05,791	
Net gain on financial assets / liabilities fair valued through statement of P&L		8,40,288	1,05,206	
Amortisation of transaction cost on borrowings		117,25,846	153,41,146	
Employee benefits – Actuarial (Gain) / Loss recognized in OCI		-	28,590	

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

Unwinding of interest on deposits	(2,56,868)	(3,41,401)
Amortisation of prepaid Rent	(1,91,663)	
Deferred taxes	1,54,740	1,17,550
Deferred taxes to be recovered in Future Tariff	(1,54,740)	(1,17,550)
Re-measurement gains/ (losses) on defined benefit plans	(28,590)	
Proposed Dividend	1654,91,765	1375,00,000
Equity under IND AS	7846,27,720	7443,10,742

Company reconciliation of cash flows for the year ended 31 March 2016

	IGAAP	Adjustments	Ind AS
Net cashflow from operating activities	14785,29,260	(29,87,348)	14755,41,912
Net cashflow from investing activities	(3780,72,914)	(6,27,952)	(3787,00,866)
Net cashflow from financing activities	(11032,47,315)	36,15,300	(10996,32,015)
Net cash inflow / (Outflow)	(27,90,969)	0	(27,90,969)

Footnotes to the above reconciliations

1. Security Deposits Given or Taken

Under Previous GAAP, the Company accounted for deposits given or taken at gross value as an asset or liability. Under Ind AS, the Company has accounted deposits given or taken as per amortised cost method at their inception and accordingly reduced deposits given or taken with a corresponding change until transition date in retained earnings and subsequent changes in the consolidated profit and loss.

2. Other payables

Under Previous GAAP, proposed dividends including DDT are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, a proposed dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid.

In the case of the Company, the declaration of dividend occurs after period end. Therefore, the liability of dividend for the year ended on 31 March 2015 recognised under the India GAAP has been derecognised against retained earnings on 1 April 2015. The proposed dividend for the year ended on 31 March 2016 of recognised under Previous GAAP was reduced from other payables and with a corresponding impact in the retained earnings.

3. Defined benefit liabilities

Both under Previous GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Previous GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus Remeasurement gains/ losses on defined benefit plans has been recognized in the OCI net of tax with corresponding reduction in employee benefit cost.

4. Borrowings

Under Previous GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

5. Deferred tax

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Previous GAAP.

6. Other comprehensive income

Under Previous GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Previous GAAP profit or loss to profit or profit or loss as per Ind AS. Further, Previous GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

7. Investments

Financial asset and Investment have been measured at fair value/amortised cost through profit and loss account.

8. Statement of cash flows

The transition from Previous GAAP to Ind AS has not had a material impact on the statement of cash flows.

JAIGAD POWERTRANSCO LIMITED

Notes forming part of the financial statements for the year ended March 31, 2017

42 Previous year's figure has been re-Companyed / re-arranged wherever necessary to conform to current year's classification.

For and on behalf of the Board of Directors

Santosh Amberkar
Director
DIN: 05173607

Vijay Paranjape
Managing Director
DIN: 08550745

Place : Mumbai
Date : 28th April, 2017

Narendra Rahalkar
Company Secretary

Chandra Prakash Tated
Chief Financial Officer

