INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF JAMSHEDPUR UTILITIES & SERVICES COMPANY LIMITED

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone financial statements of **Jamshedpur Utilities & Services Company Limited (**"the Company"), which comprise the Balance Sheet as at March 31, 2018 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit.

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

5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The Ind AS financial statements of the Company for the year ended March 31,2017 , were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated April 21,2017 expressed an unmodified opinion on those financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10 As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11 As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

i The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its standalone Ind AS financial statements – Refer Note 26 F;

ii. The Company has made provision as at March 31, 2018, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The company did not have any derivative contracts as at March 31, 2018.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018

For Pricewaterhouse & Co Chartered Accountants LLP
Firm Registration Number: FRN 304026E / E 300009
Chartered Accountants

Avijit Mukerji
Partner
Membership Number 056155

Kolkata
April 16, 2018

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Jamshedpur Utilities & Service Company Limited on the financial statements for the year ended March 31, 2018

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

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

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that

transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March , 31, 2018 , based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse & Co Chartered Accountant LLP
Firm Registration Number: FRN 304026E / E 300009
Chartered Accountants

Avijit Mukerji
Partner
Membership Number 056155

Kolkata
April 16, 2018

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Jamshedpur Utilities & Services Company Limited of the Company financial statements as of and for the year ended March 31, 2018

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of immovable properties, as disclosed in Note 02 on fixed assets to the financial statements, are held in the name of the Company. According to the information and explanation given to us and the records examined by us, we report that immovable properties of building amounting to Rs 403 lakhs have been constructed on land not owned by the Company. Based on the examination of the registered transfer deed/agreement provided to us, we report that the title deed/agreements comprising all the immovable properties of land are held in the name of the Company as at the balance sheet date.

ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year .The discrepancies noticed on physical verification of inventory as compared to book records were not material

iii. The Company has granted unsecured loans, to one of its Subsidiary Company companies covered in the register maintained under Section 189 of the Act.

(a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.

(b) In respect of the aforesaid loan, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of the principal amounts and interest have not been regular as per the stipulation.

(c) In respect of the aforesaid loans, the total amount overdue for more than ninety days as at March 31,2018 is Rs 1,750 lakhs (including interest of Rs 100 lakhs for the period May 31,2012 to May 31,2013) ,recoverability of which is considered doubtful as the subsidiary company has ceased its operation. Accordingly the amounts have been fully provided for in the financial statements.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax with effect from July 1, 2017 and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, service tax, duty of customs and duty of excise, value added tax or goods and service tax as at March 31, 2018 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount involved (Rs. Lakhs)	Amount Unpaid (Rs Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Sales Tax	Tax Demand	88	83	2008-09	Tribunal
Sales Tax	Tax Demand	170	143	2007-08	JCCT(A)
Sales Tax	Tax Demand	2	2	2006-07	Commissioner
Sales Tax	Tax Demand	18	18	2010-11	Assistant Commissioner
Sales Tax	Tax Demand	154	-	2010-11	High Court of Jharkhand
Sales Tax	Tax Demand	107	107	2008-09	Appellate & Revisional Board
Sales Tax	Tax Demand	56	31	2012-13	Appellate & Revisional Board
Sales Tax	Tax Demand	54	52	2013-14	Appellate & Revisional Board
Sales Tax	Tax Demand	24	21	2014-15	Sr JCCT (A)
Sales Tax	Tax Demand	10	10	2011-12	Sr JCCT (A)
Sales Tax	Tax Demand	16	11	2008-09	JCCT (A)
Sales Tax	Tax Demand	109	109	2008-09 2009-10	High Court of Andhra Pradesh
Sales Tax	Tax Demand	32	17	2011-12	Tribunal
Sales Tax	Tax Demand	47	47	2011-12	JCCT(A)
Sales Tax	Tax Demand	98	72	2009-10	JCCT(A)
Sales Tax	Tax Demand	676	676	2011-12	High Court of Karnataka
Sales Tax	Tax Demand	241	241	2012-13	High Court of Karnataka
Sales Tax	Tax Demand	118	97	2012-13	JCCT(A)
Sales Tax	Tax Demand	8	7	2015-16	To be filed before JCCT(A)
Sales Tax	Tax Demand	89	83	2013-14	JCCT(A)
Sales Tax	Tax Demand	61	55	2013-14	JCCT(A)

Service Tax	Tax Demand	3,854	3,726	2008-09 to 2012-13	CESTAT
Service Tax	Tax Demand	1,373	1,321	2009-10 to 2014-15	CESTAT
Service Tax	Tax Demand	18	17	2009-10 to 2012-13	Commissioner
Service Tax	Tax Demand	4	4	2013-14 to 2015-16	Commissioner
Service Tax	Tax Demand	2,348	2,348	2010-11 to 2014-15	To be filed before Tribunal
Income Tax	Tax Demand	1,247	1,247	2011-12	Commissioner Appeal
Income Tax	Tax Demand	314	314	2010-11	Commissioner Appeal
Income Tax	Tax Demand	1,126	1,126	2012-13	Commissioner Appeal

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government. The Company has not issued any debentures at the balance sheet date.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: FRN 304026E / E 300009
Chartered Accountants

Avijit Mukerji
Partner
Membership Number 056155

Kolkata
April 16, 2018

JAMSHEDPUR UTILITIES AND SERVICES COMPANY LIMITED

Balance Sheet as at March 31, 2018

	Note No.	As at March 31, 2018 ₹ in Lakhs	As at March 31, 2017 ₹ in Lakhs
(I) ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	02	15,450	14,492
(ii) Capital work-in-progress	02	1,427	1,009
(iii) Other Intangible assets	03	499	564
(b) Equity accounted investments	04	1,368	1,368
(c) Investments in subsidiaries	05	15	-
(d) Financial assets			
(i) Other financial assets	06	74	310
(e) Other non-financial assets	07	3,512	2,721
(f) Non current tax asset		2,789	2,659
(g) Deferred tax asset (Net)	26(K)	2,499	1,940
		27,633	**25,062**
(2) Current assets			
(a) Inventories	08	7,778	1,653
(b) Financial assets			
(i) Current investments	09	2,548	2,153
(ii) Trade receivables	10	19,521	14,078
(iii) Cash and bank balances	11	1,472	1,130
(iv) Other financial assets	06	8,236	6,882
(c) Other non-financial assets	07	4,572	9,032
		44,127	**34,928**
TOTAL ASSETS		**71,760**	**59,990**
(II) EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	12	2,035	2,035
(b) Retained earnings	13	6,860	4,354
		8,895	**6,389**
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Long term borrowings	14	-	800
(ii) Other financial liabilities	15	6,309	5,952
(b) Long term provisions	16	4,747	4,057
(c) Retirement benefit obligations	17	806	590
(d) Deferred income	18	6,648	6,030
		18,510	**17,429**
(3) Current liabilities			
(a) Financial liabilities			
(i) Short term borrowings	14	750	1,171
(ii) Trade payables	20	26,181	21,542
(iii) Other financial liabilities	15	3,152	2,465
(b) Short term provisions	16	1,773	1,392
(c) Retirement benefit obligations	17	6	6
(d) Deferred income	18	578	450
(e) Other non-financial liabilities	19	11,915	9,147
		44,355	**36,173**
TOTAL EQUITY AND LIABILITIES		**71,760**	**59,991**

The notes referred to above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number - FRN304026E/E300009
Chartered Accountants

For and on behalf of the Board of Directors

Sunil Bhaskaran
Chairman
DIN: 03512528

Indrajit Roy
Chief Financial Officer

Avijit Mukerji
Partner
Membership No - 056155

Ashish Mathur
Managing Director
DIN: 03508443

Preeti Sehgal
Company Secretary

Place: Kolkata
Dated: April 16,2018

Jamshedpur April 16, 2018

JAMSHEDPUR UTILITIES AND SERVICES COMPANY LIMITED

Statement of Profit & Loss for the year ended March 31, 2018

		Note No.	For the year ended March 31, 2018 ₹ in Lakhs	For the year ended March 31, 2017 ₹ in Lakhs
I	Revenue from operations	21	91,537	78,249
II	Other Income	22	1,185	552
III	**Total Revenue (I + II)**		**92,722**	**78,801**
IV	EXPENSES			
	(a) Employee benefits expense	23	14,545	14,003
	(b) Finance costs	24	1,042	867
	(c) Depreciation and amortisation expense	02 & 03	1,545	1,417
	(d) Other expenses	25	70,088	57,643
	Total Expenses (IV)		**87,220**	**73,930**
V	**PROFIT BEFORE EXCEPTIONAL ITEMS AND TAXES (III - IV)**		5,502	4,871
VI	**Exceptional Items**			
	(a) Provision for Employee Seperation Scheme		1,809	-
VI	**PROFIT BEFORE TAXES (V - VI)**		3,693	4,871
VI	Tax Expense			
	(a) Current tax			
	- In respect of current year		1,670	1,602
	- In respect of prior year		(13)	58
	(b) Deferred tax		(559)	(1,940)
	Total tax expense		1,098	(280)
VII	**PROFIT AFTER TAXES (V - VI)**		2,595	5,151
VIII	Other comprehensive income			
	(i) Items that will not be reclassified subsequently to the statement of profit or loss			
	(a) Remeasurement gains/(losses) on post employment defined benefit plans.		(136)	7
	(b) Income tax on items that will not be reclassified subsequently to the statement of profit or loss		47	2
	Total Other comprehensive income/(loss)		(89)	5
IX	**Total comprehensive income for the year**		2,506	5,156
	Basic and Diluted Earnings per Share (Refer note 24(G))		12.75	25.31

The notes referred to above form an integral part of the Statement of Profit and Loss.

This is the Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number - FRN304026E/E300009
Chartered Accountants

For and on behalf of the Board of Directors

Sunil Bhaskaran
Chairman
DIN: 03512528

Indrajit Roy
Chief Financial Officer

Avijit Mukerji
Partner
Membership No - 056155

Ashish Mathur
Managing Director
DIN: 03508443

Preeti Sehgal
Company Secretary

Place: Kolkata
Dated: April 16,2018

Jamshedpur April 16, 2018

JAMSHEDPUR UTILITIES AND SERVICES COMPANY LIMITED

Cash Flow Statement for the year ended March 31, 2018

	For the year ended March 31, 2018 ₹ in Lakhs	For the year ended March 31, 2017 ₹ in Lakhs
A. Cash Flow from Operating activities:		
Profit before taxes	3,693	4,871
Adjustments for:		
Depreciation and amortisation	1,545	1,417
Loss on sale of capital assets	-	47
Finance costs charged to profit and loss account	1,042	867
Provision for inventory	156	25
Finance Income	(44)	(49)
Provision for Employee Seperation Scheme	1,809	-
Other non cash items	660	657
Operating profit before working capital changes	**8,861**	**7,835**
Adjustments for:		
Movements in trade and other receivables	(3,786)	523
Movements in retirement benefit obligations	80	(772)
Movements in inventories	(6,281)	(246)
Movements in trade and other payables	7,635	(671)
Movements in deferred income	746	747
Cash generated from operations	**7,255**	**7,416**
Taxes paid (excluding dividend tax)	(1,740)	(1,496)
Net cash from/(used in) operating activities	**5,515**	**5,920**
B. Cash Flow from Investing activities:		
Purchase of fixed assets	(2,889)	(2,353)
Sale of fixed assets	-	11
Sale/(Purchase) of current/mutual fund investments (net)	(387)	(745)
Purchase of investments in subsidiaries	(15)	-
Fixed / restricted deposits with banks (placed) / realised	(37)	(51)
Interest received from external investments / agencies	44	49
Net cash from/(used in) investing activities	**(3,284)**	**(3,089)**
C. Cash Flow from Financing activities:		
Repayment of borrowings from external agencies (Bank etc.)	(421)	(646)
Repayment of long term borrowings from external agencies (Bank etc.)	(800)	(800)
Interest paid to external agencies (Bank etc.)	(941)	(749)
Net cash from/(used in) financing activities	**(2,162)**	**(2,195)**
Net increase / (decrease) in cash or cash equivalents	**69**	**636**
Cash and cash equivalents as at the beginning of the year	**790**	**154**
Cash and cash equivalents as at the end of the year	**859**	**790**

Notes :
1. Figures in brackets indicate cash outflow

This is the Cash flow Statement referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number - FRN304026E/E300009
Chartered Accountants

For and on behalf of the Board of Directors

Sunil Bhaskaran
Chairman
DIN: 03512528

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Ashish Mathur
Managing Director
DIN: 03508443

Preeti Sehgal
Company Secretary

Place: Kolkata
Dated: April 16,2018

Jamshedpur April 16, 2018

JAMSHEDPUR UTILITIES AND SERVICES COMPANY LIMITED

Statememt Of Changes In Equity As At March 31, 2018

A. Equity Share Capital (Issued and subsrcibed)	**₹ in Lakhs**
Balance as at March 31, 2016	2,035
Changes in equity share capital during the year	-
Balance as at March 31, 2017	2,035
Changes in equity share capital during the year	-
Balance as at March 31, 2018	**2,035**

			₹ in Lakhs
B. Other Equity	**Retained Earnings**	**OCI**	**Total**
Balance as at March 31, 2016	**(19)**	**(783)**	**(802)**
Profit for the year	5,151	-	5,151
Other Comprehensive Income for the year	-	5	5
Balance as at March 31, 2017	**5,132**	**(778)**	**4,354**
Profit for the year	2,595	-	2,595
Other Comprehensive Income for the year	-	(89)	(89)
Balance as at March 31, 2018	**7,727**	**(867)**	**6,860**

This is the Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number - FRN304026E/E300009
Chartered Accountants

For and on behalf of the
Board of Directors

Sunil Bhaskaran
Chairman
DIN: 03512528

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Membership No - 056155

Ashish Mathur
Managing Director
DIN: 03508443

Preeti Sehgal
Company Secretary

Place: Kolkata
Dated: April 16,2018

Jamshedpur April 16, 2018

JAMSHEDPUR UTILITIES AND SERVICES COMPANY LIMITED
Note 1: Significant Accounting Policies

(1) Company Information

Jamshedpur Utilities and Services Company Limited ('JUSCO' or 'the Company') is a public limited Company incorporated in India with its registered office in Jamshedpur, Jharkhand, India.

JUSCO is India's first private sector comprehensive urban infrastructure service provider. Carved out of Tata Steel in 2004, it has the legacy of over ten decades of experience in providing these services-water, waste water, power distribution, municipal solid waste management and town planning- at Jamshedpur.

The financial statements for the year ended March 31, 2018 were approved by the board of directors and authorised for issue on April 16, 2018.

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

(2) Basis for preparation

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind-AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(3) Use of estimates and critical accounting judgments

In preparation of the financial statements, the Company makes judgments, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the 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 the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgments and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

(4) Intangible Assets (excluding goodwill)

Licenses and software costs are included in the balance sheet as intangible assets where they are clearly linked to long term economic benefits for the company. In this case they are measured initially at purchase cost and then amortized on a straight-line basis over their estimated useful lives. All other costs on Licenses and software are expensed in the statement of profit and loss as incurred.

(5) Property, plant and equipment

An item of property, plant and equipment is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognized in the statement of profit and loss as incurred. When a replacement occurs, the carrying amount of the replaced part is derecognized. Where an item of Property, plant and equipment comprises major component having different useful lives, these components are accounted for as separate items.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset, and is recognized in the statement of profit and loss.

(6) Depreciation and amortization of property, plant and equipment and intangible assets

Depreciation or amortization is provided so as to write off, on a straight-line basis, the cost of property, plant and equipment and other intangible assets, including those held under finance leases to their residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives or, in the case of leased assets, over the lease period if shorter. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use. For Tangible and Intangible Property, plant and equipment of power business depreciation is provided on straight line basis at the rates specified in Electricity Act, 2003

Depreciation on assets under construction commences only when the assets are ready for their intended use.

The estimated useful lives for the main categories of property, plant and equipment and other intangible assets are:

(i) Leasehold buildings – over the remaining lease

(ii) Plant and Machinery – 6 to 40 years

(iii) Furniture, fixture and office equipment – 3 to 25 years

(iv) Vehicles– 4 to 20 years

(v) Computer software – maximum 8 years

Assets value upto ₹5,000 are fully depreciated in the year of acquisition.

(7) Impairment

At each balance sheet date, the company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying amount of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell 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. An impairment loss is recognized in the statement of profit and loss as and when the carrying amount of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying amount of the asset 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 recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

(8) Leases

The company determines whether an arrangement contains a lease by assessing whether the fulfillment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to use that asset to the company in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for either as finance or operating lease.

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The company as lessee

i) Operating lease – Rentals payable under operating leases are charged to the statement of profit and loss in a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

ii) Finance lease – Finance leases are capitalized at the commencement of lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income over the period of the lease.

The company as lessor

i) Operating lease – Rental income from operating leases is recognized in the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight line basis over the lease term.

~~ii)~~ Finance lease – When assets are leased out under a finance lease, the present value of the minimum lease payments is recognized as a receivable. The difference between the gross receivable and the present value of the receivable is recognized as unearned finance income. Lease income is recognized over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.

(9) Financial Instruments

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

a) Financial assets

Cash and Bank Balances

Cash and bank balances consist of:

i) **Cash and cash equivalents** - which includes cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

ii) **Other bank balances -** which includes balances and deposits with banks that are restricted for withdrawal and usage.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset not measured at amortized cost or at fair value through other comprehensive income is carried at fair value through profit or loss.

Impairment of financial assets

Loss allowance for expected credit losses is recognized for financial assets measured at amortized cost and fair value through other comprehensive income.

The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

Derecognition of financial assets

The company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognizes its retained interest in the assets 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 recognize the financial asset and also recognizes a collateralized borrowing of the proceeds received.

b) Financial liabilities and equity instruments

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method.

Interest-bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in accordance with the company's accounting policy for borrowing costs.

Derecognition of financial liabilities

The company derecognizes financial liabilities when, and only when, the company obligations are discharged, cancelled or they expire.

(10) Retirement benefit costs

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognized immediately in other comprehensive income. The service cost, net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognized as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognized, whichever is earlier.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

(11) Taxation

Tax expense for the year comprises current and deferred tax.

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

Deferred tax is the tax expected to be payable or recoverable on 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, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences. In contrast, deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized based on the tax rates and tax laws that have been enacted or substantially 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 cover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognized as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognized in other comprehensive income or directly in equity.

(12) Inventories

Inventories are stated at the lower of cost and net realizable value. Costs comprise direct materials and, where applicable, direct labor costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realizable value is the price at which the inventories can be realized in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

(13) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

(14) Provisions

Provisions are recognized in the balance sheet when the company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

Constructive obligation is an obligation that derives from an entity's actions where:

(a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities; and

(b) As a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

(15) Contribution from Customers

Contribution received from consumers towards installation of assets pertaining to distribution of power and water, are credited to Deferred Income on capitalization of related assets . An amount in proportion to the depreciation charge for the year on such assets is transferred to the statement of profit and loss.

(16) Government grants

Government grants related to expenditure on property, plant and equipment are credited to the statement of profit and loss over the useful lives of qualifying assets. Total grants received less the amounts credited to the statement of profit and loss at the balance sheet date are included in the balance sheet as deferred income.

(17) Insurance

Insurance premiums in respect of insurance placed and reinsurance premiums in respect of risks are charged to the statement of profit and loss in the period to which they relate.

(18) Revenue

Income from Services

Income from Service is recognized on accrual basis on rendering of the services and excludes service tax.

Income from Sale of Power

Income from sale of power is recognized on accrual basis (billed revenue) on rendering of services and excludes electricity duty.

Revenue from Construction Contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract are recognized as revenue and expenses respectively by reference to the percentage of completion of the contract activity at the reporting date. The percentage of completion of a contract is determined considering the proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total contract costs

For the purposes of recognizing revenue, contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognized in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognized only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognized as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense in the Statement of Profit and Loss in the period in which such probability occurs.

Sale of Goods

Sales are recognized on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

(19) Foreign currency transactions and translation

The financial statements of the company are presented in INR, which are the functional currency of the company and the presentation currency for the financial statements.

In preparing the individual financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on 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 translated.

(20) Borrowing Costs

Borrowings 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 the intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

(21) 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.

(22) Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.

JAMSHEDPUR UTILITIES & SERVICES COMPANY LIMITED
Notes Forming Part of the Financial Statements

02 - Tangible Assets

₹ in Lakhs

Particulars	Freehold Land (including Roads)	Freehold Buildings	Plant and Machinery	Furniture and fixtures	Office Equipments	Vehicles	Total Tangible Assets	Capital work in progress (CWIP)	Total tangible assets including CWIP
Cost as at 31.03.2017	16	403	16,446	124	81	20	17,090	1,009	18,099
Additions	-	-	2,394	29	9	-	2,432	2,856	5,288
Disposals	-	-	-	-	-	-	-	-	-
Other re-classifications (Transfers in / out)	-	-	-	-	-	-	-	(2,438)	(2,438)
Cost as at 31.03.2018	**16**	**403**	**18,840**	**153**	**90**	**20**	**19,522**	**1,427**	**20,949**
Accumulated depreciation as at 31.03.2017	-	24	2,507	28	30	9	2,598	-	2,598
Charge for the year	-	12	1,428	16	14	4	1,474	-	1,474
Disposals	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at 31.03.2018	**-**	**36**	**3,935**	**44**	**44**	**13**	**4,072**	**-**	**4,072**
Net Block as on 31.03.2018	**16**	**367**	**14,905**	**109**	**46**	**7**	**15,450**	**1,427**	**16,877**
Cost as at 31.03.2016	16	403	14,884	116	77	20	15,516	261	15,777
Additions	-	-	1,641	8	4	-	1,653	2,523	4,176
Disposals	-	-	(79)	-	-	-	(79)	-	(79)
Other re-classifications (Transfers in / out)	-	-	-	-	-	-	-	(1,775)	(1,775)
Cost as at 31.03.2017	**16**	**403**	**16,446**	**124**	**81**	**20**	**17,090**	**1,009**	**18,099**
Accumulated depreciation as at 31.03.2016	-	12	1,217	13	15	4	1,261	-	1,261
Charge for the year	-	12	1,311	15	15	5	1,358	-	1,358
Disposals	-	-	(21)	-	-	-	(21)		(21)
Accumulated depreciation as at 31.03.2017	**-**	**24**	**2,507**	**28**	**30**	**9**	**2,598**	**-**	**2,598**
Net Block as at 31.03.2017	**16**	**379**	**13,939**	**96**	**51**	**11**	**14,492**	**1,009**	**15,501**

Notes:

(a) Exclusive first charge on fixed Assets with a carrying amount of ₹ 600 Lakhs (as at March31, 2017: ₹ 1,400 Lakhs) created out of bank finance have been pledged against secured term loan. The company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

(b) Estimated amount of contract remaining to be executed on capital account and not provided for: ₹ 56 Lakhs (as at March 31, 2017: ₹ 65 Lakhs).

JAMSHEDPUR UTILITIES & SERVICES COMPANY LIMITED
Notes Forming Part of the Financial Statement

03 - Intangiable Assets

₹ in Lakhs

Particulars	Software Costs	Development of property	Other Intangible Assets	Total Intangible Assets	Intangible assets under development	Total including intangible assets under development
Cost as at 31.03.2017	60	553	52	665	-	665
Additions	4	2	-	6	3	9
Disposals	-	-	-	-	-	-
Other re-classifications (Transfers in / out)	-	-	-	-	(3)	(3)
Cost as at 31.03.2018	**64**	**555**	**52**	**671**	**-**	**671**
Accumulated depreciation as at 31.03.2017	26	57	18	101	-	101
Charge for the year	9	55	7	71	-	71
Accumulated depreciation as at 31.03.2018	**35**	**112**	**25**	**172**	**-**	**172**
Net Block as at 31.03.2018	**29**	**443**	**27**	**499**	**-**	**499**
Cost as at 31.03.2016	60	432	51	543	32	575
Additions	0	121	1	122	89	211
Disposals	-	-	-	-	-	-
Other re-classifications (Transfers in / out)	-	-	-	-	(121)	(121)
Cost as at 31.03.2017	**60**	**553**	**52**	**665**	**-**	**665**
Accumulated depreciation as at 31.03.2016	16	14	12	42	-	42
Charge for the year	10	43	6	59	-	59
Accumulated depreciation as at 31.03.2017	**26**	**57**	**18**	**101**	**-**	**101**
Net Block as at 31.03.2017	**34**	**496**	**34**	**564**	**-**	**564**

Notes:

(a) Total amount of government grant received is ₹ 375 Lakhs of which ₹ 175 Lakhs is received during FY 2017-18 and ₹ 200 Lakhs was received in FY 15-16. The carrying amount of grant received as on March 31, 2018 is ₹ 321 Lakhs (as on March 31, 2017: ₹ 180 Lakhs).

(b) Development of property includes Mysore landfill project. The project was on Build, Operate and Transfer (BOT) basis under the Public Private Partnership (PPP) Model for a period of 28.8 years. Out of which landfill operation period is 13.8 years and post closure period is 15 years. Carrying amount of Mysore landfill project as at March 31, 2018 is ₹ 443 Lakhs (as at March 31, 2017: ₹ 496 Lakhs). The remaining useful life of the intangiable asset is 7 years and 11 months.

JAMSHEDPUR UTILITIES & SERVICES COMPANY LIMITED
Notes Forming Part of the Financial Statements

04 - Equity accounted investments

Particulars	As at March 31, 2018		As at March 31, 2017	
	Qty	₹ in Lakhs	Qty	₹ in Lakhs
Unquoted Investments (Fully paid up)				
SEZ Adityapur Limited	25,497	3	25,497	3
Naba Diganta Water Management Limited	13,653,000	1,365	13,653,000	1,365
	13,678,497	**1,368**	**13,678,497**	**1,368**

Notes:
(a) Details of Entities material joint venture at the end of the reporting period is as follows:

Name of the joint venture	Principal Activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting right held by the entity.	
			As at March 31, 2018	As at March 31, 2017
Naba Diganta Water Management Limited	BOT projects and PPP Model comprising of integrated water supply system and sewerage system.	West Bengal, India	74%	74%

05 - Investments in subsidiaries

Particulars	As at March 31, 2018 (₹ in Lakhs)	As at March 31, 2017 (₹ in Lakhs)
Cost at beginning of period	1,666	1,666
Movement during the period	15	-
Cost at end of period	1,681	1,666
Provision at beginning of period	1,666	1,666
Movement during the period	-	-
Provision at end of period	1,666	1,666
Carrying value at end of period	**15**	**-**

Name of the joint venture	Principal Activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting right held by the entity.	
			As at March 31, 2018	As at March 31, 2017
Haldia Water Management Limited	BOT projects and O&M of the water treatment facilities in Haldia region.	West Bengal, India	60%	60%
Kalimati Global Shared Services Limited	Business of providing outsourcing/ consultancy services	West Bengal, India	100%	NIL

JAMSHEDPUR UTILITIES & SERVICES COMPANY LIMITED
Notes Forming Part of the Financial Statements

06 - Other financial Assets

Particulars	As at March 31, 2018 (₹ in Lakhs)			As at March 31, 2017 (₹ in Lakhs)		
	Non Current	Current	Total	Non Current	Current	Total
(a) Contract assets	-	7,986	7,986	-	6,632	6,632
(b) Security deposits	-	250	250	-	250	250
(c) Loans and advances to group companies	-	2,028	2,028	-	2,025	2,025
(d) Earmarked Non-current Cash and bank balances *	74	-	74	310	-	310
Gross other financial assets	**74**	**10,264**	**10,338**	**310**	**8,907**	**9,217**
Less: Provision for bad & doubtful other financial assets						
(a) Contract assets	-	-	-	-	-	-
(b) Security deposits	-	-	-	-	-	-
(c) Loans and advances to group companies	-	2,028	2,028	-	2,025	2,025
(d) Earmarked Non-current Cash and bank balances	-	-	-	-	-	-
Total provision for bad & doubtful other financial assets	**-**	**2,028**	**2,028**	**-**	**2,025**	**2,025**
Net other financial assets	**74**	**8,236**	**8,310**	**310**	**6,882**	**7,192**
Classification of other financial assets						
Secured, considered good			-			-
Unsecured, considered good	74	8,236	8,310	310	6,882	7,192
Doubtful	-	2,028	2,028	-	2,025	2,025
Gross other financial assets	**74**	**10,264**	**10,338**	**310**	**8,907**	**9,217**

Notes:
* Earmarked bank balances represent deposits not due for realisation within 12 months from the balance sheet date. These are held against issue of bank guarantee.

07 - Other non-financial assets

Particulars	As at March 31, 2018 (₹ in Lakhs)			As at March 31, 2017 (₹ in Lakhs)		
	Non Current	Current	Total	Non Current	Current	Total
(a) Capital advances	15	-	15	6	-	6
(b) Advance with public bodies	2,105	1,224	3,329	1,710	1,147	2,857
(c) Prepaid Lease Payments	7	0	7	7	0	7
(d) Other loans and advances	5,538	3,425	8,963	4,616	8,017	12,633
Gross non financial assets	**7,665**	**4,649**	**12,314**	**6,339**	**9,164**	**15,503**
Less: Provision for bad & doubtful non financial assets						
(a) Capital advances	-	-	-	-	-	-
(b) Advance with public bodies	1,133	-	1,133	922	-	922
(c) Prepaid Lease Payments	-	-	-	-	-	-
(d) Other loans and advances	3,020	77	3,097	2,696	132	2,828
Total provision for bad & doubtful non financial assets	**4,153**	**77**	**4,230**	**3,618**	**132**	**3,750**
Total non financial assets	**3,512**	**4,572**	**8,084**	**2,721**	**9,032**	**11,753**
Classification of other non-financial assets						
Secured, considered good			-			-
Unsecured, considered good	3,512	4,572	8,084	2,721	9,032	11,753
Doubtful	4,153	77	4,230	3,618	132	3,750
Gross other non-financial assets	**7,665**	**4,649**	**12,314**	**6,339**	**9,164**	**15,503**

Notes:
(a) Other loans and advances includes loans given to Key managerial personnel amounting to ₹ 0.72 Lakhs (As at March 31, 2017: ₹ 0.22 Lakhs).
(b) Prepaid lease payment relate to land leases classified as operating in nature as the title is not expected to transfer at the end of the lease term and considering that land has an indefinite economic life.

JAMSHEDPUR UTILITIES & SERVICES COMPANY LIMITED

Notes Forming Part of the Financial Statements

08 - Inventories

Particulars	As at March 31,2018 (₹ in Lakhs)	As at March 31,2017 (₹ in Lakhs)
Inventories (lower of cost or net realizable value)		
- Land, plots and construction in progress	6,019	-
- Stores & Spares	1,759	1,653
Total Inventories	**7,778**	**1,653**

Notes:

(a) The value of inventories above is stated after impairment of ₹ 181 Lakhs (March 31, 2017: ₹ 25 Lakhs) for write-downs to net realisable value and provision for slow moving and obsolete item.

09 - Current Investments

Particulars	As at March 31,2018 ₹ in Lakhs	As at March 31,2017 ₹ in Lakhs
Unquoted Investments		
(a) Investment in mutual funds		
TATA Mutual Fund	501	676
Reliance Liquid Fund	1,044	376
SBI Premier Liquid Fund	502	550
Birla Sun Life Cash Plus	501	551
Total Current Investments	**2,548**	**2,153**

10 - Trade Receivables

Particulars	As at March 31,2018 (₹ in Lakhs)	As at March 31,2017 (₹ in Lakhs)
(a) Secured, Considered good	3,117	2,517
(b) Unsecured, Considered good	16,404	11,561
(c) Unsecured, Considered Doubtful	3,005	2,821
Less: Allowance for Credit losses	3,005	2,821
	19,521	**14,078**

Notes:

(a) Ageing of trade receivables and credit risk arising therefrom is as below:

	As at March 31,2018 (₹ in Lakhs)		
	Gross Credit Risk	**Allowance for Credit loss**	**Net Credit Risk**
Amount not yet due	11,970		11,970
One month overdue	3,122		3,122
Two months overdue	218		218
Three months overdue	540		540
Between three to six months overdue	764		764
Greater than six months overdue	5,912	3,005	2,907
	22,526	**3,005**	**19,521**

	As at March 31,2017 (₹ in Lakhs)		
	Gross Credit Risk	**Allowance for Credit loss**	**Net Credit Risk**
Amount not yet due	9,241		9,241
One month overdue	1,750		1,750
Two months overdue	65		65
Three months overdue	43		43
Between three to six months overdue	84		84
Greater than six months overdue	5,716	2,821	2,895
	16,899	**2,821**	**14,078**

(b)The Company considers its maximum exposure to credit risk with respect to customers as at March 31, 2018 to be ₹ 19,521 Lakhs (March 31, 2017: ₹ 14,078 Lakhs), which is the fair value of trade receivables (after allowance for credit losses).

Of the trade receivable balance as at March 31,2018 ₹ 8,502 Lakhs (March 31, 2017 of ₹ 5,298 Lakhs) is due from Tata Steel Limited and ₹ 3,287 Lakhs (March 31, 2017 of ₹ 2,907 Lakhs) is due from Mysore city corporation, the entities largest customers There are no other customers who represents more than 10% of the total balance of Trade Receivables.

(c) Movement in Allowance for Credit Losses:

Particulars	As at March 31,2018 (₹ in Lakhs)	As at 31.03.2017 (₹ in Lakhs)
Balance at the beginning of the period	2,821	2,939
Provision created during the year	187	200
Provisions reversed during the year	(3)	(318)
Balance at the end of the year	**3,005**	**2,821**

(d) There are no outstanding debts due from directors or other officers of the company.

JAMSHEDPUR UTILITIES & SERVICES COMPANY LIMITED
Notes Forming Part of the Financial Statements

11 - Cash & Bank Balances

Particulars	As at March 31,2018 (₹ in Lakhs)	As at March 31,2017 (₹ in Lakhs)
(a) Cash in hand	5	3
(b) Cheques, drafts on hand	-	2
(c) Remittance in-transit	-	16
(d) Unrestricted Balances with banks	854	769
(i) In Current Account	854	769
Total cash and cash equivalents	859	790
(e) Earmarked Balances with banks	613	340
(i) In Deposit Account	613	340
Total cash and bank balances	**1,472**	**1,130**

Notes:
(a) Earmarked cash and bank balances primarily represents balances held against issue of bank guarantee.

(c) As per MCA notification G.S.R.308(E) dated 30th March 2017, details of Specified Bank Notes (SBN) and Other Denomination Notes (ODN) held and transacted during the period from 8th November 2016 to 30th December 2016 is provided in the table below:

(₹ In Lakhs)

Particulars	SBN's	Other denomination notes	Total
Closing Cash in hand as on 08.11.2016	7.06	4.40	11.46
(+) Permitted receipts	-	64.77	64.77
(-) Permitted payments	-	(19.82)	(19.82)
(-) Cash deposited in banks	(6.61)	(41.00)	(47.61)
Closing Cash in hand as on 30.12.2016 *	0.45	8.35	8.80

* The company holds these specified bank notes which may be required as evidence (rising out of internal investigation) in the court of law. The company intimated RBI ranchi vide letter dated 24th February 2017 and seek its guidance in the matter.

JAMSHEDPUR UTILITIES & SERVICES COMPANY LIMITED
Notes Forming Part of the Financial Statements

12 - Share Capital

Particulars	As at March 31,2018 (₹ in Lakhs)	As at March 31,2017 (₹ in Lakhs)
Authorised :		
31,200,000 Equity Shares of Rs. 10 each	3,120	2,100
(March 31,2017: 21,000,000 Equity Shares of Rs. 10 each)		
Issued , Subscribed and Fully Paid up :		
20,350,000 Equity Shares of Rs 10 each	2,035	2,035
(March 31, 2017 :20,350,000 Equity Shares of Rs 10 each)		

Notes:

(a) Reconcilation of the number of Equity shares and the amount outstanding at the beginning and at the end of the reporting period is as below:

Particulars	Number of Shares	Share Capital (₹ in Lakhs)
Balance at March 31, 2016	20,350,000	2,035
Shares issued during 2016-17	-	-
Balance at March 31, 2017	20,350,000	2,035
Shares issued during 2017-18	-	-
Balance at March 31, 2018	20,350,000	2,035

(b) Of the above 20,349,940 Equity Shares (as at March 31,2017: 20,349,940 Equity Shares) are held by Tata Steel Limited, the holding Company.
(c) The rights, powers and preferences relating to each class of share capital and the qualifications, limitations and restrictions thereof are contained in the Memorandum and Articles of Association of the Company.
(d) In respect of every equity share, voting right shall be in same proportion as the capital paid up on such equity share bears to the total paid up equity capital of the company.
(e) The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.
(f) In the event of liquidation, the shareholders of Ordinary Shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

13 - Reserves & Surplus

Particulars	As at March 31,2018 (₹ in Lakhs)	As at March 31,2017 (₹ in Lakhs)
Retained Earnings	6,860	4,354

Notes:
(a) Reconciliation of retained earnings:

Particulars	As at March 31,2018 (₹ in Lakhs)	As at March 31,2017 (₹ in Lakhs)
Balance at the beginning of the year	4,354	(802)
Profits attributable to the owners of the company	2,595	5,151
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(89)	5
Balance at the end of the year	**6,860**	**4,354**

(b) Retained earning are created in accordance of the erstwhile Companies Act, 1956 and the Companies Act, 2013. This reserve is free in nature and is available for distribution of dividends.

JAMSHEDPUR UTILITIES & SERVICES COMPANY LIMITED
Notes Forming Part of the Financial Statements

14 - Borrowings

Particulars	As at March 31, 2018 (₹ in Lakhs)				As at March 31, 2017 (₹ in Lakhs)			
	Long term	Current maturities of Long-term *	Short term	Total	Long term	Current maturities of Long-term *	Short term	Total
(a) Term Loans from banks	-	600	-	600	800	600	-	1,400
(b) Working Capital Demand Loans from banks	-	-	-	-	-	-	21	21
(c) Loans from group companies	-	-	-		-	-	-	
(1) Inter-corporate Deposits (ICD)	-	-	750	750	-	-	1,150	1,150
Total Borrowings	**-**	**600**	**750**	**1,350**	**800**	**600**	**1,171**	**2,571**

Notes:
(a) Terms of Repayment of term loans are stated below:

Period	As at March 31,2018 (₹ in Lakhs)	Interest Rate	As at March 31,2017 (₹ in Lakhs)	Interest Rate
Between 1-2 years	-		800	SBI Base Rate + 4%
Between 2-3 years	-		-	
Between 3-4 years	-		-	
Between 4-5 years	-		-	

(b) The unsecured ICD has been obtained from the holding company and the applicable rate of interest is 12.5% (as at March 31, 2017: 12.5%)
(c) Term loans from SBI are secured by hypothecation of Fixed Assets and Working capital demand loans from other banks are Secured by parri-passu charge on Debtors and Inventory.
(d) * Current maturities of long-term borrowings is reported as a part of other current liabilities (Refer note no - 15).

JAMSHEDPUR UTILITIES & SERVICES COMPANY LIMITED
Notes Forming Part of the Financial Statements

15 - Other financial liabilities

Particulars	As at March 31, 2018 (₹ in Lakhs)			As at March 31, 2017 (₹ in Lakhs)		
	Non Current	Current	Total	Non Current	Current	Total
(a) Current maturities of long-term debt	-	600	600	-	600	600
(b) Interest payable						
(i) Interest accrued but not due on borrowings	-	633	633	-	532	532
(c) Creditors for other liabilities						
(i) Creditors for capital supplies/services	-	277	277	-	303	303
(i) Other credit balances						
- Security and other deposits	6,309	500	6,809	5,952	358	6,310
- Contribution for capital expenditure	-	871	871	-	405	405
- Other credit balances	-	271	271	-	267	267
	6,309	**3,152**	**9,461**	**5,952**	**2,465**	**8,417**

16 - Provisions

Particulars	As at March 31, 2018 (₹ in Lakhs)			As at March 31, 2017 (₹ in Lakhs)		
	Non Current	Current	Total	Non Current	Current	Total
(a) Provision for employee benefits						
(1) Long-term Employee Benefits	3,442	552	3,994	4,057	518	4,575
(2) Provision for employee separation compensation	1,305	308	1,613	-	-	-
(b) Other Provisions						
(1) Provision for Performance guarantee	-	155	155	-	124	124
(2) Provision for estimated loss on contracts	-	395	395	-	379	379
(3) Provisions for Liquidated Damages	-	363	363	-	371	371
	4,747	**1,773**	**6,520**	**4,057**	**1,392**	**5,449**

Notes:

(a) The details of movement in other provisions is as below: **(₹ in Lakhs)**

Particulars	Performance Guarantee	Estimated loss on contracts	Liquidated Damages
Balance at March 31,2016	133	433	449
Provision created during the year	-	2	146
Provisions reversed during the year	(9)	(56)	(224)
Balance at March 31, 2017	**124**	**379**	**371**
Provision created during the year	31	34	0
Provisions reversed during the year	-	(18)	(8)
Balance at March 31, 2018	**155**	**395**	**363**

JAMSHEDPUR UTILITIES & SERVICES COMPANY LIMITED
Notes Forming Part of the Financial Statements

17 - Retirement benefit obligations

Particulars	As at March 31, 2018 (₹ in Lakhs)			As at March 31, 2017 (₹ in Lakhs)		
	Non Current	Current	Total	Non Current	Current	Total
(a) Retiring Gratuity	631	-	631	388	-	388
(b) Other Defined Benefit Provisions	175	6	181	202	6	208
	806	**6**	**812**	**590**	**6**	**596**

18 - Deferred Income

Particulars	As at March 31, 2018 (₹ in Lakhs)			As at March 31, 2017 (₹ in Lakhs)		
	Non Current	Current	Total	Non Current	Current	Total
(a) Grants for property, plant & equipment	281	40	321	160	20	180
(b) Other deferred income	6,367	538	6,905	5,870	430	6,300
	6,648	**578**	**7,226**	**6,030**	**450**	**6,480**

19 - Other non-financial liabilities

Particulars	As at March 31, 2018 (₹ in Lakhs)			As at March 31, 2017 (₹ in Lakhs)		
	Non Current	Current	Total	Non Current	Current	Total
(a) Advances received from customers	-	8,275	8,275	-	7,705	7,705
(b) Employee recoveries and employer contributions	-	253	253	-	261	261
(c) Statutory Dues (Excise duty, service tax, TDS, etc)	-	1,100	1,100	-	405	405
(b) Other credit balances	-	2,287	2,287	-	776	776
	-	**11,915**	**11,915**	**-**	**9,147**	**9,147**

20 - Trade Payables

Particulars	As at March 31, 2018 (₹ in Lakhs)			As at March 31, 2017 (₹ in Lakhs)		
	Non Current	Current	Total	Non Current	Current	Total
(a) Creditors for supplies / services	-	22,393	22,393	-	18,898	18,898
(b) Creditors for accrued wages and salaries	-	3,788	3,788	-	2,644	2,644
	-	**26,181**	**26,181**	**-**	**21,542**	**21,542**

JAMSHEDPUR UTILITIES & SERVICES COMPANY LIMITED
Notes Forming Part of the Financial Statements

21 - Revenue from Operations

Particulars	For the year ended March 31,2018 ₹ in Lakhs	March 31,2017 ₹ in Lakhs
(a) Service Income	34,928	30,007
(b) Income From Construction Activities	26,266	21,407
(c) Sale of Power	30,343	26,767
(d) Sale of Product	-	68
Total Revenue from Operations	**91,537**	**78,249**

22 - Other Income

Particulars		
(a) Interest income	44	49
(b) Net Gain / (Loss) on sale of investments	110	29
(c) Profit on sale of capital assets	-	(47)
(d) FV Changes on non-derivative FA/FL	8	2
(e) Liability no longer required written back	663	163
(g) Other miscellaneous income	360	356
Total Other Income	**1,185**	**552**

23 - Employee Benefit Expenses

Particulars		
(a) Salaries and wages, including bonus	12,530	12,175
(b) Contribution to provident and other funds		
(1) Provident Fund	827	843
(2) Superannuation Fund	210	217
(2) Gratuity	492	402
(c) Staff welfare expenses	486	366
Total Employee Benefit Expenses	**14,545**	**14,003**

The company has recognised, in the statement of profit and loss for the current period, an amount of ₹ 186 Lakhs (2016-17: ₹ 172 Lakhs) as expenses under the following kinds of employee benefits with respect to Key managerial personnel:

Particulars		
(a) Short term employee benefits	152	130
(b) Long term employee benefits	34	42
	186	**172**

24 - Finance Cost

Particulars		
(a) Interest expense		
(1) Interest Debentures and Fixed Loans	267	296
(1) Interest on Others	775	571
Total Finance Cost	**1,042**	**867**

JAMSHEDPUR UTILITIES & SERVICES COMPANY LIMITED
Notes Forming Part of the Financial Statement

25 - Other Expenses

Particulars	For the year ended March 31,2018 ₹ in Lakhs	For the year ended March 31,2017 ₹ in Lakhs
(a) Stores and spares consumed	14,736	10,898
(b) Repairs to machinery	224	221
(c) Fuel oil consumed	322	387
(d) Purchase of power	25,775	22,168
(e) Rent	139	141
(f) Rates and taxes	310	1,055
(g) Insurance charges	72	67
(h) Provision for doubtful debts and advances	668	659
(i) Excise duties	-	1
(j) Auditors remuneration and out-of-pocket expenses		
(1) As Auditors	8	24
(2) For Taxation matters	2	3
(3) For Other services	1	4
(4) Out-of-pocket expenses	-	0
(k) Legal and other professional costs	204	429
(l) Advertisement, Promotion & Selling Expenses	46	26
(m) Travelling Expenses	30	161
(n) Cost of services	26,660	20,501
(o) Miscellaneous expenses	899	898
(p) Expenses transferred to Capital	(8)	-
Total Other Expenses	**70,088**	**57,643**

Notes:

(a) Amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities during the year was ₹ 87 Lakhs (2016-17 : ₹ 57 Lakhs).

(b) Revenue expenditure charged to statement of profit and loss in respect of Corporate Social Responsibility (CSR) activities undertaken during the year is ₹ 89 Lakhs [₹ 64 lakhs paid in cash and ₹ 25 lakhs is yet to be paid] as compared to ₹ 57 Lakhs [₹ 37 lakhs paid in cash and ₹ 20 lakhs is yet to be paid] for the year ended March 31, 2017.

JAMSHEDPUR UTILITIES AND SERVICES COMPANY LIMITED
NOTE 26: Notes Forming Part of the Financial Statement

(A) Financial Instruments

(i) Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the company.

The company determines the amount of capital required on the basis of annual operating plans and other strategic investment plans. The funding needs are met through equity, cash generated from operations, other long-term/short-term borrowings. The company's policy is aimed at combination of short-term and long-term borrowings.

The company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the company. Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances (including non-current earmarked balances) and current investments.

(₹ in Lakhs)

Particulars	As at March 31,2018	As at March 31,2017
Equity Share Capital	2,035	2,035
Other Equity	6,860	4,354
Total Equity (A)	**8,895**	**6,389**
Non current borrowing	-	800
Short term Borrowings	750	1,171
Current Maturity of Long term borrowings	600	600
Gross Debts (B)	**1,350**	**2,571**
Total Capital (A+B)	**10,245**	**8,960**
Gross debts as above	1,350	2,571
Less: Current Investments	2,548	2,153
Less: Cash and bank balances	1,472	1,130
Less: Other Bank balances (Non current Earmarked balances)	74	310
Net Debts (C)	**(2,744)**	**(1,022)**
Net Debts to Equity	**(0.18)**	**(0.13)**

Net debt to equity as at March 31, 2018 and March 31, 2017 has been computed based on average equity.

(ii) Categories of financial instruments

(₹ in Lakhs)

Particulars	As at March 31,2018	As at March 31,2017
Financial assets		
Measured at fair value through profit and loss (FVTPL)		
(a) Mandatorily measured:		
(i) Investments in mutual funds	2,548	2,153
Measured at amortised cost		
(a) Cash and bank balances	1,472	1,130
(b) Trade Receivables	19,521	14,078
(c) Other financial assets	8,310	7,192
(d) Investments in subsidiaries	15	-
Financial Liabilities		
Measured at amortised cost		
(a) Borrowings	750	1,971
(b) Trade payables	26,181	21,542
(c) Other financial liabilities	9,461	8,417

At the end of the reporting period, there are no significant concentrations of credit risk for financial assets designated at Fair Value through Profit & Loss (FVTPL). The carrying amount reflected above represents the entities maximum exposure to credit risk for such financial assets.

(iii) Fair Value Measurement

The short term financial assets and liabilities are stated at amortized cost which is approximately to their fair values.

Investments carried at their fair values, are generally based on market quotations. The fair value in respect of the unquoted equity instruments cannot be reliably measured.

JAMSHEDPUR UTILITIES AND SERVICES COMPANY LIMITED
NOTE 26: Notes Forming Part of the Financial Statement

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets and liabilities, that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of quoted equity shares and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Group's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Investment in mutual funds are measured at fair value at the end of each reporting period. The following table gives information about how the fair values are determined.

Particulars	Fair Value: As at March 31,2018 ₹ in Lakhs	Fair Value: As at March 31,2017 ₹ in Lakhs	Fair Value hierarchy	Valuation technique(s) and key input(s)
Investments in Mutual funds	2,548	2,153	Level 1	NAV's in the active market.

There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2018 and March 31, 2017.

(iv) Financial Risk management

In the course of its business, the company is exposed primarily to interest rate and credit risk, which may adversly impact the fair value of its financial instruments. The company has a risk management policy which covers the risk associated with financial assets and liabilities such as interest rate risk and credit risk.

The risk management aims at:
1. Create a stable business planning environment by reducing the impact of interest rate fluctuation on the Company's business plan.
2. achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

Market Risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

Interest rate Risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

The sensitivity analysis have been determined based on the exposure to interest rates for financial assets and liabilities at the end of the reporting period. For financial assets/liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the entities profit for the year ended March 31, 2018 would increase/decrease by ₹ 12 Lakhs. (for the year ended March 31, 2017: ₹ 4 Lakhs). This is mainly on account of company's exposure to interest rates on its variable rate borrowings and increase in closing investments in mutual funds.

Credit risk management

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loan receivables, investments, cash and cash equivalents. None of the financial instruments of the company results in material concentration of credit risk.

Trade receivables consist of a large number of customers. Ongoing credit evaluation is performed on the financial condition of account receivables and where appropriate, provision has been considered in the books.

Apart from Tata Steel Limited, the parent company the entity does not have any significant credit risk exposure to any single counterparty. Concentration of credit risk related to Tata steel Limited is approx. 37.86% (As on 31st March 2017:31.50%) of the gross trade receivables. Concentration of credit risk of Mysore city corporation, company's second largest customer is approx 17.73% (As on 31st March 2017: 20.67%). Since the Mysore city corporation is a government organisation the credit risk is low. Concentration of credit risk to any other counterparty did not exceed 10% of gross trade receivables at any time during the year.

JAMSHEDPUR UTILITIES AND SERVICES COMPANY LIMITED
NOTE 26: Notes Forming Part of the Financial Statement

Liquidity risk management

Liquidity risk refers to the risk that the company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The entity has obtained fund and non-fund based working capital lines from various banks. The entity invests its surplus funds in bank fixed deposit and liquid and liquid plus schemes of mutual funds, which carry no/low mark to market risk.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31st, 2018 and March 31st, 2017.

(₹ in Lakhs)

Particulars	Carrying amount	Contractual cash flows	less than 1 year	between 1 - 5 years	More than 5 years
March 31, 2018					
Non-derivative financial liabilities					
Borrowings					
(i) Principal	1,350	1,350	1,350	-	-
(ii) Interest	-	83	83	-	-
Trade payables	26,181	26,181	26,181	-	-
Other financial liabilities	8,861	8,861	2,552	-	6,309
	36,392	**36,475**	**30,166**	**-**	**6,309**
March 31, 2017					
Non-derivative financial liabilities					
Borrowings					
(i) Principal	2,571	2,571	1,771	800	-
(ii) Interest		186	146	40	-
Trade payables	21,542	21,542	21,542	-	-
Other financial liabilities	7,817	7,817	1,865	-	5,952
	31,930	**32,116**	**25,324**	**840**	**5,952**

(B) Employee benefits

1. Defined Contribution Plans

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by them at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period.

The company has recognised, in the profit and loss account for the current period, an amount of ₹ 1,037 Lakhs (2016-17: ₹ 1,060 Lakhs) as expenses under the following defined contribution plans:

Benefit (Contribution to)	Apr-Mar 2018	Apr-Mar 2017
(a) Provident Fund	645	655
(b) Employees Pension Scheme	182	188
(c) TISCO Employees Pension Scheme	72	81
(d) Superannuation Fund	138	136
Total Benefit (Contribution)	**1,037**	**1,060**

The major defined contribution plans operated by company are as below:

(i) Provident fund

In accordance with Indian law, eligible employees of employees are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees salary.

The contributions, as specified under the law, are made to the provident fund and pension fund set up as an irrevocable trust by the company or to respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension scheme.

(ii) Superannuation fund

The company in India have a superannuation plan. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn.

Separate irrevocable trusts are maintained for employees covered and entitled to benefits. The company contribute up to 15% or ₹ 1.50 Lakhs, whichever is lower, of the eligible employees salary to the trust every year. Such contributions are recognized as an expense when incurred. The company have no further obligation beyond this contribution.

2. Defined benefit plans

The company operates post retirement defined benefit plans as follows:

(a) Funded
- (i) Post Retirement Gratuity

(b) Unfunded
- (i) Farewell Gifts
- (ii) Packing and Transportation expenses

(i) Retiring gratuity

The company have an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The company make annual contributions to gratuity funds established as trusts or insurance companies. JUSCO's liability for gratuity benefits payable in the future based on an actuarial valuation.

The following table sets out the the amounts recognized in the financial statements for the retiring gratuity plans in respect of the company:

	Change in Defined Benefit Obligation	**For the Year ended**	
		March 31,2018	**March 31,2017**
		₹ in Lakhs	**₹ in Lakhs**
a.	Obligation as at the beginning of the year	6,761	6,055
b.	Current service cost	478	356
c.	Interest cost	433	449
d.	Remeasurement (gains)/losses	-	
	(i) Actuarial gains and losses arising from changes in financial assumption	(196)	331
	(ii) Actuarial gains and losses arising from changes in experience adjustments	134	89
	(iii) Actuarial gains and losses arising from changes in demographic assumption	(116)	-
e.	Benefits paid	(1,157)	(519)
	Obligation as at the end of the year	**6,337**	**6,761**

JAMSHEDPUR UTILITIES AND SERVICES COMPANY LIMITED
NOTE 26: Notes Forming Part of the Financial Statement

	Change in Plan Assets		
a.	Fair value of plan assets as at beginning of the year	6,373	4,857
b.	Interest income	419	403
c.	Remeasurement gains/(losses)	-	
	(i) Return on plan assets (excluding amounts included in net interest expense)	(316)	434
d.	Employers' Contributions	387	1,198
e.	Benefits paid	(1,157)	(519)
	Fair value of plan assets as at end of the year	**5,706**	**6,373**

	Amount recognised in the balance sheet consists of	**As at March 31,2018 ₹ in Lakhs**	**As at March 31,2017 ₹ in Lakhs**
a.	Fair value of plan assets as at beginning/end of the year	(5,706)	(6,373)
b.	Present value of obligation as at the beginning/end of the year	6,337	6,761
	Net liability arising from defined benefit obligation	**631**	**388**

	Expenses recognised in the statement of profit and loss	**For the year ended**	
		March 31,2018 ₹ in Lakhs	**March 31,2017 ₹ in Lakhs**
a.	Service cost		
	(i) Current service cost	478	356
	(ii) Past Service Cost	-	-
b.	Net interest expense	14	46
	Defined benefit costs recorded in profit and loss	**492**	**402**
c.	The return on plan assets (greater/(less) than discount rate)	316	(434)
d.	Actuarial gains and losses arising from changes in financial assumption	(196)	331
e.	Actuarial gains and losses arising from changes in demographic assumption	(116)	-
f	Actuarial gains and losses arising from changes in experience adjustments	134	89
	Defined benefit costs recorded in Other comprehensive income	139	(14)
	Total of defined benefit costs	**631**	**388**

The assumptions used in accounting for the retiring gratuity plans are set out below:

		Valuation as at	
		March 31,2018	**March 31,2017**
a.	Discount rate (per annum)	7.50%	7.00%
b.	Rate of escalation in salary (per annum)		
	OPR	10.00%	10.00%
	NOPR	7.50%	7.50%

The defined benefit plans expose the Company to a number of actuarial risks as below:

(a) Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government/high quality bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

(b) 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.

(c) 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.

(d) 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.

The weighted average duration of the defined benefit obligation as at March 31, 2018 is 6 years (2017: 7 years).

The Company expects to contribute ₹ 631 Lakhs to the funded retiring gratuity plans in financial year 2018.

The fair value of Company's plan asset as of March 31, 2018 and 2017 by category are as follows:

JAMSHEDPUR UTILITIES AND SERVICES COMPANY LIMITED
NOTE 26: Notes Forming Part of the Financial Statement

	As at March 31, 2018	As at March 31, 2017
Investment details (%)		
a. GOI Securities (Central and State)	15.07%	16.96%
b. High Quality Corporate Bonds (Including Public Sector Bonds)	8.70%	10.55%
c. Scheme of Insurance -conventional products	76.23%	72.49%
	100.00%	**100.00%**

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 1% in the assumed rate of discount rate, salary escalation and inflation cost:

As at March 31,2018

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 1%, decrease by 1%	Decrease by 5.6%, increase by 6.4%
Salary escalation	Increase by 1%, decrease by 1%	Increase by 6.3%, decrease by 5.6%

As at March 31,2017

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 1%, decrease by 1%	Decrease by 6%, increase by 7%
Salary escalation	Increase by 1%, decrease by 1%	Increase by 7%, decrease by 6%

The above sensitivities may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(ii) Packaging & Transportation Benefit Scheme

The Packaging & Transportation Benefit Scheme is a Defined Benefit Plan that provides a benefit upon meeting the requisite service eligibility criteria. Packing & transportation is given to officers for shifting their household materials which is upto 1.5 times of their last drawn Salary.

(iii) Farewell Gift Benefit Scheme

The Farewell Gift Benefit Scheme is a Defined Benefit Plan that provides a benefit upon meeting the requisite service eligibility criteria. The Farewell Benefit is given to retiring employees in terms of gift coupons as per the category, i.e. ₹ 5000/- to all NOPRs, ₹ 7000/- to OPR of 'JM01 to JM07' and ₹ 5000/- to other OPR.

The following table sets out the the amounts recognized in the financial statements for the other defined benefit plans in respect of the company:

Change in Defined Benefit Obligation	**For the Year ended**	
	March 31,2018	**March 31,2017**
	₹ in Lakhs	**₹ in Lakhs**
a. Obligation as at the beginning of the year	195	165
b. Current service cost	(30)	15
c. Interest cost	14	13
d. Remeasurement (gains)/losses		
(i) Actuarial gains and losses arising from changes in financial assumption	(0)	13
(ii) Actuarial gains and losses arising from changes in experience adjustments	(1)	(7)
(iii) Actuarial gains and losses arising from changes in demographic assumption	(2)	-
e. Benefits paid	(3)	(5)
Obligation as at the end of the year	**171**	**195**

Expenses recognised in the statement of profit and loss	**For the year ended**	
	March 31,2018	**March 31,2017**
	₹ in Lakhs	**₹ in Lakhs**
a. Service cost		
(i) Current service cost	(30)	15
(ii) Past Service Cost	-	-
b. Net interest expense	14	13
Defined benefit costs recorded in profit and loss	**(17)**	**28**
c. Actuarial gains and losses arising from changes in financial assumption	(0)	13
d. Actuarial gains and losses arising from changes in demographic assumption	(2)	-
e. Actuarial gains and losses arising from changes in experience adjustments	(1)	(7)
Defined benefit costs recorded in Other comprehensive income	(3)	6
Total of defined benefit costs	**(20)**	**34**

JAMSHEDPUR UTILITIES AND SERVICES COMPANY LIMITED
NOTE 26: Notes Forming Part of the Financial Statement

The assumptions used in accounting for the other defined benefit plans are set out below:

	Valuation as at	
	March 31,2018	**March 31,2017**
a. Discount rate (per annum)	7.50%	7.00%
b. Rate of escalation in salary (per annum)		
OPR	10.00%	10.00%
NOPR	7.50%	7.50%

The weighted average duration of the defined benefit obligation as at March 31, 2018 is 11 years (2017: 7 years).

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/ increase of 1% in the assumed rate of discount rate, salary escalation and inflation cost:

As at March 31,2018

Assumption	**Change in assumption**	**Impact on scheme liabilities**
Discount rate	Increase by 1%, decrease by 1%	Decrease by 8%, increase by 9%
Salary escalation	Increase by 1%, decrease by 1%	Increase by 9%, decrease by 8%

As at March 31,2017

Assumption	**Change in assumption**	**Impact on scheme liabilities**
Discount rate	Increase by 1%, decrease by 1%	Decrease by 9%, increase by 11%
Salary escalation	Increase by 1%, decrease by 1%	Increase by 11%, decrease by 9%

The above sensitivities may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

JAMSHEDPUR UTILITIES AND SERVICES COMPANY LIMITED

NOTE 26: Notes Forming Part of the Financial Statement

(C) Information about Operating segments

(₹ in Lakhs)

Particulars	Service	Power	Construction	Un-allocated	Total
Total Revenue	**34,928**	**30,343**	**26,266**		**91,537**
	30,075	*26,767*	*21,407*		*78,249*
Segment Results before finance cost and taxes.	**4,098**	**1,819**	**1,804**		**7,721**
	3,645	*2,109*	*2,363*		*8,117*
Unallocated Corporate Expenses (net off other Income)				**1,356**	**1,356**
				2,421	*2,421*
Finance Costs (net)		**739**	**2**	**257**	**998**
		403	-	*415*	*818*
Profit before taxes and exceptional items					**5,367**
					4,878
Exceptional Items					**1,809**
					-
Taxes					**1,051**
					(278)
Profit after taxes					**2,506**
					5,156
Segment assets	**14,600**	**18,119**	**21,053**	**14,105**	**67,879**
	10,749	*16,876*	*17,036*	*12,022*	*56,683*
Segment Liabilities	**22,043**	**16,024**	**18,841**	**4,607**	**61,515**
	17,448	*14,894*	*15,447*	*3,242*	*51,031*
Segment assets capitalized during the period.	**158**	**1,986**	**294**		**2,438**
	165	*1,504*	*106*		*1,775*
Segment depreciation	**103**	**1,119**	**290**	**33**	**1,545**
	142	*1,024*	*223*	*29*	*1,417*
Non-cash expenses other than depreciation			**169**	**327**	**496**
			(241)	*728*	*487*

Notes :

(i) The Company has disclosed business segment as the primary segment . There is no significant difference in the business conditions prevailing in various states in India, where the company has its operations. There are no sales made by the company to external customers outside India. Consequently there is no need for separate disclosure for geographical segment as required under IND AS-108 "Operating Segment".

(ii) Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. Assets and Liabilities that can not be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.

(iii) Total un-allocable assets exclude :

	As at March 31, 2018	As at March 31, 2017
		(₹ in Lakhs)
Investments in Subsidary	15	-
Investments	1,368	1,368
Deferred Tax assets	2,499	1,940
Total	**3,882**	**3,308**

(iv) Total un-allocable liabilities exclude :

	As at March 31, 2018	As at March 31, 2017
		(₹ in Lakhs)
Secured loan (cash credit and Term Loan)	600	1,421
Unsecured Loan	750	1,150
Total	**1,350**	**2,571**

(v) Previous year figures are in italics

JAMSHEDPUR UTILITIES AND SERVICES COMPANY LIMITED
NOTE 26: Notes Forming Part of the Financial Statement

D. Related party transactions

List of related Parties and relationships :

Party	Relationship
Tata Sons Limited	Ultimate Holding Company
Tata Steel Limited	Holding Company
Adityapur Toll Bridge Company Limited	
Tayo Rolls Limited	
The Indian Steel and Wire Products Limited	
Tata Pigments Limited	
Tinplate Company of India Limited	
Tata Metaliks DI Pipes Limited	Fellow subsidiaries
Tata Sponge Iron Limited	
Tata Steel Foundation	
Jamshedpur Football and Sporting Private Limited	
Tata Steel Processing Distribution Limited	
Tata Blue Scope Steel limited	Joint Venture of Holding Company
MJunction Services Limited	Joint Venture of Holding Company
Jamipol ltd	Joint Venture of Holding Company
Jamshedpur Continuous Annealing & Processing Company Private Limited	Joint Venture of Holding Company
TM International Logistics Limited	Joint Venture of Holding Company
Nicco Jubilee Park Limited	Joint Venture of Holding Company
Haldia Water Management Limited	Subsidiaries
Kalimati Global Shared Services Limited	Subsidiaries
Nabadiganta Water Management Ltd.	Joint Ventures
SEZ Adityapur Limited	Joint Ventures
Mr. Ashish Mathur	Key Managerial Personnel

(i) Transactions with related parties in the normal course of business are as follows:

(₹ in Lakhs)

Particulars	**Ultimate Holding Company**	**Holding company**	**Fellow subsidiaries**	**Joint Venture of Holding Company**	**Subsidiaries**	**Joint Ventures**	**Key Managerial Personnel**
Purchase of Power	**-**	**13,169**	**-**	**-**	**-**	**-**	**-**
	-	*(12,399)*	-	-	-	-	-
Purchase of Goods	**-**	**1,907**	**725**	**109**	**-**	**-**	**-**
	-	*(643)*	*(11)*	-	-	-	-
Sale of Power	**-**	**523**	**16**	**-**	**-**	**-**	**-**
	-	*(557)*	*(325)*	-	-	-	-
Rendering of services	**-**	**61,487**	**1,405**	**2**	**-**	**-**	**-**
	-	*(49,464)*	*(169)*	*(1)*	-	-	-
Receiving of services	**170**	**499**	**155**	**12**	**-**	**-**	**-**
	(145)	*(456)*	*(0)*	*(31)*	-	-	-
Interest paid during the period	**-**	**126**	**0**	**-**	**-**	**-**	**-**
	-	*(144)*	*(4)*	-	-	-	-
Expenses incurred	-	**-**	**-**	**-**	**15**	**1**	**-**
	-	-	-	-	*(2)*	*(1)*	-
Rent Expenses	**-**	**-**	**-**	**-**	-	**2**	-
	-	-	-	-	-	*(2)*	-
Unsecured advances/ deposits accepted	-	**2,188**	**195**	**-**	**-**	**-**	**-**
	-	*(4,794)*	-	-	-	-	-
Remuneration paid	**-**	**-**	**-**	**-**	**-**	**-**	**121**
	-	-	-	-	-	-	*(110)*

(ii) Outstanding transactions **(₹ in Lakhs)**

Particulars	**Ultimate Holding Company**	**Holding company**	**Fellow subsidiaries**	**Joint Venture of Holding Company**	**Subsidiaries**	**Joint Ventures**	**Key Managerial Personnel**
Amounts receivable	**-**	**16,766**	**891**	**4**	**1,456**	**-**	**-**
	-	*(12,316)*	*(350)*	*(0)*	*(1,456)*	-	-
Intercorporate Loans Receivables	**-**	**-**	**-**	**-**	**1,650**	**-**	**-**
	-	-	-	-	*(1,650)*	-	-
Loans/Advances	**-**	**-**	**-**	**-**	**370**	**8**	**-**
	-	-	-	-	*(369)*	*(7)*	-
Amount payable	**138**	**200**	**90**	**4**	**-**	**4**	**-**
	(118)	*(238)*	*(8)*	*(5)*	-	*(2)*	-
Intercorporate Loans Payables	**-**	**1,376**	**-**	**-**	**-**	**-**	**-**
	-	*(1,662)*	-	-	-	-	-
Advance outstanding (Payable)	**-**	**6,332**	**155**	**-**	**-**	**-**	**-**
	-	*(6,531)*	*(9)*	-	-	-	-

Previous year figures in italics and in brackets

(E) The dues as defined in the "Micro Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro & Small Enterprises forming part of note 20(a) as at March 31, 2018 are as under:

Particulars	For the year ended March 31, 2018 ₹ in Lakhs	For the year ended March 31, 2017 ₹ in Lakhs
Due in respect of Micro, Small and Medium Industries is :		
(a) Principal amount remaining unpaid to supplier as at the end of the year	91	291
(b) The interest due thereon remaining unpaid to supplier as at the end of the accounting year	1	1
(c) The amount of interest paid in terms of section 16, along with the amount of payment made to the supplier beyond the appointment date during the year (including interest)	1,610	1,230
(d) The amount of interest due and payable for the period of delay in making payment during the period	14	22
(e) Interest paid under the Act during the year	Nil	Nil

(F) Contingent Liabilities and commitments

(i) Claims not acknowledged by the Company

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
- Sales Tax, VAT & Service Tax	7,793	5,446
- Labour Related	-	188
- Legal cases	237	159
- Income Tax	1,565	-

(G) Earnings per Share (EPS)

Particulars	For the year ended March 31, 2018 ₹ in Lakhs	For the year ended March 31, 2017 ₹ in Lakhs
(i) Profit/(Loss) for the year	2,595	5,151
(ii) Profit/(Loss) attributable to ordinary Shareholders	2,595	5,151
(iii) Weighted average number of Ordinary Shares for Basic /Diluted EPS	20,350,000	20,350,000
(iv) Nominal value of Ordinary Shares	10.00	10.00
(v) Basic / Diluted Earnings per Ordinary Share	12.75	25.31

(H) The Company has taken certain plant and machinery under operating leases. The following is the summary of future minimum lease rental payments under non-cancellable operating leases entered into by the Company:

Future minimum lease payments

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Not later than 1 year	145	145
(ii) Later than 1 year but not later than 5 years	223	368
(iii) Later than 5 years	-	-
Operating lease charge		
(iv) Lease payments recognised in the profit & loss account	136	89

(I) The subsidiary company "Haldia Water Management Limited" could not meet the debt service obligation arising during the year in respect of it's bank loan. The subsidiary company had entered into a Concession agreement with a Government agency which has become frustrated and for which arbitration is going on.

Pursuant to an agreement entered into with the lender bank of the subsidiary company, Jamshedpur Utilities and Services Company Limited (" the company") has paid ₹ 925 Lakhs towards loan installments including interest obligation falling due on the subsidiary during the year (For the year ended march 31, 2017: ₹ 1,008 Lakhs). As per the agreement with the bank, the portion representing principal amount be kept in a separate deposit account adjustable against any shortfall of final recovery from the subsidiary company at the end of 4 years.

Based on legal opinion and the terms of agreement with the bank, an amount of ₹ 2,504 Lakhs (As at March 31,2017: ₹ 1,904 Lakhs) has been assessed as recoverable and carried as a long term non financial assets in the books of accounts.

(J) Income tax recognised in profit or loss

Particulars	For the year ended March 31, 2018 ₹ in Lakhs	For the year ended March 31, 2017 ₹ in Lakhs
Current Tax		
- In respect of current year	1,623	1,604
- In respect of prior year	(13)	58
Deferred Tax	(559)	(1,940)
Total Income tax recognised in the current year	1,051	(278)

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

Particulars	For the year ended March 31, 2018 ₹ in Lakhs	For the year ended March 31, 2017 ₹ in Lakhs
Profit before tax from continuing operations	3,558	4,878
(a) Income tax expense calculated at 34.608%	1,231	1,688
(b) Decrease in tax expenses due to benefit of 80IA	345	549
	144	198
(c) Effect of timing differences on which no deferred tax was created		
(d) Effect of expenses not allowed in income tax	5	37
(e) Adjustments to current tax in respect of prior periods	(13)	58
(f) Effect of timing differences on which deferred tax created/(reversed)	588	230
(g) Total (g = a-b+c+d+e+f)	**1,610**	**1,662**
Income tax expenses recognised in profit or loss account	**1,610**	**1,662**

JAMSHEDPUR UTILITIES AND SERVICES COMPANY LIMITED

NOTE 26: Notes Forming Part of the Financial Statement

The tax rate used for the year ended March 31, 2018 and March 31,2017 reconciliation above is the corporate tax rate of 34.608% payable by corporate entities in India on taxable profits under the Indian tax laws.

(K) Significant component of deferred tax assets and liabilities for the year ended March 31, 2018 is as follows :

(₹ in Lakhs)

	As at March 31, 2016	Deferred tax expense/ (income recognised in profit and loss)	As at March 31, 2017	Deferred tax expense/ (income recognised in profit and loss)	As at March 31, 2018
Deferred Tax Asset					
Provision for leave salaries	-	1,583	1,583	(201)	1,382
Other Provisions	-	1,163	1,163	194	1,357
Provision for Employee Seperation Scheme	-	-	-	608	608
Deferred Income	-	2,243	2,243	258	2,501
Total	**-**	**4,989**	**4,989**	**859**	**5,848**
Deferred Tax Liability					
Fixed Assets	-	3,049	3,049	300	3,349
Total	**-**	**3,049**	**3,049**	**300**	**3,349**
Net Deferred tax asset	**-**	**1,940**	**1,940**	**559**	**2,499**

(L) Information relating to Construction Contracts as per IND AS in respect of contracts entered on or after 01.04.2003 and in progress as at year end, is given below :

Particulars	**For the year ended March 31, 2018 ₹ in Lakhs**	**For the year ended March 31, 2017 ₹ in Lakhs**
Contract revenue recognised as revenue during the period	26,266	21,407
Aggregate amount of contract costs incurred and recognised profits (less recognised losses)	97,882	82,306
Advance payments received (Un-adjusted) for contract in progress	8,088	7,012
Retention amount for contract in progress	3,661	3,535
Gross amount due from customers for contract work (net)	3,082	4,653

(M) The Board recommended a dividend of ₹ 0.50 per Ordinary Share on 2,03,50,000 Ordinary Shares of ₹ 10 each for the year ended March 31, 2018. (Financial Year 2016-17: NIL). The dividend on Ordinary Shares is subject to the approval of the shareholders at the Annual General Meeting ('AGM'). If approved, the dividend would result in a cash outflow of ₹ 117 Lakhs inclusive of divident distribution tax of ₹ 15 Lakhs.

(N) The company is in the process of assessing the impact of IND AS 115. Presently the company is not able to reasonably estimate the impact that application of IND AS 115 is expected to have on the financial statements, except that adoption of IND AS 115 is not expected to change the timing of the company's revenue recognisition for Income from services/ Sale of power. Consistent with the current practice, recognition of revenue will continue to occur at a point in time when services are rendered which is also when the control of the asset is transferred to the customer under IND AS 115.

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

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number - FRN304026E/E300009
Chartered Accountants

Signatories to Notes 1 to 26
Notes to Accounts and Accounting Policies
For and on behalf of the Board of Directors

Sunil Bhaskaran
Chairman
DIN: 03512528

Indrajit Roy
Chief Financial Officer

Avijit Mukerji
Partner
Membership No - 056155

Ashish Mathur
Managing Director
DIN: 03508443

Preeti Sehgal
Company Secretary

Place: Kolkata
Dated: April 16,2018

Jamshedpur April 16, 2018