

झारखण्ड ऊर्जा उत्पादन निगम लिमिटेड JHARKHAND URJA UTPADAN NIGAM LIMITED

(CIN: U40108JH2013SGC001703)

Regd. Office: - Engineering Building, H.E.C., Dhurwa, Ranchi - 834004.

Telephone: - 0651-2400760 & Fax: 0651-2446055

BOARD'S REPORT

To,
The Members,

Your Directors are pleased to present the First Annual Report together with Audited Accounts for the financial year ended on 31st March, 2014.

BACKGROUND

Jharkhand Urja Utpadan Nigam Ltd came into existence after unbundling of erstwhile Jharkhand State Electricity Board in terms of Jharkhand State Electricity Reforms Transfer Scheme, 2013, as notified vide Notification no. 18 dated 06.01.2014 issued by the Department of Energy, Govt. of Jharkhand.

Consequent to the Jharkhand State Electricity Reforms Transfer Scheme, 2013, the Government of Jharkhand, has vested the properties, assets, liabilities, rights and obligations of erstwhile Jharkhand State Electricity Board to the successor Companies as listed below:

- *Jharkhand UrjaVikas Nigam Limited (Holding)*
- *Jharkhand UrjaUtpadan Nigam Limited (Generation)*
- *Jharkhand UrjaSancharan Nigam Limited (Transmission)*
- *Jharkhand Bijli Vitran Nigam Limited (Distribution)*

Jharkhand Urja Vikas Nigam Limited is the holding company of above three companies primarily meant for coordinating the activities for smooth functioning of its three subsidiary companies.

As per clause 5.2 of the Transfer Scheme, the function, business and Undertakings forming part of Generation Undertaking as set out in Schedule 'B' shall stand transferred to and vest in Jharkhand Urja Utpadan Nigam Ltd. on and from the effective date i.e. 06.01.2014.

Further as per clause 5.5 of the Transfer Scheme, Jharkhand Urja Utpadan Nigam Limited shall be responsible for all functions, contracts, rights, deeds, schemes, bonds, agreements, proceedings and other instrument and whatever nature relating to the respective Undertaking transferred to it to which the Board/the Transferee with whom the undertakings have been provisionally vested was a party, subsisting or having effect on the date of the transfer, and the same shall remain in force and effect against or in favour of the respective Transferee and may be enforced effectively as if the respective Transferee had been a party thereto instead of the Board.

FINANCIAL RESULTS

INCOME	2013-14 (In Lakhs)
Revenue from operations	289.70
Other Income	0.81
Gross Income	290.51

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Managing Director
Jharkhand Urja Utpadan Nigam Limited

CMD
JUN Ltd.
RANCHI



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Expenditure	
Power generation cost	40.00
Other expense	132.82
Employee benefits expense	352.15
Depreciation & Amortisation expenses	40.22
Total Expenses	565.19
Net Profit before Tax	(274.68)
Tax (Net)	-----
Net Profit after Tax	(274.68)

FINANCIAL PERFORMANCES

During the year 2012-13, the company was not in existence. The Company started its business w.e.f. 06/01/2014 onwards. The company has incurred a loss of Rs. 274.68 lakh during the year 13-14.

DIVIDEND

Due the loss in current Financial Year i.e. 2013-14, the company has not announced any dividend during the F.Y. 2013-14.

EXISTING GENERATION STATION (S)

At the time of creation of the company (JUUNL) after re-organisation of the erstwhile JSEB only one generation station namely Swarn Rekha Hydel Plant, Sikidiri, Dist.-Ranchi has been left with the Company: -

SRHP, Sikidiri

Capacity : - 130 MW (2×65MW)

Make : - BHEL

Year of Installation : - Unit No. – I 17.10.1977

Unit No. -II 18.10.1980

Sources of Water : - Getalsud Dam

Rated Head : - 133 m

Design: - :-To generate Hydro Electric Power to the extent of 130 MW at 14% Load Factor for peaking Purpose. However, during rainy season the plant will generate the power 24 Hrs. (Continuous Generation) subject to available of Water.

Auxiliary consumption : - 0.02 MU

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During the period under review i.e. 06.01.2014 to 31.03.2014 the total generation from the plant was 2.901 MU (Total Generation for the financial year 2013-14 is 109.514 MU)

The average availability factor during the aforementioned period was 100% & the PLF was 9.616% against design value @ 14% for the year.

The units are set-up in series such that water after moving the turbine of one unit is routed to pass through the 2nd unit with same water head.

The generated power is fed directly to Namkum/ Hatia Grid at 132 KV.

Capacity Addition Programme:

For meeting the power demand in the state of Jharkhand, JUUNL is planning for implementation of Thermal Power Projects on PPP mode.

[A] Ongoing Projects:

i) 2x660 MV thermal power project at Patratu

Name of SPV - Patratu Energy Limited

The Project is being implemented on PPP mode as per guidelines of MoP, GoI for development of such project through TBCB route.

Source of fuel (Coal) - Banhardi Coal Block, Latehar

Source of water - Nalkari Reservoir (Patratu Dam)

Global NIT floated by erstwhile JSEB in October 2013 bid submission (extended) date is 29.04.2014.

ii) 2x660 MV thermal power project at Bhawnathpur, Dist. Garhwa.

Name of SPV - Karanpura Energy Limited

The Project is also being implemented on PPP mode as per guidelines of MoP, GoI for development of such project through TBCB route.

Source of fuel (Coal) - Mourya Coal Block, Ramgarh

Source of water - River Sone Basin

The current site (Bhawnathpur) has been identified and freezed after the earlier site for the project in district Kamdara did not fructify (October 12). Part of the land is under possession of RMD cell of SAIL from whom it will be transferred to the SPV through GoJ/GoI. Remaining land is the forest and GM land. Once the land comes under possession of SPV, NIT will be floated for selection of developer.

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[B] Future Projects:

Since the company (JUUNL) is nacent, no project has been conceived for implementation in future as of now.

Financing of new projects:

As the new ongoing project is being financed by taking interest bearing loan form State Govt. All the expenditure being incurred shall be ploughed back with interest from the selected developer at the time of transfer of SPV in the name of the developer as per the mandate given in the guidelines of MoP, Gol for the projects to be implemented on PPP mode.

Fixed Deposits

The Company has not invited / received any Fixed deposits from the public during the period under report.

Holding Company:

By virtue of provisions of Section 4(1) (a) and 4(2) of the Companies Act, 1956 Jharkhand Urja Utpadan Nigam Limited is a subsidiary of Jharkhand Urja Vikas Nigam Limited (A wholly owned State Government Company).

Subsidiary Companies:

As per The Jharkhand State Electricity Reforms Revised Transfer Scheme, 2015 notified on 20.11.2015 vide notification no. 2917 the following are subsidiaries companies of Jharkhand Urja Utpadan Nigam Ltd.

S. No.	Name of subsidiary companies	Percentage of Shareholding of Jharkhand Urja Utpadan Nigam Ltd.
1	Karanpura Energy Ltd.	100
2	Jharbihar Colliery Limited	62.5
3	Patratu Energy Ltd.	100

The statement pursuant to sub-section 3 of section 212 of the Companies Act, 1956, relating to the Company's interest in the subsidiary companies is attached as 'Annexure C' –

AUDITORS: -

Statutory Auditors

The Statutory Auditor of the company as appointed by the Comptroller and Auditor General of India for the Company for the relevant Financial year was M/s. K. Pandeya & Co. Chartered Accountants, 102, Sahdev Enclave, near Ratu Road, Telephone Exchange and Government Quarter, Ranchi-834001, Jharkhand and they have submitted their report.

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Managing Director
Jharkhand Urja Utpadan Nigam Limited
RANCHI



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Explanation to the remarks of Statutory Auditors and CAG

Management reply on the comments of CAG of India on the annual account of Jharkhand Urja Utpadan Nigam Ltd., 2013-14 (from 06.01.2014 to 31.03.2014) are enclosed as **Annexure 'A'** form part of this report and comments of Comptroller and Auditor General of India under section 619(4) of Companies Act, 1956 on the account of Jharkhand Urja Utpadan Nigam Ltd. for the F.Y. 2013-14 are enclosed as **Annexure 'B'** form part of this report.

Compliance report / Action taken report on the observations suggestions made by Comptroller & Auditor General of India, Statutory Auditors annexed as Annexure 'D' forms part of this report.

Cost Auditors

The Company is not required to maintain cost record rule and does not required to get cost record audited during the F.Y. 13-14 as the turnover of the company is less than 35 crores.

Directors

• Composition

The Board presently comprises of 4 directors.

Sl. No.	Name of Director	Designation
1	Dr.Nitin Madan Kulkarni, IAS Secretary, Department of Energy, Gov. of Jharkhand	Nominee Director (Ex-officio) and Chairman
2	Shri Shukdev Singh, IAS Addl. Chief Secretary, Department of Finance, Government of Jharkhand,	Nominee Director (Ex-officio)
3	Shri Rahul Kumar Purwar, IAS	Managing Director

Changes in the Board of Directors during the period under reporting.

Sl. No.	Name of Director	Designation	Date of Appointment	Date of Resignation / Cessation
1)	Sri Vimal Kirti Singh	Chairman-Director	23/10/2013	15/01/2014
2)	Sri Vikram Singh Gaur	Managing Director	23/10/2013	21/01/2014
3)	Sri Shivendra Nath Verma	Director Chairman-Cum- Managing Director	23/10/2013 (Director) 09/06/2014 (Chairman-cum- Managing Director)	-----
4)	Sri Sudhanshu Kumar	Director	23/10/2013	-----



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5)	Sri Kamal Kishore Soan	Director	23/10/2013	-----
6)	Sri Alok Sharan	Director	23/10/2013	-----
7)	Sri Hardeo Narayan Singh	Director	23/10/2013	-----

• Board Meetings

Board met 2 times since incorporation till the year ended 31st March, 2014 on 20.11.2013 and 08.01.2014.

• Audit Committee

Since the Company came into existence on 06/01/2014 after unbundling of erstwhile Jharkhand State Electricity Board and time in hand during the period under reporting was very less, it could not constitute the Audit Committee during the period under reporting.

Statutory Compliances & Disclosures

a) Particulars of Employees

None of the employee of the Company was in receipt of remuneration in excess of the limits specified in Section 217(2A) of the Companies Act, 1956.

b) [A] Energy Conservation:

Following are the energy saving activities carried out during the period :-

- Staff awareness program were conducted at Power Station.
- Maximum use of day light.
- Avoiding idle running of equipments/ machines.
- Arresting leakages in compressed air, coding water system, electrical and hydraulic systems.
- Timely preventive maintenance schedule of auxiliaries.
- USE of CFL lights and HPSV lamps.
- Prompt repair of oil and water seals.
- Oil skimmers being used to recover lubricating/ hydraulic oil from drums.

[B] Technology Absorption:

- The company has not utilized any imported technology.
- Expenditure in R&D- NIL

[C] Foreign Exchange Earnings and outgo:

- There is no foreign exchange earnings and outgo during the financial year 2013-14.

Directors' responsibility statement:

As required under Section 217(2AA) of the Companies Act, 1956, the Directors, state that:

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1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. Accounting policies had been selected and consistently applied and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year and the profit or loss account for that period;
3. Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. The annual accounts had been prepared on a 'going concern' basis.

Acknowledgement

Your directors gratefully acknowledge the contributions made by the employees at all levels for the understanding and support extended by them. The Directors place on record their gratitude to the Ministry of Power, Government of India, Department of Energy, Government of Jharkhand, Jharkhand State Electricity Regulatory Commission, Tax Authorities etc., both at State and Central level for their active support. The management also extend its sincere thanks to the suppliers and erection agencies for the constructive support.

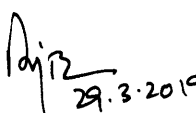
Your directors are also grateful to the various Banks and Financial Institutions for their continued trust and confidence reposed by them by rendering timely financial assistance for the successful implementation of the Projects by the Company.

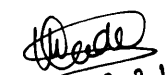
The Board further immensely thank Jharkhand Urja Vikas Nigam Limited., for its cooperation and in giving valuable support and guidance in every field to the Company.

For and on behalf of the Board of Directors

Date :

Place: Ranchi


29.3.2019
(Shri Niranjana Kumar)
Managing Director
(DIN: - 07756684)


29.3.19
(Smt. Vandana Dadel)
Director
(DIN: - 00400828)