



**SANGAM POWER**  
GENERATION COMPANY LTD.

**SANGAM POWER GENERATION COMPANY LIMITED**

**DIRECTORS' REPORT**

**To,**

**The Members**

The Directors of your Company are pleased to present the Eighth Annual Report together with the Audited Financial Statements of the Company for the Year ended 31<sup>st</sup> March, 2015.

**STATUS OF PROGRESS OF THE PROJECT**

The Company was acquired from Uttar Pradesh Power Corporation Limited (UPPCL) through competitive bidding process, for the implementation of 1320 MW (2 x 660 MW) (with permission to add one additional generation unit of 660 MW) Thermal Power Project in Tehsil Karchana of District Allahabad, Uttar Pradesh.

The Company executed Deed of Conveyance with Uttar Pradesh Power Corporation Limited (UPPCL) but the District Administration could not hand over physical possession of land to the Company due to agitation of local villagers. As such, no physical activity could be started on the ground. The Company has written to UPPCL and all procurers that the Power Purchase Agreement is rendered void and cannot be enforced. As such, the claims of the Company be settled amicably for closing the agreement(s). As already reported, necessary documents in support of the company's claim have been furnished to UPPCL which is under their review.

An aggregate amount of Rs. 548.60 crore has been spent on the Project upto 31<sup>st</sup> March, 2015.

**SHARE CAPITAL**

The paid up equity share capital as at 31<sup>st</sup> March, 2015 is Rs. 5,519,772,000. During the year under review, your Company has not issued any shares with differential rights, sweat equity shares and equity shares under employees stock option scheme. Your Company has not bought back its own shares during the year under review.

**DIVIDEND & TRANSFER TO RESERVES**

In the absence of any operations no dividend is recommended to be declared for the year under report. No amount can be transferred to the Reserves.



*SRS*

Regd. & Corp. Office : Sector-128, Noida - 201 304, Uttar Pradesh (India)  
Ph. : +91 (120) 4609000, 2470800 Fax : +91 (120) 4609464, 4609025

CIN: U40102UP2007PLC032843



## **DIRECTORATE**

During the year under report, the following changes took place in the Board of the Company:

The Board on the recommendation of Nomination and Remuneration Committee appointed Smt. Anjali Jain as an Additional Director of the Company w.e.f. 26<sup>th</sup> March, 2015 in compliance with Companies Act, 2013 and Rules made there under providing for appointment of Woman Director.

Shri Siddheshwar Sen, ceased to be Director consequent upon the resignation due to personal reasons w.e.f. 9<sup>th</sup> February, 2015. Shri Sunil Kumar Sharma and Shri Suren Jain ceased to be Directors of the Company consequent upon their resignations due to personal reasons w.e.f. 27<sup>th</sup> March, 2015.

The Board places on record their appreciation for the valuable contribution made by Shri Sunil Kumar Sharma, Shri Suren Jain and Shri Siddheshwar Sen, during their respective tenure as Directors of the Company.

Shri Naveen Kumar Singh and Shri G.P. Singh would retire as Directors by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

During the year under report, the meetings of Board of Directors were held on 15<sup>th</sup> May, 2014, 19<sup>th</sup> August, 2014, 30<sup>th</sup> September, 2014, 21<sup>st</sup> January, 2015, 9<sup>th</sup> February, 2015, 14<sup>th</sup> March, 2015.

## **CRITERIA FOR EVALUATION OF DIRECTORS' PERFORMANCE**

In keeping with the provisions of the Companies Act, 2013, Nomination and Remuneration Policy considers various aspects including engagement, strategic planning and consensus building while evaluating the performance of the Independent Directors and so far as evaluation of the performance of Non-Independent and Non-Executive Directors are concerned, engagement, strategic planning, team spirit and consensus building, effective leadership and domain knowledge were considered as parameters of performance. The Nomination and Remuneration Committee considered management qualities, team work abilities, result / achievement, domain knowledge, understanding and awareness, leadership qualities, motivation/ commitment/ diligence, integrity / ethic/ values as also receptivity performance as performance indicators for Executive Directors.

Nomination and Remuneration Committee while evaluating the potential candidates, considers a variety of personal attributes, including experience, intellect, foresight, judgment and transparency and match these with the requirements set out by the Board. Broadly, the following criteria have been set for selection of Independent Directors based on:



- (i) Independence from Management.
- (ii) Other significant relationship which may cause a conflict of interest.
- (iii) Capability of taking fair decisions without being influenced.
- (iv) Independent Directors are expected to balance the decision making process of the Board by constructively challenging the Company's strategy and exercise due diligence.
- (v) Independent Directors should contribute constructively in the Board's deliberations.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of Independence as provided under law.

The Nomination and Remuneration Policy for the members of the Board of Directors of the Company takes into consideration their role and responsibilities.

#### **EVALUATION OF BOARD OF DIRECTORS, COMMITTEES AND INDIVIDUAL DIRECTORS**

- Nomination and Remuneration Committee of the Board carried out the evaluation of the Board of Directors and their performance on the basis of the provisions contained in the Nomination and Remuneration Policy of the Company as well as the criteria formulated for evaluating the performance of Non-Independent & Non-Executive Directors.
- The Board evaluated the performance of Board as a whole, performance of the Committees and also the performance of Independent Non-Executive Directors after taking into account information received from the Directors, covering various aspects such as board structures and composition, diversity of skills and experience, effectiveness of board process, information on effectiveness of board processes, information on functioning, establishment and determination of responsibilities of Committees and quality of relationship between the Board and the management.
- The Board also evaluated the performance of the Committees and found their performance and their functioning within the mandate of the Board.

#### **NOMINATION & REMUNERATION COMMITTEE**

The Nomination & Remuneration Committee of the Company comprises of Shri G.P.Singh, Chairman, Shri Sameer Gaur and Shri Pankaj Gaur, members. The terms of reference of Nomination & Remuneration Committee



are in conformity with the provisions of Section 178 of the Companies Act, 2013 and the rules made thereunder.

The Committee is responsible for:

- (i) Identify persons who are qualified to become Directors and who may be appointed in accordance with the criteria laid down and recommend to Board their appointment/ removal;
- (ii) Evaluate every Director's performance;
- (iii) Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- (iv) Recommend to Board a policy relating to remuneration for the Directors, Key Managerial Personnel & other employees.

### **NOMINATION & REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee adopted a policy for selection and appointment of Directors, Senior Management and their remuneration. Brief features of the said Policy are:

- a) Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director;
- b) Nomination and Remuneration Committee shall identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions;
- c) While selecting Independent Directors the Nomination and Remuneration Committee shall identify persons of integrity who possess relevant expertise and experience required for the position;
- d) The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof, an amount as may be approved by the Board of Directors within the limits prescribed under the Companies Act, 2013 and the Rules made thereunder. The sitting fees for Independent Directors and Women Directors shall not be less than the sitting fee payable to other directors;

The Company shall reimburse actual expenses incurred by the Directors in the performance of their duties as per the rules and policies of the Company.

- e) An Independent Director shall not be entitled to any stock option of the Company;
- f) Other employees of the Company shall be paid remuneration as per the Company's HR policies. The break up of the pay scale and quantum of perquisites shall be as per the Company's HR policy; Remuneration of other Employees shall be reviewed / decided on an annual basis or earlier if deemed necessary, based on performance appraisal of individual employee.



- g) The age, term of appointment and retirement of Managing Director/ Whole-time Director shall be determined in accordance with the provisions of Companies Act, 2013 read with Rules made thereunder;
- h) Managing Director/Whole-time Director and Key Managerial Personnel shall be paid the remuneration within the overall limit prescribed under the Companies Act, 2013 and the Rules made thereunder as recommended by the Nomination and Remuneration Committee subject to the approval of the Board.

### **AUDIT COMMITTEE**

The Audit Committee of the Company comprises of Shri G.P.Singh, Chairman, Shri Sameer Gaur and Shri Pankaj Gaur, members.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The details of Related Party Transactions as required under Accounting Standard – 18 are set out in Note no. 18 to the Financial Statements. Information in prescribed Form AOC- 2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as “**Annexure- 1**” to this Report.

All Related Party Transactions that were entered into during the financial year were in the ordinary course of business and were on an arm’s length basis.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant material orders passed by the Regulators / Courts which may impact the going concern status of the Company and its future operations.

### **AUDITORS**

#### **STATUTORY AUDITORS**

M/s. Chaturvedi & Partners, Chartered Accountants (Firm Registration No. 307068E), were appointed as Statutory Auditors of the Company in the last Annual General Meeting (AGM) for a period of five consecutive years till the conclusion of Twelfth AGM of the Company to be held in the year 2019, subject to ratification of their appointment at every AGM. The Company has obtained a written consent and a certificate from the Statutory Auditors to the effect that their re-appointment, if made, would be in accordance with the conditions as may be prescribed and they fulfill the criteria laid down in Section 141 of the Companies Act, 2013.

Based on the recommendations of the Audit Committee, the Board has recommended the ratification of appointment of M/s. Chaturvedi & Partners, Chartered Accountants as Statutory Auditors of the Company to hold till the conclusion of the Twelfth AGM of the Company to be held in the year 2019, subject to ratification of their appointment in every AGM.

### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board on the recommendations of the Audit Committee, has appointed Ms. Deepti Srivastava, Practicing Company Secretary (CP No. 10861) to undertake the Secretarial Audit of the Company for the financial year ended 31<sup>st</sup> March, 2016.

Secretarial Audit Report for the financial year ended on 31<sup>st</sup> March, 2015, issued by Ms. Deepti Srivastava, Practicing Company Secretary, in Form No. MR-3 forms part of this report and marked as "**Annexure- 2**".

The Secretarial Audit Report contains the following observations:

1. The Company has constituted the CSR Committee, but composition is not as per the provisions of the Companies Act, 2013. Company is not required to spend amount on CSR Activities during the audit period.
2. Audit Committee is constituted, but composition is not as per the provisions of the Companies Act, 2013.
3. Nomination and Remuneration Committee is constituted, but composition is not as per the provisions of the Companies Act, 2013.
4. Independent Directors are not appointed in the Company. The changes in composition of the Board of Directors that took place during the period under review were not carried out in compliance with the provisions of the Companies Act, 2013. The Company has also not appointed Managing Director or Chief Executive Officer or Whole-time Director and Chief Financial Officer (CFO) as per the provisions of Section 203 of the Companies Act, 2013 during the period under review.

In Reply to the same, The Directors wish to state as under:

1. As mentioned in the progress status of the Project, your Company could not start any activities of Project on the ground and in view of dormant status of the Company Independent Directors are not willing to join the Board of Directors of the Company for the present. However, the Company has been making all efforts to induct Independent Directors on the Board of the Company. The Company does not have any source of income. Hence your Company can't pay the salaries of Managing Director/Chief Executive Officer/Whole-time Director/Chief Financial Officer.



2. In the absence of Independent Directors, the Board could not constitute the Board and any of Committees in line with the provisions of Companies Act, 2013. However, upon induction of Independent Directors the Company shall reconstitute the committees to bring the same in conformity with the provisions of Companies Act, 2013.

### **INTERNAL AUDITORS**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company on the recommendations of the Audit Committee had appointed Shri Samir Raheja as Internal Auditors of the Company for the financial year 2015-16. Shri Samir Raheja has been taking all steps for internal checks and balances for upkeep of assets and financial controls of the Company.

### **INTERNAL FINANCIAL CONTROL**

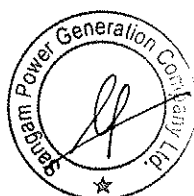
The Internal Financial Controls with reference to financial statements as designated and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditor of the Company for insufficiency or inadequacy of such controls.

### **AUDITORS' REPORT**

The observations of Auditors in the Auditors' Report and notes to the financial statements are self-explanatory.

The Directors wish to state that the "Qualified Opinion" of the Independent Auditors' Report pertains to the Thermal Power project at Karchana, Distt. Allahabad (U.P.) with 2 \* 660 MW capacity. The Company has executed conveyance deeds in respect of the land for the project as mentioned hereinabove but physical possession of the land could not be handed over by the District Administration due to continuous agitation by the local villagers. Despite various steps having been taken by the Company for implementation of the project, no physical activity could be started on the ground because of non-availability of the land for the reasons beyond the control of the Company.

The Company is in correspondence with U.P. Power Corporation Limited and State Government to close Power Purchase Agreement/other agreements and refund of amounts incurred by it and the matter is under examination of the authorities. However, the management of the Company does not expect any material adjustment in carrying value assets including Capital Work in Progress. The Auditors were unable to comment on whether any adjustment in carrying value assets and liabilities were to be made and its possible effects on the Company. However, the management of the Company expects that the claims filed by the Company would be amicably settled soon.



*SPS*

In reply to para relating to Emphasis of matter, it is stated here that since the Company is lying dormant without any source of income, it could not appoint any Key Managerial Personnel except Company Secretary to meet the requirement of Companies Act, 2013.

### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The Directors wish to report that your Company had neither granted any loans nor made any investments and guarantees.

### **MATERIAL CHANGES AND COMMITMENTS**

In terms of Section 134(3) (i) of the Companies Act, 2013, it is reported that, except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

### **RISK MANAGEMENT**

Pursuant to the provisions of the Companies Act, 2013, the Company has also framed a Risk Management Policy, which inter-alia:

- a) defines framework for identification, assessment, monitoring, mitigation and reporting of risks; and
- b) ensures that all the current and future material risk exposures are identified, assessed, quantified, appropriately mitigated, minimized and managed and critical risks which impact the achievement of Company's objectives or threatens its existence are periodically reviewed.

### **CORPORATE SOCIAL RESPONSIBILITY**

As per the provisions of section 135 of the Companies Act, 2013 and Rules made thereunder, the Company has formed a Corporate Social Responsibility Committee comprising of Shri G.P. Singh, as Chairman, Shri Rakesh Sharma and Shri Naveen Kumar Singh, as Members.

The purpose of the Committee is to assist the Board in setting Company's CSR policy and program(s).

The responsibilities of the CSR Committee are:

- (i) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013;





- (ii) recommend the amount of expenditure to be incurred on the activities referred to in clause (i); and
- (iii) monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Company has formulated CSR Policy on the lines of the provisions of the Companies Act, 2013 and the Rules made thereunder. As stated above, in view of dormant status of the Project, no amount is required to be deployed on CSR activities.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors, based on the representation received from the operating management and after due enquiry, confirm in respect of the Audited Annual Accounts for the year ended 31<sup>st</sup> March, 2015 that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed and that there were no material departures;
- b) the Directors had, in consultation with the Statutory Auditors, selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year ended 31<sup>st</sup> March, 2015;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis; and
- e) Directors had devised proper systems to ensure compliance with the provisions of all applicable laws that such systems were adequate and operating effectively.

### **DEPOSITS**

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the details relating to deposits as also requirement for furnishing of details of deposits which are not in compliance with Chapter V of the Act is not applicable.

## **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

There is no employee drawing remuneration in excess of the limits set out under the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **EXTRACT OF ANNUAL RETURN**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31<sup>st</sup> March, 2015 made under provisions of Section 92(3) of the Act in form MGT 9 is annexed herewith as “**Annexure- 3**”.

## **DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company does not have any woman employee. However, the Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**



As mentioned hereinabove, the Company has not started project on the ground, therefore requirement of conservation, technology absorption are not applicable.

There is no foreign exchange earnings and outgo during the period under review.

## **ACKNOWLEDGEMENT**

The Board of Directors places on record its sincere appreciation and gratitude to various Departments and Undertakings of the Central Government, Government of Uttar Pradesh, Uttar Pradesh Power Corporation Ltd., U.P. State Electricity Board, U.P. Electricity Regulatory Commission, Banks and Financial Institutions for their valuable support & continued co-operation to the Company.

On behalf of the Board

  
  
**(G.P. Singh) (Sameer Gaur)**  
**Director Director**  
**00703083 00009496**

Place: Noida  
Date : 11<sup>th</sup> May, 2015

**ANNEXURE-1 TO DIRECTORS' REPORT**
**FORM NO. AOC -2**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.



**1. Details of contracts or arrangements or transactions not at Arm's length basis.**

There were no contracts or arrangements or transactions entered by the Company during the financial year 2014-15, which were not at arms length basis.

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

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	N.A.
b)	Nature of contracts/arrangements/transaction	N.A.
c)	Duration of the contracts / arrangements / transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
e)	Date of approval by the Board	N.A.
f)	Amount paid as advances, if any	N.A.

On behalf of the Board


  
**(G.P. Singh) (Sameer Gaur)**  
**Director Director**  
**00703083 00009496**

Place: Noida  
 Date : 11<sup>th</sup> May, 2015

## ANNEXURE- 2 TO DIRECTORS' REPORT

### Form No. MR-3 SECRETARIAL AUDIT REPORT

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

TO  
THE MEMBERS  
**SANGAM POWER GENERATION COMPANY LIMITED**  
SECTOR-128, NOIDA-201304

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S SANGAM POWER GENERATION COMPANY LIMITED** (hereinafter called the **company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2015 ("audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2015, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under **(Not applicable to the Company during the Audit Period);**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under **(Not applicable to the Company during the Audit Period);**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External commercial Borrowings **(Not applicable to the Company during the Audit Period);**



*ZAS*

- (v) The Securities and Exchange Board of India Act, 1992 and Rules and Regulations prescribed under the said Act **(Not applicable to the Company during the Audit Period)**.

I have also examined compliance with the applicable clauses of the following:

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not applicable to the Company during the audit period)**;

- (b) The Listing Agreements entered into by the Company with Stock Exchanges **(Not applicable to the Company during the audit period)**.

**I further report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

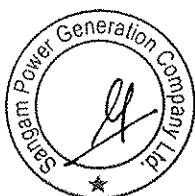
- (a) The Payment of Gratuity Act.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- 1. The Company has constituted the CSR Committee, but composition is not as per the provisions of the Companies Act, 2013. Company is not required to spend amount on CSR Activities during the audit period.**
- 2. Audit Committee is constituted, but composition is not as per the provisions of the Companies Act, 2013.**
- 3. Nomination and Remuneration Committee is constituted, but composition is not as per the provisions of the Companies Act, 2013.**

**I further report that** The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors as per the provisions of the Companies Act, 2013.

**Independent Directors are not appointed in the Company. The changes in the composition of the Board of Directors that took place during the period under review were not carried out in compliance with the provisions of the Companies Act, 2013. The Company has also not appointed Managing Director or Chief Executive Officer or Whole-time Director and Chief Financial Officer (CFO) as per the provisions of Section 203 of the Companies Act, 2013 during the period under review.**



*[Handwritten signature]*

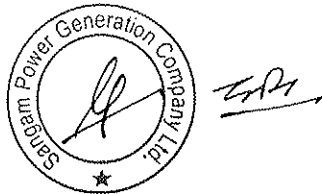
Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Date: 10<sup>th</sup> May, 2015  
Place: - New Delhi

Sd/-  
**Deepti Srivastava**  
**Company Secretary**  
Membership Number ACS 29703  
Certificate of Practice No. 10861



<b>FORM NO. MGT 9</b>
<b>EXTRACT OF ANNUAL RETURN</b>
<b>as on financial year ended on 31.03.2015</b>
<b>Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration ) Rules, 2014.</b>

**I REGISTRATION & OTHER DETAILS:**

i	CIN	U40102UP2007PLC032843
ii	Registration Date	13th February,2007
iii	Name of the Company	Sangam Power Generation Company Limited
iv	Category/Sub-category of the Company	Public Company
v	Address of the Registered office & contact details	Sector-128, Noida, Uttar Pradesh & 0120-24391000
vi	Whether listed company	NO
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Alankit Assignments Limited, Alankit House, 2E/21, Jhandewalan Extension, New Delhi-110055. Phone No.:+91-11-42541234,23541234

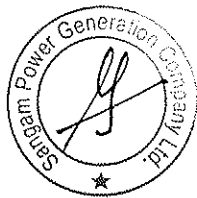
**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Generation of Power	N.A.	NIL

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	JAIPRAKASH POWER VENTURES LIMITED JUIT COMPLEX, WAKNAGHAT,P.O. DUMEHAR BANI,KANDAGHAT-173215, DISTT. SOLAN (H.P.)	L40101HP1994PLC015483	HOLDING	100.00%	2(87)



IV (i) SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	5,51,97,72,000	0	5,51,97,72,000	100	5,51,97,72,000	0	5,51,97,72,000	100	0
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL:(A) (1)</b>	<b>5,51,97,72,000</b>	<b>0</b>	<b>5,51,97,72,000</b>	<b>100</b>	<b>5,51,97,72,000</b>	<b>0</b>	<b>5,51,97,72,000</b>	<b>100</b>	<b>0</b>
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>5,51,97,72,000</b>	<b>0</b>	<b>5,51,97,72,000</b>	<b>100</b>	<b>5,51,97,72,000</b>	<b>0</b>	<b>5,51,97,72,000</b>	<b>100</b>	<b>0</b>
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Cenntal govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(2) Non Institutions									
a) Bodies corporates	0	0	0	0	0	0	0	0	0
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	0	0	0	0	0	0	0	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(2):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>5,51,97,72,000</b>	<b>0</b>	<b>5,51,97,72,000</b>	<b>100</b>	<b>5,51,97,72,000</b>	<b>0</b>	<b>5,51,97,72,000</b>	<b>100</b>	<b>0</b>



*Z.P.*



(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	JAIPRAKASH POWER VENTURES LIMITED	5,51,97,72,000*	100	0.00	5,51,97,72,000	100	0.00	0.00
	Total	5,51,97,72,000	100	0.00	5,51,97,72,000	100	0.00	0.00

\*out of this 600 Equity Shares are held by 6 individual Shareholders, beneficial interest of these Shares are held by Jaiprakash Power Ventures Ltd.

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl No.	Shareholders Name	Shareholding at the beginning of the year 01.04.2014			Date	Increase/ (Decrease) in shareholding	Reason	Cumulative holding during the year 01.04.2014 to 31.03.2015	
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares				No of shares	% of total shares of the company
1	JAIPRAKASH POWER VENTURES LIMITED	5,51,97,72,000*	100	0.00	-	-	-	5,51,97,72,000	100
	Total	5,51,97,72,000	100	0.00	-	-	-	5,51,97,72,000	100

\*out of this 600 Equity Shares are held by 6 individual Shareholders, beneficial interest of these Shares are held by Jaiprakash Power Ventures Ltd.

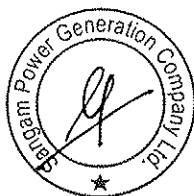
(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	0	0	0	0

(v) Shareholding of Directors & KMP

Sl. No.	Name	Shareholding at the beginning of the year 01.04.2015		Date	Increase/ Decrease in Shareholding	Reason	Shareholding at the end of the year	
		No of shares	% of total shares of the company				No of shares	% of total shares of the company
1	Shri Sameer Gaur, Director	100*	0.00	-	0.00	Nil Movement during the year	0	0.00
2	Shri Pankaj Gaur, Director	0	0.00	-	0.00	Nil Movement during the year	0	0.00
3	Shri Anjali Jain, Director	0	0.00	-	0.00	Nil Movement during the year	0	0.00
4	Shri Rakesh Sharma, Director	0	0.00	-	0.00	Nil Movement during the year	0	0.00
5	Shri Naveen Kumar Singh, Director	0	0.00	-	0.00	Nil Movement during the year	0	0.00
6	Shri Gajendra Pal Singh, Director	0	0.00	-	0.00	Nil Movement during the year	0	0.00
7	Shri Sameer Raheja, Company Secretary	0	0.00	-	0.00	Nil Movement during the year	0	0.00

\* Beneficial interest of these Shares are held by Jaiprakash Power Ventures Ltd.



*Signature*

**V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	-	-

**B. Remuneration to other directors**

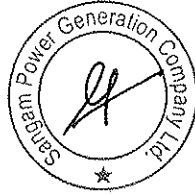
SN.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors		
	Fee for attending board committee meetings	-	-
	Commission	-	-
	Others, please specify	-	-
	Total (1)	-	-
2	Other Non-Executive Directors		
	Fee for attending board committee meetings	-	-
	Commission	-	-
	Others, please specify	-	-
	Total (2)	-	-
	Total (B)=(1+2)	-	-
	Total Managerial Remuneration	-	-
	Overall Ceiling as per the Act	-	-

*Signature*



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

SN	Particulars of Remuneration	Key Managerial Personnel	
		Sh. Samir Raheja	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,86,512	7,86,512
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	others, specify...	-	-
5	Sitting fee	-	-
	Total	7,86,512	7,86,512



*SR*

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

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



*ZA*

# CHATURVEDI & PARTNERS

## Chartered Accountants

212A, Chiranjiv Tower, 43 Nehru Place, New Delhi-110019  
Phone : 011-46654665 Fax : 011-46654655  
Email : delhi@chaturvedica.com

### INDEPENDENT AUDITORS' REPORT

The Members of  
**SANGAM POWER GENERATION COMPANY LIMITED**

#### Report on the Financial Statements

We have audited the accompanying financial statements of **SANGAM POWER GENERATION COMPANY LIMITED ("the Company")**, which comprise the Balance sheet as at March 31, 2015, the Statement of profit and loss, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

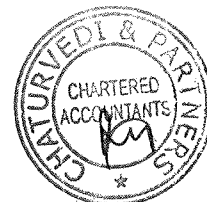
Our responsibility is to express an opinion on these financial statements based on our audit.

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

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



### **Basis for Qualified Opinion**

We refer to note 15 to the financial statements wherein expenditure incurred during the construction and incidental to setting up of the project have been carried forward as 'Capital Work-in-Progress'. In view of abnormal delay in handing over the possession of land, the company has requested Uttar Pradesh Power Corporation Ltd. (UPPCL) to take over the project and refund of investment made by it. The matter is under consideration of UPPCL. The management does not expect any material adjustment in the carrying value of assets including Capital Work in Progress. We are, therefore, unable to comment whether any adjustment is required in the carrying value of assets and liabilities.

### **Qualified Opinion**

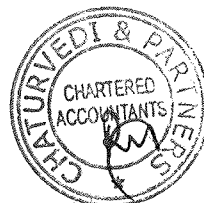
In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph mentioned above, the aforesaid financial statements give the information required by the Act in the manner 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, 2015 and its profit and its cash flows for the year ended on that date.

### **Emphasis of Matter:**

The company is yet to appoint management person as per the requirement of the Companies Act, 2013. Our Opinion is not qualified in respect of this matter.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches not visited by us.
  - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us.
  - d. *except for the effect of the matters described in the Basis for Qualified Opinion paragraph*, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. on the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;



- f. in our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014:
- i. The company has disclosed the claim towards expenditure incurred by it for the project the transfer of which is under consideration of Government of Uttar Pradesh (Refer Note 15). However, the possible impact whereof is not presently ascertainable on financial position of the company.
  - ii. Except for the possible effect of matter described in the basis of qualified opinion paragraph and Note 15 to the financial statements, the effect whereof is not presently ascertainable, the company has made provision under the applicable law or accounting standards, for material foreseeable losses on long-term contracts. The company did not have any other long term contract including derivative contract.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For CHATURVEDI & PARTNERS**

Chartered Accountants  
Firm Registration No. 307068E



**R N CHATURVEDI**

Partner  
Membership No. 092087

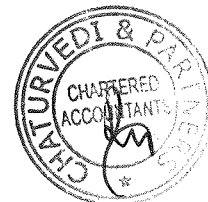


New Delhi  
May 11, 2015

## ANNEXURE REFERRED IN INDEPENDENT AUDITORS REPORT OF EVEN DATE

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, we report that:

- i.
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. These Fixed assets have been physically verified by the management at reasonable interval during the year pursuant to a Programme for physical verification. No material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- ii. The Company did not hold any inventory during the year. Accordingly clauses (ii) (a) to (ii) (c) of Para 3 of the Order are not applicable.
- iii. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly the clause iii (a) and (b) of paragraph 3 of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have neither observed nor have been informed of any continuing failure to correct major weaknesses in internal control system of the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposit as per the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under No order against the Company 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.
- vi. As the Company is in the construction stage, requirement of cost records to be maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Sub Section (1) of Section 148 of the Companies Act, 2013 is not applicable for the year.
- vii.
  - a. The Company is regular in depositing undisputed statutory dues including income tax, sales tax, service tax, cess and other statutory dues, as applicable with the appropriate authorities.
  - b. According to the information and explanation given to us, there were no due of the income tax and sales tax which have not been deposited on account of any dispute.
  - c. According to the information and explanations given to us, no amounts were required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies act,1956 (1 of 1956) and rules made thereunder. Accordingly the clause vii (c) of paragraph 3 of the Order are not applicable to the Company.
- viii. In our opinion, the accumulated losses of the company are not more than fifty per-cent of its net-worth without considering the impact of matter described in the basis for qualified opinion. Further, the company has not incurred cash losses in the financial year covered by our audit and in the immediately preceding financial year.
- ix. In our opinion and according to the records of the company examined by us and the information and explanations given to us, the Company has not raised money from any financial institution or bank as at the Balance Sheet date. The Company has not issued any debentures.





- x. According to the information and explanations given to us, the Company has given the guarantee of ₹ 75,000 lacs on its assets (as a second charge) for loan taken by Jaiprakash Power Venture Limited (Holding Company) from banks or financial institutions which had been discharged during the year. The Company, being a wholly owned subsidiary, terms and conditions are not prejudicial to the interest of the Company.
- xi. In our opinion, and according to the information and explanations given to us, no term loans have been raised by the company during the year. Accordingly, clause (xi) of Para 3 of the Order is not applicable
- xii. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For CHATURVEDI & PARTNERS**

Chartered Accountants  
Firm Registration No. 307068



**R N CHATURVEDI**  
Partner  
Membership No. 092087



New Delhi  
May 11, 2015

**SANGAM POWER GENERATION COMPANY LIMITED**

CIN - U40102UP2007PLC032843

**BALANCE SHEET AS AT 31.03.2015**

**AND**

**PROFIT & LOSS ACCOUNT**

**For the period**

**01.04.2014 to 31.03.2015**

**Registered Office : Sector - 128, Noida - 201304, Uttar Pradesh (India)**

**SANGAM POWER GENERATION COMPANY LIMITED**

**BALANCE SHEET AS AT MARCH 31, 2015**  
**CIN - U40102UP2007PLC032843**

(Amount in Rupees)

Particulars	Note No.	As at 31-03-2015		As at 31-03-2014	
<b>I. EQUITY AND LIABILITIES</b>					
(1) Shareholder's Funds					
(a) Share Capital	2	5,51,97,72,000		5,51,97,72,000	
(b) Reserves and Surplus	3	(6,51,770)		(6,51,770)	
(c) Money received against share warrants		-	5,51,91,20,230	-	5,51,91,20,230
(2) Share application money pending allotment				-	
(3) Non-Current Liabilities					
(a) Long-term borrowings				-	
(b) Deferred tax liabilities (Net)				-	
(c) Other Long term liabilities				-	
(d) Long term provisions	4	98,656	98,656	3,27,449	3,27,449
(4) Current Liabilities					
(a) Short-term borrowings				-	
(b) Trade payables				-	
(c) Other current liabilities	5	1,98,464		39,85,667	
(d) Short-term provisions	6	-	1,98,464	44,505	40,30,172
<b>Total</b>			<b>5,51,94,17,350</b>		<b>5,52,34,77,851</b>
<b>II. ASSETS</b>					
(1) Non-current assets					
(a) Fixed assets					
(i) Tangible assets	7	71,22,78,227		71,28,08,859	
(ii) Intangible assets				-	
(iii) Capital work-in-progress	8	1,08,03,61,991		1,07,09,14,771	
(iv) Intangible assets under development				-	
(b) Non-current investments				-	
(c) Deferred tax assets (net)				-	
(d) Long term loans and advances	9	3,63,62,09,432		3,63,50,33,292	
(e) Other non-current assets			5,42,88,49,650	-	5,41,87,56,922
(2) Current assets					
(a) Current investments				-	
(b) Inventories				-	
(c) Trade receivables				-	
(d) Cash and Bank Balances	10	8,67,10,771		10,45,01,539	
(e) Short-term loans and advances	11	36,94,710		9,062	
(f) Other current assets	12	1,62,219	9,05,67,700	2,10,328	10,47,20,929
<b>Total</b>			<b>5,51,94,17,350</b>		<b>5,52,34,77,851</b>

Significant Accounting Policies 1

The Accompanying Notes (1-21) are an integral part of the Financial Statements

As per our report of even date attached

For Chaturvedi & Partners

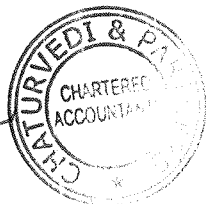
Chartered Accountants

F.R.N. 307068E

R. N. Chaturvedi

Partner

Membership No. 092087



For and on behalf of the Board

*Sameer Gaur*

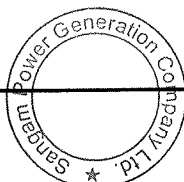
Sameer Gaur  
Director  
DIN 00009496

*G. P. Singh*

G. P. Singh  
Director  
DIN 00703083

Place: Noida

Date : May 11th, 2015



*Samir Raheja*  
Samir Raheja  
Company Secretary

**SANGAM POWER GENERATION COMPANY LIMITED**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

**CIN - U40102UP2007PLC032843**

(Amount in Rupees)

Particulars	Note No	For the Year ended on 31-03-2015	For the Year ended on 31-03-2014
I. Revenue from operations			-
II. Other Income			-
<b>III. Total Revenue (I +II)</b>		-	-
IV. Expenses:			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefit expense		-	-
Financial costs		-	-
Depreciation and amortization expense		-	-
Other expenses		-	-
<b>Total Expenses</b>		-	-
V. Profit before exceptional and extraordinary items and tax (III - IV)		-	-
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		-	-
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		-	-
X. Tax expense			
(1) Current tax		-	-
(2) Deferred tax		-	-
XI. Profit(Loss) from the period from continuing operations (VII-VIII)		-	-
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		-	-
XVI. Earning per equity share:			
(1) Basic		-	-
(2) Diluted		-	-

Significant Accounting Policies

1

The Accompanying Notes (1-22) are an integral part of the Financial Statement

**As per our report of even date attached**

**For Chaturvedi & Partners**

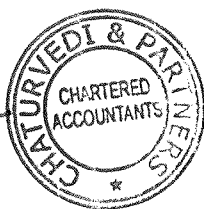
Chartered Accountants

F.R.N. 307068E

R. N. Chaturvedi

Partner

Membership No. 092087



**For and on behalf of the Board**

*Sameer Gaur*

Sameer Gaur

Director

DIN 00009496

*G. P. Singh*

G. P. Singh

Director

DIN 00703083

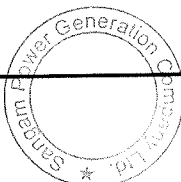
*Samir Raheja*

Samir Raheja

Company Secretary

Place: Noida

Date : May 11th, 2015



**SANGAM POWER GENERATION COMPANY LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**

**CIN - U40102UP2007PLC032843**

(Amount in Rupees)

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
<b>A.CASH FLOW FROM OPERATING ACTIVITIES</b>	-	-
<b>B.CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-	-
Investment in Bank Deposits (having original maturity of more than three months)	-	-
Payment towards Pre-Operative/ Incidental Expenses under construction and capital advances	(1,72,60,136)	(1,65,17,018)
Preliminary Expenses paid	-	-
Interest received on deposits	58,48,390	98,95,480
Purchase of Property held for Development	-	-
<b>NET CASH GENERATED (USED IN) INVESTING ACTIVITIES</b>	<b>(1,77,90,768)</b>	<b>(1,67,15,683)</b>
<b>C.CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Equity Share Capital	-	-
Proceeds from Loan	-	-
Interest and Finance Charges Paid	-	-
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR</b>	<b>(1,77,90,768)</b>	<b>(1,67,15,683)</b>
Cash and cash equivalents at the beginning of the year	10,45,01,539	12,12,17,222
Cash and cash equivalents at the end of the year	<b>8,67,10,771</b>	10,45,01,539

Notes :

1.The Cash Flow Statement has been as per the indirect method as set out in the Accounting Standard (AS-3) on cash Flow Statement issued under the Companies Accounting Standards Rules, 2006.

2. (a) The Cash and Cash equivalents comprise of the following :

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
Balances with Banks		
- in Current Accounts	3,36,65,756	66,005
- in Fixed deposit accounts with original maturity of less than three months	-	36,83,824
- in Free Fixed Deposit Accounts with maturity of more than three months but less than twelve months	-	5,18,35,406
Cash in hand	2,03,690	44,638
<b>Sub Total</b>	<b>3,38,69,446</b>	<b>5,56,29,873</b>
Others		
Balances with Banks		
- in Free Fixed Deposit Account with maturity of more than three months but less than twelve months	-	-
Held as margin money deosit against gurantees	5,28,41,325	4,88,71,666
<b>Sub Total</b>	<b>5,28,41,325</b>	<b>4,88,71,666</b>
<b>Total</b>	<b>8,67,10,771</b>	<b>10,45,01,539</b>

(b) Cash and Cash Equivalents in fixed deposit includes security deposit with the Government Corporations.

(c) Cash and cash equivalents as of March 31, 2015 and March 31, 2014 include restricted cash and bank balances of Rs 5,28,41,325 and Rs. 4,88,71,666 respectively. The restrictions are primarily on account of deposits held as margin money against guarantee.

**For Chaturvedi & Partners**

**Chartered Accountants**

**F.R.N. 307068E**

**R. N. Chaturvedi**

**Partner**

**Membership No. 092087**



**For and on behalf of the board**

*Sameer Gaur*

**Sameer Gaur**

**Director**

**DIN 00009496**

*G. P. Singh*

**G. P. Singh**

**Director**

**DIN 00703083**

**Place: Noida**

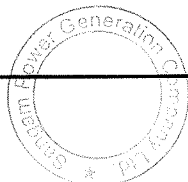
**Date : May 11th, 2015**

*Samir Raheja*

**Samir Raheja**

**Company Secretary**

*ANM*



# Sangam Power Generation Company Limited

CIN - U40102UP2007PLC032843

## NOTE : 1

### **SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

#### **I. Significant Accounting Policies:**

##### **a) Basis of Preparation of Financial Statements**

- (i) These Financial Statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis, except for certain financial tangible assets which are measured at fair value. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
- (ii) Accounting policies not specifically referred to otherwise are being consistently followed and are in accordance with generally accepted accounting principles.

##### **b) Revenue Recognition**

Revenue/Income and Costs/Expenditure are accounted for on accrual basis as they are earned or incurred.

##### **c) Fixed Assets**

Fixed Assets are stated at Cost of procurement or construction inclusive of freight, erection & commissioning charges, duties and taxes, expenditure during construction period, Interest on borrowings and financing cost upto the date of commissioning.

##### **d) Depreciation**

- (i) Depreciation is provided on straight line method at the rates specified in Schedule -II to the Companies Act, 2013.
- (ii) Premium on Leasehold Land is amortized over the period of Lease.

##### **e) Expenditure during Construction Period**

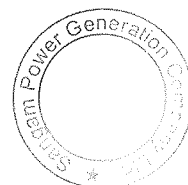
Expenditure incurred on projects/assets during construction/implementation is capitalized and apportioned to projects/assets on commissioning.

##### **f) Investments**

Investments are stated at Cost and where there is permanent diminution in the value of Investments a provision is made wherever applicable.

##### **g) Inventory**

Inventory of Stores and Spares are valued at weighted average cost method.



# Sangam Power Generation Company Limited

CIN - U40102UP2007PLC032843

## h) Employees Benefits

Employees Benefits are provided in the books as per AS-15 (revised) in the following manner:

- a) Gratuity and Leave Encashment is defined benefit obligation. The liability is provided for on the basis on Projected Unit Credit Method adopted in the actuarial valuation made at the end of each financial year.

## i) Borrowing Costs

Borrowing costs attributable to the procurement/construction of fixed assets are capitalised as part of the cost of the respective assets upto the date of commissioning. Other borrowing costs are recognized as expense during the year in which they are incurred.

## j) Taxes on Income

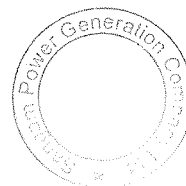
Provision for current tax is being made after taking into consideration benefits admissible to the Company under the provisions of the Income Tax Act, 1961.

## k) Amortization of Miscellaneous expenditure

Preliminary Expenditure is written off as per the provisions of AS-26 in the first year of the operation.

## l) Provisions, Contingent Liabilities and Contingent Assets (AS-29)

Provisions involving substantial degrees of estimation in measurement are recognized when there is a present obligation as a result of past events and if is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes (as per AS-29). Contingent Assets are neither recognized nor disclosed in the financial statements.



**SANGAM POWER GENERATION COMPANY LIMITED**

NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2015

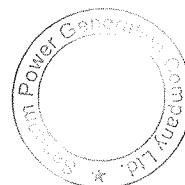
CIN - U40102UP2007PLC032843

(Amount in Rupees)

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE - 2: SHARE CAPITAL</b>		
Authorised 4,00,00,00,000 Equity Shares of Rs. 10 each (Previous year 4,00,00,00,000 Equity Shares of Rs. 10 each)	40,00,00,00,000	40,00,00,00,000
Issued, Subscribed and Fully Paid up 55,19,77,200 Equity Shares of Rs. 10 each (Previous year 55,19,77,200 Equity Shares of Rs. 10 each)	5,51,97,72,000	5,51,97,72,000
<b>Total</b>	<b>5,51,97,72,000</b>	<b>5,51,97,72,000</b>
<b>2.1 Reconciliation of Number of Equity Shares outstanding</b>		
	Number of Shares	Number of Shares
Number of Shares outstanding at the beginning of the Period	55,19,77,200	55,19,77,200
Add: Issued during the Period	-	-
Number of Shares outstanding at the end of the Period	<b>55,19,77,200</b>	<b>55,19,77,200</b>
2.2 The Company being wholly owned subsidiary, subscribed share capital 55,19,77,200 (55,19,77,200) equity shares, being more than 5 percent are held by Jaiprakash Power Ventures Limited the Holding Company.		
2.3 The Company has only one class of Equity Shares having par value of Rs. 10 per share. Each holder of Equity Shares is entitled to one vote per share and entitled for dividend, if declared.		

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE - 3: RESERVES &amp; SURPLUS</b>		
Surplus		
Balance as at the beginning of the year	(6,51,770)	(6,51,770)
Amount Transferred surplus/ (Deficit) from the Statement of Profit and Loss during the year	-	-
<b>Balance as at the end of the year</b>	<b>(6,51,770)</b>	<b>(6,51,770)</b>

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE - 4: LONG TERM PROVISIONS</b>		
Provision for Leave Salary	58,291	1,55,452
Provision for Gratuity	40,365	1,71,997
<b>Total</b>	<b>98,656</b>	<b>3,27,449</b>





**SANGAM POWER GENERATION COMPANY LIMITED**

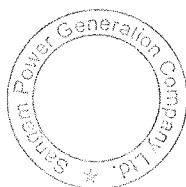
NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2015

CIN - U40102UP2007PLC032843

(Amount in Rupees)

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE - 5: OTHER CURRENT LIABILITIES</b>		
Accrued salaries, wages and benefits	57,676	2,67,263
Provision / payables for expenses	1,02,360	32,62,136
Book overdraft *	-	3,62,552
Tax deducted at source	38,428	93,716
<b>Total</b>	<b>1,98,464</b>	<b>39,85,667</b>

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE - 6: SHORT TERM PROVISIONS</b>		
Provision for Leave Salary	-	44,505
Provision for Gratuity	-	-
<b>Total</b>	<b>-</b>	<b>44,505</b>

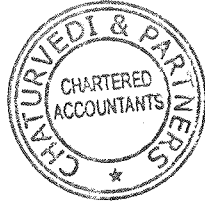
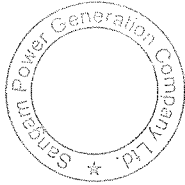


**SANGAM POWER GENERATION COMPANY LIMITED**

NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2015

**CIN - U40102UP2007PLC032843**

<b>NOTE -7: TANGIBLE ASSETS</b>							
(Amount in Rupees)							
Description of Assets	Land		Furniture and Fixtures	Vehicle	Office Equipment	Computer	Total
	Free Hold	Lease Hold					
As at April 01, 2014	67,49,17,240	3,65,61,259	2,72,576	13,04,541	3,71,606	3,03,477	71,37,30,699
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
<b>As at March 31, 2015</b>	<b>67,49,17,240</b>	<b>3,65,61,259</b>	<b>2,72,576</b>	<b>13,04,541</b>	<b>3,71,606</b>	<b>3,03,477</b>	<b>71,37,30,699</b>
Description on Assets	Land		Furniture and Fixtures	Vehicle	Office Equipment	Computer	Total
	Free Hold	Lease Hold					
<b>Depreciation</b>							
As at April 01, 2014	-	-	1,34,276	4,89,613	1,26,422	1,71,529	9,21,840
Charges for the year	-	-	21,142	1,87,425	2,05,287	1,16,778	5,30,632
Disposals	-	-	-	-	-	-	-
<b>As at March 31, 2015</b>	<b>-</b>	<b>-</b>	<b>1,55,418</b>	<b>6,77,038</b>	<b>3,31,709</b>	<b>2,88,307</b>	<b>14,52,472</b>
<b>Net Block</b>							
As at March 31, 2014	67,49,17,240	3,65,61,259	1,38,300	8,14,928	2,45,184	1,31,948	71,28,08,859
As at March 31, 2015	67,49,17,240	3,65,61,259	1,17,158	6,27,503	39,897	15,170	71,22,78,227



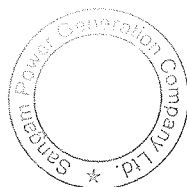
**SANGAM POWER GENERATION COMPANY LIMITED**

**NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2015**

**CIN- U40102UP2007PLC032843**

**(Amount in Rupees)**

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE - 8 : CAPITAL WORK IN PROGRESS</b>		
Opening Balance	1,07,09,14,771	1,06,42,13,807
Advertisement & Publicity	1,575	210
Audit Fees	1,12,360	1,12,360
Communication Expenses	25,274	36,200
Depreciation	5,30,632	1,98,665
Interest & Financial Charges	1,13,45,739	1,11,28,004
Insurance Charges	318	10,005
Legal & Professional Charges	3,18,856	1,48,344
Miscellaneous Expenses	-	1,246
Printing & Stationery	3,810	3,017
Salary & Wages	21,50,949	39,93,972
Travelling & Conveyance Expenses	1,36,006	1,73,006
Vehicle Running & Maintenance Expenses	6,70,091	7,91,414
<b>Sub Total</b>	<b>1,08,62,10,381</b>	<b>1,08,08,10,251</b>
Less: Interest Received (Gross)	58,48,390	98,95,480
<b>Total</b>	<b>1,08,03,61,991</b>	<b>1,07,09,14,771</b>



**SANGAM POWER GENERATION COMPANY LIMITED**

NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2015

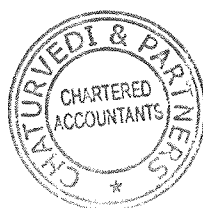
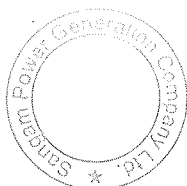
CIN - U40102UP2007PLC032843

(Amount in Rupees)

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE - 9: LONG TERM LOANS AND ADVANCES</b>		
Advance for Capital Work in Progress	3,32,13,20,665	3,32,07,27,665
Security Deposits		
- With Govt. Corporations	30,02,50,000	30,02,51,700
Tax deducted at source & advance tax	1,46,38,767	1,40,53,927
<b>Total</b>	<b>3,63,62,09,432</b>	<b>3,63,50,33,292</b>

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE - 10: CASH AND BANK BALANCES</b>		
Cash & Cash Equivalents		
Balances with Banks		
- in Current Accounts	3,36,65,756	66,005
- in Fixed deposit accounts with original maturity of less than three months	-	36,83,824
- in Free Fixed Deposit Account with maturity of less than three months	-	5,18,35,406
Cash in hand	2,03,690	44,638
<b>Sub Total</b>	<b>3,38,69,446</b>	<b>5,56,29,873</b>
Other Bank Balances		
- in Free Fixed Deposit Account with maturity of more than three months but less than twelve months	-	-
Held as margin money deposits against guarantees	5,28,41,325	4,88,71,666
<b>Sub Total</b>	<b>5,28,41,325</b>	<b>4,88,71,666</b>
<b>Total</b>	<b>8,67,10,771</b>	<b>10,45,01,539</b>

Note: Cash and cash equivalents as of March 31, 2015 and March 31, 2014 include restricted cash and bank balances of Rs. 5,28,41,325 and Rs. 4,88,71,666 respectively. The restrictions are primarily on account of deposits held as margin money against guarantee.



**SANGAM POWER GENERATION COMPANY LIMITED**

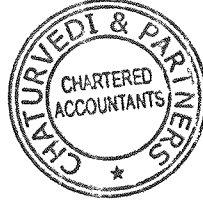
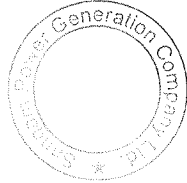
NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2015

CIN - U40102UP2007PLC032843

(Amount in Rupees)

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE - 11: SHORT TERM LOANS AND ADVANCES</b>		
Other Advances	36,94,589	9,062
Prepaid insurance expenses	121	-
Prepaid Bank Guarantee Commission	-	-
<b>Total</b>	<b>36,94,710</b>	<b>9,062</b>

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE - 12: OTHER CURRENT ASSETS</b>		
Interest accrued on deposits with banks	1,62,219	2,10,328
<b>Total</b>	<b>1,62,219</b>	<b>2,10,328</b>



# Sangam Power Generation Company Limited

CIN - U40102UP2007PLC032843

## Notes to the Accounts

13. The Company is setting up a 1980 MW, domestic coal based thermal power project at Tehsil Karchhana, District Allahabad, Uttar Pradesh and Company is 100% subsidiary of Jaiprakash Power Ventures Limited.

### 14. Contingent Liabilities & Capital Commitments:

Particulars	Amount
(i) Outstanding amount of Bank Guarantees (Previous Period ₹ 3,37,45,000) Margin Money against above (Previous Period ₹ 4,88,71,666)	INR 3,37,45,000  INR 5,28,41,325
(ii) In respect of second charge on the assets of the Company in favour of the IDBI Trusteeship Services Limited for financial assistance provided by bank(s) to Jaiprakash Power Ventures Limited (Previous Period ₹ 7,50,00,00,000)	NIL
(iii) Estimated amounts of Contracts remaining to be executed on Capital Account (Net of advances) and not Provided for Previous Period (₹ 67,18,88,62,807)	INR 64,98,41,67,447

15. The Company was incorporated by U.P. Power Corporation Ltd. (UPPCL) as a Special Purpose Vehicle (SPV) for implementing 1320 MW (2 X 660MW) Thermal Power Project namely Karchhana TPP at Tehsil-Karchhana, Dist. Allahabad, Uttar Pradesh. UPPCL invited bids for implementation of Karchhana Project under Case-II bidding guidelines. The Project was awarded to JAL. In the year 2009, JPVL, subsidiary of JAL, executed the Share Purchase Agreement with UPPCL and assumed the responsibility of implementing the Project as per guidelines on Build, Own, Operate and Maintain (BOOM) basis and acquired 100% Shareholding of the Company from UPPCL against consideration under Case-II bidding guidelines. As part of agreement 583 Ha. land was to be handed over to SPGCL (the Company) for development of the Karchhana TPP. UPPCL is yet to hand over physical possession of land to SPGCL.

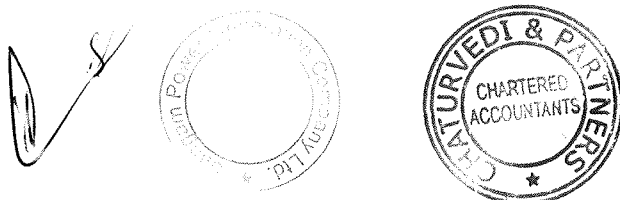
The farmers of Tehsil Karchhna had filed Writ Petition before the Hon'ble High Court of Allahabad challenging the acquisition of their Land. The Hon'ble High Court vide order dated 13th April 2012 allowed the Writ Petition of the farmers with the following verdict:-

*"Writ Petition No. 3689 of 2010 (Anand Prakash and another vs. State of U. P. and others) and five other writ petitions relating to Tehsil Karchhana, Dist. Allahabad are allowed. The notification dated 23<sup>rd</sup> November, 2007 issued under Section 4 read with Section 17 (1) and 17 (4) of the Act as well as the declaration under Section 6 of the Act dated 3<sup>rd</sup> March, 2008 are quashed subject to deposit of compensation, if any, received by the petitioners before The Chairman, U. P. Electricity Regulatory Commission.*

*It shall be open for the State Government to proceed afresh for acquisition of land relating to relevant villages of Tehsil Karchhana, district Allahabad in accordance with law."*

Due to abnormal delay in handing over the possession of land and steps to be taken by Govt. of U. P. as per the Orders of Hon'ble High Court, SPGCL has requested UPPCL for takeover of the Project and refund of investment made. The matter is under consideration of UPPCL.

16. In the opinion of the Board of Directors, the "Current Assets, Loans and Advances", have a value on realisation, in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet.
17. Disclosure as required under Notification No.G.S.R. 719 (E) dated 16<sup>th</sup> November, 2007 issued by the Ministry of Corporate Affairs (As certified by the Management):



## Sangam Power Generation Company Limited

CIN - U40102UP2007PLC032843

S.No	Particulars	For the year ended March 31, 2015 Amount (₹)	For the year ended March 31, 2014 Amount (₹)
a)	The principal amount and interest due thereon remaining unpaid to any supplier		
	-Principal Amount	Nil	Nil
	-Interest Amount	Nil	Nil
b)	The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of payment made to the suppliers beyond the appointed day.	Nil	Nil
c)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed during year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
d)	The amount of interest accrued and remaining unpaid	Nil	Nil
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

18. Related Party Disclosures, as required in terms of 'Accounting Standard AS-18' are given below:

List of Related Parties and Relationship

**I. Holding Company**

Jaiprakash Power Ventures Limited

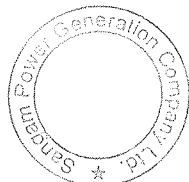
**II. Ultimate Holding Company**

Jaiprakash Associates Limited

**III. Fellow Subsidiaries Companies**

1. Jaypee Powergrid Limited (JV Subsidiary of JPVL)
2. Jaypee Arunanchal Power Limited (JV Subsidiary of JPVL)
3. Prayagraj Power Generation Company Limited (Subsidiary of JPVL)
4. Jaypee Meghalya Power Limited (Subsidiary of JPVL)
5. Himachal Baspa Power Company Ltd. (Subsidiary of JPVL)
6. Himachal Karcham Power Company Ltd. (Subsidiary of JPVL)
7. Jaypee Infratech Limited (JIL) (Subsidiary of JAL)
8. Bhilai Jaypee Cement Limited (Subsidiary of JAL)
9. Himalayan Expressway Limited (Subsidiary of JAL)
10. Gujarat Jaypee Cement & Infrastructures Limited (Subsidiary of JAL)
11. Jaypee Sports International Limited (JPSI) (Subsidiary of JAL)
12. Jaypee Ganga Infrastructure Corporation Limited (Subsidiary of JAL)
13. Jaypee Agra Vikas Limited (Subsidiary of JAL)
14. Jaypee Fertilizers & Industries Limited (Subsidiary of JAL)
15. Jaypee Cement Corporation Limited (Subsidiary of JAL)
16. Himalyaputra Aviation Limited (Subsidiary of JAL)
17. Jaypee Assam Cement Limited (Subsidiary of JAL)
18. Jaypee Cement Cricket (India) Ltd. (Subsidiary of JPSI)
19. Jaypee Cement Hokey (India) Ltd. (Subsidiary of JPSI)
20. Jaypee Healthcare Ltd. (Subsidiary of JIL)
21. Jaiprakash Agri Initiatives Company Limited (subsidiary of Jaypee Cement Corp. Ltd.)

(Note: Bokaro Jaypee Cement Limited ceased to be a subsidiary of the Company w.e.f. 29.11.2014, consequent to sale of JAL's entire 74% stake in it)



## Sangam Power Generation Company Limited

CIN - U40102UP2007PLC032843

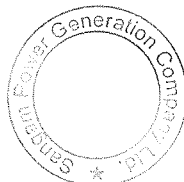
### IV. Associates Companies

1. MP Jaypee Coal Limited (JV Associate Co.)
2. MP Jaypee Coal Fields Limited (JV Associate Co.)
3. Madhya Pradesh Jaypee Minerals Limited (JV Associate Co.)
4. Jaypee Uttar Bharat Vikas Private Limited (JV Associate Co. w.e.f 01.04.2014)
5. Kanpur Fertilizers & Cement Limited (JV Associate Co.w.e.f 01.04.2014)
6. Jaypee Infra Ventures (A Private Company with Unlimited Liability)
7. Jaypee Development Corporation Limited (subsidiary of Jaypee Infra Ventures)
8. Andhra Cements Limited (subsidiary of Jaypee Development Corp. Ltd.)
9. JIL Information Technology Limited (subsidiary of Jaypee Infra Ventures)
10. Gaur & Nagi Limited (subsidiary of JIL Information Technology Limited)
11. Jaypee International Logistics Company Private Limited (subsidiary of Jaypee Infra Ventures)
12. Tiger Hills Holiday Resort Private Limited (subsidiary of Jaypee Development Corporation Ltd)
13. Anvi Hotels Private Limited (subsidiary of Jaypee Infra Ventures)
14. RPJ Minerals Pvt. Limited
15. Sarveshwari Stone Products Private Limited (subsidiary of RPJ Minerals Private Limited)
16. Rock Solid Cement Limited (subsidiary of RPJ Minerals Private Limited)
17. Sonebhadra Minerals Pvt. Limited
18. Jaiprakash Kashmir Energy Limited
19. Indesign Enterprise Private Limited (subsidiary of Jaypee Infra Ventures)

The Following are the details of transactions with the related parties:

(₹ in Lakhs)

Particulars	Referred in (I) above	Referred in (II) above
<b>Bank Guarantee Commission Paid</b>	-	111.23 (112.41)
<b>Outstanding Creditors</b>	-	-- (28.07)
<b>Outstanding Receivables</b>	-	36.84 --
<b>Guarantees provided discharged during the year:</b> Second Charge on the Assets of the Company in favour of IDBI Trusteeship Services Limited for Financial Assistance provided by the bank(s) to Jaiprakash Power Ventures Limited as referred to in (I)above	75,000 (-)	-
<b>Guarantees provided outstanding:</b>	-	-
a)Second Charge on the Assets of the Company in favour of IDBI Trusteeship Services Limited for Financial Assistance provided by the bank(s) to Jaiprakash Power Ventures Limited as referred to in (I)above	(75,000)	-
b)Performance Bank Guarantee Given on Behalf of the Company	-	9,900 (9,900)





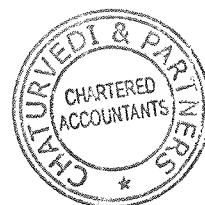
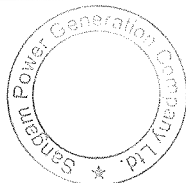
## Sangam Power Generation Company Limited

CIN - U40102UP2007PLC032843

19 Gratuity - the liability for Gratuity is provided on the basis of Actuarial Valuation made at the end of each financial year. The Actuarial Valuation is made on Projected United Credit method as per AS15 (revised). Jaiprakash Associates Limited {JAL} (the ultimate holding company) has constituted a Gratuity Fund under the name Jaiprakash Associates Employees Gratuity Fund Trust vide Trust Deed dated March 30, 2009 for JAL and its subsidiaries and appointed SBI Life Insurance Co. Ltd. for the management of the Trust Funds for the benefits of employees. As a ultimate subsidiary of JAL(The Company being subsidiary of Jaiprakash Power Ventures Limited {JPVL} and JPVL being subsidiary of JAL), the Company is participating in the Trust Fund by contributing its liability accrued upto the close of each financial year to the Trust Fund.

a. Leave Encashment-Defined Benefit Plans-Provision has been made as Actuarial valuation.

S.No.	Particulars	Non-Funded (Amount in ₹)			
		Gratuity		Leave Encashment	
		FY 2014-15	FY 2013-14	FY 2014-15	FY 2013-14
I	Expenses Recognized in the Statement of Preoperative Expenditure During Project Implementation, Pending Allocation for the Year ended March 31, 2014				
1	Current Service Cost	8,557	48,640	12,357	55,226
2	Interest Cost	14,604	45,722	15,997	49,297
3	Employee Contribution				
4	Actuarial (Gains)/Loss	(79,302)	(4,83,340)	(7,003)	(1,11,279)
5	Expected Return on Plan Assets	(949)	(871)	-	-
6	Settlement Cost	-	-	-	-
7	Total Expenses	(57,090)	(3,89,849)	21,351	(6,756)
II	Net Assets/(Liability) recognized in the Balance Sheet as at March 31, 2014				
1	Present Value of Defined Benefit Obligation	40,365	182,545	58,291	1,99,957
2	Fair Value of Plan Assets	9,701	10,548	-	-
3	Funded Status (Surplus/Deficit)	(30,664)	(1,71,997)	(58,291)	(1,99,957)
4	Excess of actual over estimated	(124)	-	-	-
5	Net Assets / (Liability) as at March 31, 2015	(30,664)	(1,71,997)	(58,291)	(1,99,957)
III	Change in Obligation during the year ended March 31, 2015				
1	Present value of Defined Benefit Obligation at the beginning of the year	1,82,545	5,71,523	1,99,957	6,16,213
2	Current Service Cost	8,557	48,640	12,357	55,226
3	Interest Cost	14,604	45,722	15,997	49,297
4	Settlement Cost	-	-	-	-
5	Past Service Cost	-	-	-	-
6	Employee Contribution	-	-	-	-
7	Actuarial (Gain)/Losses	(79,426)	(4,83,340)	(7,003)	(1,11,279)



## Sangam Power Generation Company Limited

CIN - U40102UP2007PLC032843

8	Benefit Payments	85,915	-	(1,63,017)	(4,09,500)
9	Present Value of Defined Benefit at the end of the year	40,365	1,82,545	58,291	1,99,957
IV					
Change in Assets during the year ended March 31, 2015					
1	Plan Assets at the beginning of the year	-	-	-	-
2	Assets acquired on amalgamation in the previous year	-	-	-	-
3	Settlements	-	-	-	-
4	Expected return on Plan Assets	-	-	-	-
5	Contribution by Employer	-	-	-	-
6	Actual Benefit Paid	-	-	-	-
7	Actuarial (Gains)/Losses	-	-	-	-
8	Plan Assets at the end of the year	9,701	10,548	-	-
9	Actual Return on Plan Assets	(825)	-	-	-

### Actuarial Assumptions

	FY 2014-15	FY 2013-14
(i) Discount Rate	8%	8%
(ii) Mortality	LIC (1994-96)	LIC (1994-96)
(iii) Future Salary Increase	6%	6%

20. As Commercial operations have not yet commenced, therefore there is no deferred tax liability as on March 31, 2015.
21. Previous year's figures have been regrouped/re-arranged wherever considered necessary to make them conform to the figures for the year as per Revised Schedule III of Companies Act, 2013.

As per our report even date attached

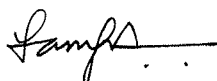
#### For CHATURVEDI & PARTNERS

Chartered Accountants  
Firm Registration No.307068E



**R N CHATURVEDI**  
Partner  
Membership No.092087

#### FOR AND ON BEHALF OF THE BOARD



**Sameer Gaur**  
Director



**G. P. Singh**  
Director

Place: Noida  
Date: May 11<sup>th</sup>, 2015



**SAMIR RAHEJA**  
Company Secretary

