

NJC HYDRO POWER LIMITED
DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2017-18

Dear Members,

Your Directors are pleased to present their Ninth (9th) Annual Report on the business and operations of the Company along with the Audited statement of accounts for the year ending 31st March, 2018.

1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

The Financial data for the current year and previous year are stated as following:

(Amt. in Rs.)

Particulars	For year ended 31 st March 2018	For year ended 31 st March 2017
Total Income	NIL	NIL
Total Expenditure	180,490	172,905
Profit/(Loss) Before Taxes	(180,490)	(172,905)
Taxes	NIL	NIL
Profit/(Loss) After Tax	(180,490)	(172,905)
Basic & Diluted EPS in Rs.	(0.0018)	(0.0017)

The Company has not yet started its commercial activities

As of 31st March, 2018, the Company's expenditure on various accounts is detailed below:

(Rs. in Lacs)

Particulars	For year ended 31st March 2018	For year ended 31st March 2017
Fixed assets excluding Capital Work in Progress	2.64	37.88
Project and Pre-Operative expenses including Capital Work in Progress	16165.42	15801.25
Capital & other advances	-	266.00
Other financial assets	0.50	0.50
Current Assets	4.18	8.62
Total	16172.75	16114.25

The Audited Financial Statements together with the Annual Reports forms part of the Annual Report. The Financial Statement of the Company has been Placed on the website of the holding company, the link of which is www.bhilwaraenergy.com and of the Company the link of which is www.njchdropower.com

2. OVERALL PERFORMANCE

During the financial year 2017-18 the Company incurred a loss of Rs. 180,490/- as against loss of Rs. 172,905 in during the previous financial year. The company has not yet started its activities due to which no operational income was generated during the year.

3. STATEMENT OF COMPANY AFFAIRS/ PROJECT STATUS AND INFORMATION

Your Company, a wholly owned subsidiary of Bhilwara Energy Limited, is having license to develop of 780 MW Nyamjang Chhu Hydro Electric Project in the state of Arunachal Pradesh. All the major clearances for the project have been obtained and some clearances are yet to be issued both at the centre and state level.

The Environmental Clearance of the project and Stage-I Forest Clearance were challenged in National Green Tribunal (NGT) in 2012 by a NGO 'Save Mon Region Federation'. NGT as per their order dated 7th April, 2016, has suspended the environment clearance accorded to the project and mandated the Ministry of Environment & Forests (MoEF & CC) to carry out the studies on "E-flow requirement for protection of Habitat of the Black Necked Crane and for the conservation of the Black Necked Crane" from Wildlife Institute of India, Dehradun. Subsequently, after completion of the studies, public hearing will be conducted before the case is considered afresh for reinstating environmental clearance. The study suggested by NGT has been awarded to Wildlife Institute of India, Dehradun by MoEF & CC and they have started the studies on the project.

Therefore, no project activities can be taken up till the issues regarding environmental clearance are settled and the environmental clearance is reinstated.

4. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

To the extent of impact of NGT judgment pronounced on 07.04.2016 (as detailed in para above), there are no such changes or commitments occurred, affecting the financial position of the Company between the end of the financial year i.e. 31st March 2018 and the date of this report.

5 SUBSIDIARIES/ ASSOCIATES/ JOINT VENTURES

The Company does not have any Subsidiary/ Associate or Joint Venture. Hence, this clause is not applicable. Accordingly, Company is not required to prepare consolidated Financial Statements and Form AOC-1 as prescribed in section 129(3) of the Companies Act, 2013.

6. DIVIDEND

Due to losses, your Director's do not propose any dividend for the financial year under review.

7. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

The Company has internal financial controls in place with reference to the Financial Statements commensurate with the size and nature of its business. An internal audit program covers various activities and periodical reports are submitted to the management. The Audit Committee reviews financial statements, internal audit reports along with internal control systems. During the year under review, these controls were evaluated and no significant weakness was identified in the operations of control. The Company has a well defined organizational structure, internal rules and guidelines for conducting business transactions.

8. PERSONNEL

(a) Industrial Relation

The Industrial Relations during the period under review generally remained cordial without any untoward incidents.

(b) Particulars of Employees

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as **Annexure - I**.

9. PUBLIC DEPOSITS

The details in regard to deposits, covered under Chapter V of the Companies Act, 2013 are mentioned hereunder;

a) Amount accepted during the year	Nil
b) Amount remained unpaid or unclaimed as at the end of the year	Nil
c) Default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	
i) at the beginning of the year	-N/A-
ii) maximum during the year	-N/A-
iii) at the end of the year	-N/A-

The company does not have deposits which are in contradiction of Chapter V of the Act.

Your Company has not invited any deposits from public/shareholders in accordance with Chapter V of the Companies Act, 2013.

10. RESERVES

No amount was required to be transferred to Reserve.

11. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Environmental Clearance of the project and Stage-I Forest Clearance were challenged in National Green Tribunal (NGT) in 2012 by a NGO 'Save Mon Region Federation'. NGT as per their order dated 7th April, 2016, has suspended the Environment Clearance accorded to the project and mandated the Ministry of Environment & Forests (MoEF & CC) to carry out the studies on "E-flow requirement for protection of Habitat of the Black Necked Crane and for the conservation of the Black Necked Crane" from Wildlife Institute of India, Dehradun. Subsequently, after completion of the studies, public hearing will be conducted by Ministry of Environment & Forests (MoEF & CC) before the case is considered afresh by Environment Assistance Committee for reinstating environmental clearance. The study suggested by NGT has been awarded to Wildlife Institute of India, Dehradun by MoEF & CC and they have started the studies on the project.

The impact of the studies on the Going Concern Status and Company's Operation in Future will be ascertained only on the outcome of the studies as mentioned above.

12 Corporate Social Responsibility

The company does not fit into the criteria as specified under section 135 for making investment in CSR Activities so the disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable.

13 Share Capital

A) Issue of equity shares with differential rights

During the financial year 2017-18, no equity shares have been issued with differential rights.

B) Issue of sweat equity shares

During the financial year 2017-18, no sweat equity have been issued.

C) Issue of employee stock options

During the financial year 2017-18, no equity shares have been issued under employee stock option scheme/ employee stock purchase scheme.

D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees

During the Financial Year 2017-18 no provision of money was made by the company for purchase of its own shares by employees or by trustees for the benefit of employees so the provisions as provided in rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 are not applicable.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information with regard to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given as **Annexure II** forming part of this Report.

15 DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, Mr. Rishabh Jhunjunwala (DIN: 03104458) and Mr. Om Prakash Ajmera (DIN: 00322834) shall retire by rotation in the forthcoming Annual General Meeting and being eligible shall offer themselves for reappointment. The Board recommends their reappointment.

During the year, the following changes occurred in the KMP's:

➤ RE-APPOINTMENT OF MANAGER (KMP)

During the Financial Year under review, Mr. Jainender Kardam was re-appointed as the Manager in terms of Section 2(53) of the Companies Act, 2013 by the Board in their meeting held on 22nd March, 2018 and subsequently approved by the Shareholders at an Extra Ordinary General Meeting held on 28nd March, 2018 for a period of one year commencing from 01st April, 2018 to 31st March, 2019 and was designated as the Key Managerial Personnel of the Company as required under Section 2(51) of the Companies Act, 2013.

Declaration of Independence

Your Directors further inform the members that declarations under section 149(7) of the Companies Act, 2013 have been taken from each Independent Director/s at the beginning of the financial year stating that they meet the criteria of Independence as specified under sub-section (6) of Section 149 of Companies Act, 2013.

16 MEETINGS OF THE BOARD

The Board of Directors met four (4) times during the financial year 2017-18. The meetings were held on 10th May, 2017, 22nd August, 2017, 4th December, 2017 and 22nd March, 2018 respectively.

The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

The composition and the attendance for the above mentioned meetings are as follows:

S. No.	Name Of The Director	Designation	Category	No. Of Meetings entitled to attend	No. Of Meetings Attended
1.	Mr. Riju Jhunjhunwala	Director	Non-Executive Director	4	4
2.	Mr. Rishabh Jhunjhunwala	Director	Non-Executive Director	4	4
3.	Mr. Om Prakash Ajmera	Director	Non-Executive Director	4	4
4.	Ms. Niharika Bindra	Director	Non-Executive Independent Director	4	4
5.	Mr. Pradeep Agarwal	Director	Non-Executive Independent Director	4	4

17 AUDIT COMMITTEE

During the financial year 2017-18, the Audit Committee reviewed the Company's financial results, Internal Control Systems, Risk and Internal Audit Reports. The proceedings of the Committee have been in accordance with the provisions of the Companies Act, 2013 and Rules made thereunder.

All the recommendations of the Audit Committee were accepted by the Board during the financial year 2017-18. Majority of the members of the Committee possess knowledge of corporate finance, accounts and corporate laws.

During the year four Audit Committee Meetings were held on 10th May, 2017, 22nd August, 2017, 4th December, 2017 and 22nd March, 2018 respectively.

The Company Secretary acts as the secretary to the Committee.

The composition and attendance of Audit Committee held during the year is mentioned as below:

S. No.	Name of the Member	Designation	Category	No. Of Meetings entitled to attend	No. Of Meetings Attended
<u>1.</u>	Mr. Om Prakash Ajmera	Chairperson, Member	Non-Executive Director	4	4
<u>2.</u>	Ms. Niharika Bindra	Member	Non-Executive Independent Director	4	4
<u>3.</u>	Mr. Pradeep Agarwal	Member	Non-Executive Independent Director	4	4

18 NOMINATION AND REMUNERATION COMMITTEE MEETING

During the year one Nomination and Remuneration Committee meeting was held on 22nd March, 2018.

The Company Secretary acts as the Secretary to the Committee.

The composition and attendance of Nomination and Remuneration Committee meetings held during the year is mentioned as below:

S. No.	Name of the Member	Designation	Category	No. Of Meetings entitled to attend	No. Of Meetings Attended
<u>1.</u>	Mr. Om Prakash Ajmera	Chairperson, Member	Non-Executive Director	1	1
<u>2.</u>	Mr. Riju Jhunjhunwala	Member	Non-Executive Director	1	1
<u>3.</u>	Ms. Niharika Bindra	Member	Non-Executive Independent Director	1	1
<u>4.</u>	Mr. Pradeep Agarwal	Member	Non-Executive Independent Director	1	1

19 MEETING OF THE MEMBERS

The Eighth (8th) Annual General meeting of the members was held on 29th September, 2017.

One Extra Ordinary General meeting of the Company was held on 28th March, 2018.

20 MEETING OF THE INDEPENDENT DIRECTORS

During the year under review, One Independent Director Meeting was held on 22nd March, 2018. Independent Directors met without the attendance of Non Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

21 PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the contracts/arrangements/transactions entered into by the Company during the financial year with the related parties were on arm's length basis and were in the ordinary course of the business.

Your company has not entered into any transaction with the related parties which could be considered material in terms of Section 188 of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

22 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Provision of section 186 of the Companies Act, 2013 with respect to loans, guarantees and security is not applicable since the Company is engaged in providing Infrastructural Facilities and is exempt under section 186 of the Companies Act, 2013. The Company has not made any investments in terms of Section 186 of the Companies Act, 2013.

23 BOARD EVALUATION

Pursuant to the provisions of section 134 (3) (p) of the Companies Act, 2013, the annual evaluation has been made of the Board, its committees and individual directors. The manner of evaluation is mentioned in the Nomination & Remuneration Policy which forms part of the Board Report.

Your Directors express their satisfaction with the evaluation process and inform that the performance of the Board as a whole, its Committees and its member individually was adjudged satisfactory.

24 BUSINESS RISK MANAGEMENT

The objective of risk management at the Company is to protect shareholder value by minimizing threats or losses and identifying and maximizing opportunities. An enterprise wide risk management framework is applied so that effective management of risk is an integral part of every employee's job.

The Audit Committee of the Company oversees the Risk functions. The Company's risk management strategy is integrated with the overall business strategies of the organization and is communicated throughout the organization. Risk management capabilities aide in establishing competitive advantage and allow management to develop reasonable assurance regarding the achievement of the Company's objectives.

The effectiveness of risk management strategies is monitored both formally and informally by Management. There is no major risk which may threaten the existence of the Company.

25 NOMINATION & REMUNERATION POLICY

Pursuant to the provisions of section 178 of the companies act, 2013 the board of directors on the recommendation of the nomination and remuneration committee has framed a policy for the appointment of directors and senior management of the company and their remuneration. The policy forms part of the board report as **Annexure-III** and has been Placed on the website of the holding

company, the link of which is www.bhilwaraenergy.com and of the Company the link of which is www.njchdropower.com

26 STATUTORY AUDITORS

At the Sixth (6th) Annual General Meeting held on 30th September, 2015, **M/s S. S. Kothari Mehta & Co., Chartered Accountants, (Firm Registration No.000756N)**, were appointed as the Statutory Auditors of the Company to hold office till the conclusion of the Tenth (10th) Annual General Meeting to be held in the Calendar Year, 2019, subject to ratification at every Annual General Meeting.

Your Directors inform the members that in accordance with the amendment notified by MCA on 7th May, 2018, the requirement of ratification of the appointment of Statutory Auditors at every Annual General Meeting has been omitted and is no longer required. Accordingly, the notice convening the ensuing Annual General Meeting does not carry resolutions with regard to ratification of appointment of Statutory Auditors.

The observations of the Auditors, if any, are explained wherever necessary, in the appropriate notes to the accounts. The Auditors' Report does not contain qualification, reservation or adverse remark.

27 REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor and the Internal Auditor had reported any matter under Section 143 (12) of the Companies Act, 2013, therefore, no detail is required to be disclosed under 134(3) (ca) of the Companies Act, 2013.

28 AUDITORS' REMARKS

The Auditors' Report read along with notes to accounts is self explanatory and therefore does not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remarks.

29 SECRETARIAL AUDITOR

In terms of Section 204 of the Act and Rules made there under, M/s. M. L. Sharma & Company, Company Secretaries have been appointed as Secretarial Auditors of the Company for the financial year 2017-18. The Secretarial Auditor has given their report for the financial year 2017-18.

The report of the Secretarial Auditors is annexed to this report as **Annexure IV**.

The Secretarial Audit Report confirms that the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

The Board has re appointed M/s. M.L.Sharma & Co., Company Secretaries in practice as Secretarial Auditor of the Company for the financial year 2018-19.

30 INTERNAL AUDITOR

Based on the Audit Committee recommendations, the Board has appointed **M/s BGJC & Associates, LLP Chartered Accountants (Firm Registration No. 003304N)** as its Internal Auditor for the financial year 2018-19. During the year, the Company continued to implement the suggestions and recommendations of M/s KRA & Associates (Internal Auditor for 2017-18) to improve the control environment.

31 EXTRACT OF THE ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in form **MGT 9 as Annexure V** is annexed hereto. The Annual Return and extract of Annual Return in Form in Form MGT 9 is also placed on the website of the holding Company www.bhilwaraenergy.com and of the Company www.njchdropower.com

32 DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge state the following:

- i. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- ii. that such accounting policies had been selected and applied consistently and judgment and estimates have been made that are reasonable & prudent to give a true and fair view of the state of affairs of the company as at 31st March, 2018 and of the Profit & Loss of the company for the year ended on that date;
- iii. that the proper and sufficient care has been taken 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;
- iv. that the annual financial statement has been prepared on a going concern basis;
- v. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- vi. that the Company had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

33 GENERAL DISCLOSURES

- The Company has a group policy in the name and in place against Sexual Harassment in line with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition and redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding the sexual harassment. The Company has complied with the provisions relating to constitution of Internal Complaints Committee under sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. No complaints were received during the financial year 2017-18.
- The financial year of the Company was same as of previous year.
- The Company has not change the name and its nature of business since last year.
- To the best of our knowledge and belief there has been no instance of fraud that has occurred or reported in the Company, during the financial year 2017-18.
- The Company is in compliance of all applicable secretarial standards issued by The Institute of Company Secretaries of India from time to time.
- The Company is not required to maintain the cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013, and accordingly such Accounts and records are not made and maintained by the Company.
- The Company has made the necessary disclosure as per rule 8(5) of companies' accounts rules 2014.

34 ACKNOWLEDGEMENTS

Your Company has acknowledged the assistance and continued support provided by the Ministry of Power, Ministry of Environment and Forests (Government of India), Central Electricity Authority, Government of Arunachal Pradesh, other government agencies. Your Directors' also like to express great appreciation for the commitment and contribution of its employees at all levels.

Your Directors' also show their gratitude and record the appreciation towards all the Shareholders and all the members of the Company for their inbuilt faith and confidence reposed by them in the Company.

DATE: 14th August, 2018

PLACE: Noida (U.P.)

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

NJC HYDRO POWER LIMITED

RIJU JHUNJHUNWALA

DIRECTOR

DIN: 00061060

OM PRAKASH AJMERA

DIRECTOR

DIN: 00322834

ANNEXURE-I TO THE BOARD'S REPORT

The information of employees as prescribed under the provisions of Section 197 read with Rule 5, sub rule 2 & 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 under the Companies Act, 2013, who were employed throughout or for a part of the financial year under review is given as under:

NJC HYDRO POWER LIMITED											
(A) Names of the top ten employees in terms of remuneration drawn											
S. No.	Name of Employee	Designation	Remuneration	Qualification	Experience	Age	Date of Commencement of Employment	Last Employment held at	Shareholding in the Company	Nature of employment	Whether employee is relative of Director
1	Mr. Jainender Kardam	DGM Civil (Manager)	40.79 Lacs	Bachelor of Engineering (Civil) from Delhi College of Engineering in 1996 and is an MBA from Faculty of Management studies, Delhi University in 2003.	22 Years	44 Years	01.04.2012	Indo Canadian Consultancy Services Limited	Nil	Permanent	NO
2	*Mr. Ravi Gupta	Company Secretary	NIL	FCS, LLB.	18 Years	40 Years	27.03.2015	Bhilwara Energy Limited	NIL	Permanent	NO
4	**Mr. Krishna Prasad	CFO(Assistant General Manager Finance)	NIL	B.Com(H); ACA	17 Years	44 Years	18.03.2016	Lanco Mandakini Hydro Energy Pvt. Ltd.	NIL	Permanent	NO
5	Mr. Arjun Tamang	Sr. Executive Liasion	6.44 Lac	12th Pass; Diploma in short Hand Typing	14 Years	40 Years	01.01.2007	Self Employed	NIL	Permanent	NO
6	Mr. Temrin Tsering	Public Relation Officer	3.81 Lac	B.A.	6 Years	32 Years	01.04.2012	N.A.	NIL	Permanent	NO
(B) Names of every employee whose remuneration falls under limit prescribed in Rule 5(2) of the Companies (Appointment and											
S. No.	Name of Employee	Designation	Remuneration (in Rs. millions)	Qualification	Experience	Age	Date of Commencement of Employment	Last Employment held at	Shareholding in the Company	Nature of employment	Whether employee is relative of Director
1	-	-	-	-	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-	-	-	-	-
Notes:											
*Mr. Ravi Gupta is also the Company Secretary of the Holding Company M/s Bhilwara Energy Limited and is paid remuneration from the Holding Company M/s Bhilwara Energy Limited.											
**Mr. Krishna Prasad is also the CFO of the Holding Company M/s Bhilwara Energy Limited and is paid remuneration from the Holding Company M/s Bhilwara Energy Limited.											

ANNEXURE-II TO THE BOARD'S REPORT**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of Energy:

- (i) the steps taken or impact on conservation of energy : N.A.
(ii) the steps taken by the Company for utilising alternate sources of energy : N.A.
(iii) the capital investment in energy conservation equipments : N.A.

(B) Technology Absorption

- (i) the efforts made towards technology absorption : N.A.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution : N.A.
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) : N.A.
(a) the details of the technology imported : N.A.
(b) the year of import : N.A.
(c) whether the technology been fully absorbed : N.A.
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof : N.A.
(iv) the expenditure incurred on Research and Development : N.A.

(C) Foreign exchange earnings and Outgo:

Foreign Exchange outgo during the year in terms of actual outflows during the year have been mentioned below:

(in Rs. millions)

S. No.	Particulars	2017-18	2016-17
I	Foreign Exchange Outgo	-	-
	Import of Components/Spares (CIF value)	-	-
	Travelling	-	-
	Professional Expenses	-	-
	Consultancy Charges	-	-
	Fees and Subscription	-	-
	Total	-	-
II.	Foreign Exchange Earnings	-	-
	Total	-	-

ANNEXURE-III TO THE BOARD'S REPORT

NOMINATION AND REMUNERATION POLICY

1. OBJECTIVE

The Key Objectives of the Committee would be:

- i. to guide the Board in relation to appointment, appraisal and removal of Directors, Key Managerial Personnel and Senior Management.
- ii. to evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- iii. to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

2. DEFINITIONS

a) **Key Managerial Personnel:** Key Managerial Personnel means:

- i. Chief Executive Officer or the managing director or the manager;
- ii. Company Secretary,
- iii. Whole-time Director;
- iv. Chief Financial Officer; and
- v. such other officer as may be prescribed.

b) **Senior Management:** Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional and departmental heads.

3. ROLE OF COMMITTEE

The role of the Committee inter alia will be the following:

- i. to formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- ii. to recommend to the Board the appointment and removal of Senior Management
- iii. to carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance.
- iv. to recommend to the Board on:
 - policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management, and
 - Executive Directors remuneration and incentive.
- v. to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- vi. ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks,

- vii. to devise a policy on Board diversity;
- viii. to develop a succession plan for the Board and to regularly review the plan;

4. MEMBERSHIP

- a) The Committee shall at any point of time consist of a minimum 3 or more non-executive directors out of which not less than one half shall be independent directors. (This clause shall be applicable as and when required no. of Independent Director shall be appointed).
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRMAN

- a) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- b) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- c) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

9. VOTING

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

10. NOMINATION DUTIES OF COMMITTEE

The duties of the Committee in relation to nomination matters include:

- i. Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness;

- ii. Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;
- iii. Identifying and recommending Directors who are to be put forward for retirement by rotation.
- iv. Determining the appropriate size, diversity and composition of the Board;
- v. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- vi. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- vii. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- viii. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- ix. Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- x. Recommend any necessary changes to the Board.
- xi. Considering any other matters as may be requested by the Board; and

11. REMUNERATION DUTIES OF COMMITTEE

The duties of the Committee in relation to remuneration matters include:

- i. to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- ii. to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- iii. to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- iv. to consider any other matters as may be requested by the Board.
- v. Professional indemnity and liability insurance for Directors and senior management.

12. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee. Minutes of the Committee meetings will be tabled at the subsequent Board Meeting.

ANNEXURE-IV TO THE BOARD'S REPORT**Form No. MR-3****SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31st March, 2018.

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

To,
The Members,
NJC Hydro Power Limited
CIN:U40101DL2009PLC196998

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NJC Hydro Power Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **NJC Hydro Power Limited** for the financial year ended on 31st March, 2018, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under: **(Applicable)**
- (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)**
- (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)**

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations 2015(**Not Applicable**)
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. (**Not applicable**)
- (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011; (**Not applicable**)
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (**Not applicable**)
- (e) The Securities and Exchange Board of India (Employee Stock option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (**Not Applicable**)
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not Applicable**)
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (**not applicable**)
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**not applicable**)
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (**not applicable**)

We have also examined the compliances with the applicable clauses of the Followings:

- (j) Secretarial Standards issued by the Institute of Company Secretaries of India (Notified and effective from 1st July, 2015.)

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

Other Laws those are specifically applicable to the Company, as identified on the basis of the representation given by the Management:

- The Electricity Act, 2003.
- The Sexual Harassment of women at work place (Prevention , Prohibition and Redressal) Act, 2013.

We further report that:-

All decisions at the Board Meetings and Committee Meetings were 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. There was no dissenting vote for any matter.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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 in case of shorter notice, proper consent of all directors is being procured 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.

We 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.

We further report that during the audit period there were no other specific events/actions in pursuance to the above referred Laws, Rules, Regulations, Guidelines, Standards etc. having a major bearings on the Company's affairs.

Place : Delhi

Signature:

Date : 27th July,2018

For M. L. Sharma & Company

(Manohar Lal Sharma)

Prop.

FCS No.: 8241

C. P. No:6823

Note: This report is to be read with our letter of even date which is annexed as 'Annexure-A' and forms an integral part of this report.

Annexure 'A' to the Secretarial Audit Report

**To,
The Members,
NJC Hydro Power Limited
CIN:U40101DL2009PLC196998.**

Our report of even date is to be read along with this letter

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company since the same have been subject to review by the Statutory Auditors.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place : Delhi
Date : 27th July,2018

Signature:

For M. L. Sharma & Company

(Manohar Lal Sharma)

Prop.

FCS No.: 8241

C. P. No:6823

ANNEXURE-V TO THE BOARD'S REPORT
FORM NO. MGT.9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	U40101DL2009PLC196998
ii)	Registration Date	16-12-09
iii)	Name of the Company	NJC HYDRO POWER LIMITED
iv)	Category / Sub-Category of the Company	Public Company/ Limited by shares
v)	Address of the registered office and contact details	Bhilwara Bhawan, 40-41, Community Centre, New Friends Colony, New Delhi, Delhi-110065
vi)	Whether Listed Company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any-	N.A

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:-

S.I. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Hydro Power	35101	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	M/s Bhilwara Energy Limited	U31101DL2006PLC148862	Holding Company	100%	2(46)

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

Category of Shareholders	No. of Shares held at the beginning of the				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a. Individual/HUF	-	6	6	0.000006	-	6	6	0.000006	NIL
b. Central Govt	-	-	-	-	-	-	-	-	-
c. State Govt (s)	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	-	99,999,994	99,999,994	99.99999	-	99,999,994	99,999,994	99.99999	NIL
e. Banks / FI	-	-	-	-	-	-	-	-	-
f. Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	100,000,000	100,000,000	100%	-	100,000,000	100,000,000	100%	NIL
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	100,000,000	100,000,000	100%	-	100,000,000	100,000,000	100%	NIL
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal capital in excess of Rs 1 Lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	100,000,000	100,000,000	100%	-	100,000,000	100,000,000	100%	NIL

The six shares are jointly held with M/s Bhilwara Energy Limited. (Promoter of the Company), the Beneficial Interest of which is with M/s Bhilwara Energy Limited (Promoter Company).

(II) SHAREHOLDING OF PROMOTERS

S.I. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of 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	% change in share holding during the year
1	M/s Bhilwara Energy Limited	100,000,000	100	-	100,000,000	100	-	NIL

*Out of 100,000,000 shares of Rs. 10 each, 6 equity shares are held jointly by the individuals and M/s Bhilwara Energy Limited, the beneficial interest of which is with M/s Bhilwara Energy Limited.

(III) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)

S.I. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	No Change			
2	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease(e.g. allotment/ transfer/ bonus/sweat equity etc):	No Change			
4	At the End of the year (or on the date of separation, if separated during the year)	No Change			

(IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

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

(V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

S.I. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year					
	Date wise Increase / Decrease in Share holding during the year/specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO SHARES WERE HELD BY DIRECTORS/KMP'S			
At the End of the year					

V. INDEBTEDNESS

INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT

(Amt. in crores)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	61.68	-	61.68
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	61.68	-	61.68
Change in Indebtedness during the financial year				
• Addition	-	0.64	-	0.64
• Reduction	-			
Net Change	-	0.64	-	0.64
Indebtedness at the end of the financial year				
i) Principal Amount	-	62.32	-	62.32
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	62.32	-	62.32

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

S.I. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (in Rs. Millions)
		Mr. Jainender Kardam (Manager)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	40.79	40.79
	(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)	40.79	40.79
	Ceiling as per the Act	60 Lakhs	60 Lakhs

B. REMUNERATION TO OTHER DIRECTORS:

S.I. no.	Particulars of Remuneration	Name of Directors			Total Amount
		Ms. Niharika Bindra	Mr. Pradeep Agarwal		
1	Independent Directors	Ms. Niharika Bindra	Mr. Pradeep Agarwal		-
	• Fee for attending board committee meetings	-	-		-
	• Commission	-	-		-
	• Others, please specify	-	-		-
	Total (1)	-	-		-
2	Other Non-Executive Directors	Mr. Riju Jhunjunwala	Mr. Rishabh Jhunjunwala	Mr. Om Prakash Ajmera	-
	• 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	-	-	-	-

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

S.I. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Ravi Gupta (Company Secretary)	Mr. Krishna Prasad (CFO)	Total
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	-	-	-

- The remuneration of KMPs (CFO & CS) is being drawn from the Holding company M/s Bhilwara Energy Limited.

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)
A. COMPANY					
Penalty			NONE		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NONE		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NONE		
Punishment					
Compounding					